2024

INTEGRATED REPORT
AND FINANCIAL STATEMENTS

EQUITY

Our core values

- P Professionalism
- I Integrity
- C Creativity & innovation
- T Teamwork
- U Unity of purpose
- R Respect & dignity for the customer
- E Effective corporate governance

Navigating our report

- 👆 Online information
- 🔍 Linked information
- 📝 Supplementary information

Our capitals

- HC Human capital
- SRC Social and relationship capital
- MC Manufactured capital
- FC Financial capital
- NC Natural capital
- IC Intellectual capital

Our strategic focus areas

- FA1 Non-funded income growth
- FA2 Treasury efficiency
- FA3 Geographical expansion and business diversification
- FA4 Balance sheet efficiency, optimisation and agility
- FA5 Business transformation through innovation and digitisation
- FA6 Asset quality, distribution and risk mitigation
- FA7 Efficiency and cost optimisation
- FA8 Impact investment and social brand development

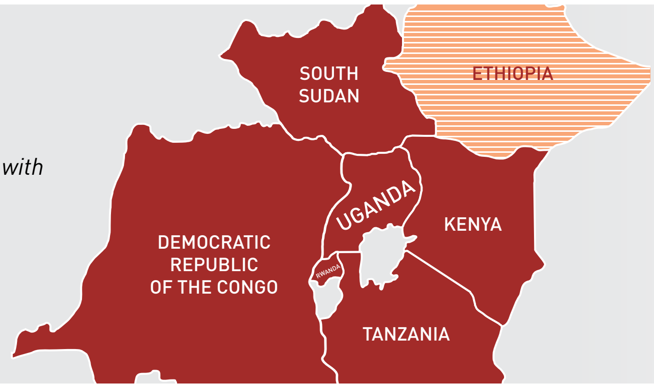
Our stakeholder groups

- SO1 Shareholders and investors
- SO2 Our customers
- SO3 Our employees
- SO4 Society and communities
- SO5 Regulators and policy-makers

At the heart of East & Central Africa's opportunities

We have spread our footprint across 7 countries and leveraged technology to innovate banking services, thus becoming closer, more convenient, and solution-oriented to each of our over 22.4 million customers through 402 branches, over 896 ATMs, more than 85,827 agents, and a network of over 1.1 million merchants.

Supporting regional business with integrated banking services



Contact any of our offices, we are regionally integrated and we will be glad to partner with you:

- Equity Bank Kenya: » info@equitybank.co.ke
- Equity Bank Tanzania: » info@equitybank.co.tz
- Equity Bank Uganda: » info@equitybank.co.ug
- Equity Bank Rwanda: » info-rwanda@equitybank.co.rw
- Equity German Desk: » germandesk@equitygroupholdings.com
- Equity Bank South Sudan: » info-southsudan@equitybank.co.ke
- Equity BCDC: » mail@equitybcdc.cd
- Equity Group Ethiopia: Representative Office: » ethiopia.rep@equitygroupholdings.com

Transforming lives, giving dignity and expanding opportunities for wealth creation

Equity Centre, 9th Floor, Hospital Road, Upper Hill | Tel: +254 763 000 000
Email: info@equitygroupholdings.com | www.equitygroupholdings.com

Equity Group Holdings Plc is regulated by the Central Bank of Kenya

EQUITY

TABLE OF CONTENTS

2024
INTEGRATED REPORT
AND FINANCIAL STATEMENTS

ABOUT THIS REPORT **5**
OUR REPORTING SCOPE AND BOUNDARY 6
MATERIALITY 6
OUR APPROACH TO THE PREPARATION OF OUR INTEGRATED REPORT 7
DIRECTORS' STATEMENT OF RESPONSIBILITY 8

WHO WE ARE **9**
UNDERSTANDING OUR CONTEXT 10
COUNTRY CONTEXT 11
OVERVIEW 17
CORPORATE PHILOSOPHIES 18
OUR CORE VALUES 18
EQUITY AT A GLANCE 19
GOVERNANCE AND RISK MANAGEMENT FRAMEWORK 20
GLOBAL RATINGS AND ACCOLADES 21
KEY ALLIANCES AND MEMBERSHIPS 22

LEADERSHIP PERSPECTIVES **24**
CHAIRMAN'S REPORT 24
GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER'S REPORT 28
GROUP BOARD OF DIRECTORS 33
GROUP EXECUTIVE MANAGEMENT 38

UNPACKING OUR STRATEGY **40**
THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP) 41
RISK STATEMENT 53
GROUP ENTERPRISE RISK MANAGEMENT FRAMEWORK 53

DELIVERING VALUE THROUGH OUR STRATEGY **56**
ARRP PROGRESS SCORECARD 57
FINANCIAL REVIEW 58
HUMAN CAPITAL 80
MANUFACTURING AND INTELLECTUAL CAPITAL 85
INTELLECTUAL CAPITAL 88
SOCIAL AND RELATIONSHIP CAPITAL 89
NATURAL CAPITAL 98
TAX SUSTAINABILITY REPORT 99

VALUE PROTECTION AND PRESERVATION **100**
CORPORATE GOVERNANCE STATEMENT 101
BOARD OPERATIONS AND CONTROL 101
STRUCTURE OF THE GROUP BOARD 102
ROLE OF THE BOARD 103
RIGHTS OF SHAREHOLDERS 112
GOVERNANCE POLICIES 112
DIRECTORS' REMUNERATION REPORT 117

FINANCIAL STATEMENTS **118**
BOARD OF DIRECTORS PROFILES **260**
SHAREHOLDER INFORMATION **284**

ABOUT THIS REPORT

ABOUT THIS REPORT

OUR REPORTING SCOPE AND BOUNDARY

Our Integrated Report covers the Financial Year from 1 January 2024 to 31 December 2024. Issued by Equity Group Holdings PLC, referred to as "Equity" or "the Group", this report updates stakeholders on our financial and non-financial performance during the reporting period. It details our strategy execution through our tri-engine business model to generate stakeholder value. It also considers key facets including our operating context, business strategy, business model, performance in the year, governance approach and risk management.

This report therefore demonstrates the ways in which we create and deliver value in the short, medium and long-term, which we define as one year, two years, five years and beyond, respectively.

MATERIALITY

We consider the concept of double materiality which includes both financial and impact perspectives. Financial materiality focuses on how sustainability matters may pose risks or opportunities that could affect a company's financial performance and position it over the short, medium, and long term. Impact materiality, on the other hand, considers the actual or potential impacts on people or the environment that are directly linked to the Group's operations and its value chain. In the integrated Report, we place greater emphasis on financial materiality and aspects of impact materiality that could affect value preservation and creation.

KEY CONCEPTS

DEFINING VALUE: Value creation results from leveraging available capitals, relationships and resources to deliver financial and non-financial results (outputs, outcomes and impacts) for stakeholders, while making strategic trade-offs. Our value creation process is embedded in our purpose and integrated into our business model.

MATERIALITY AND MATERIAL MATTERS: We assess materiality to determine the information included in our Integrated Report. This report focuses on issues, opportunities, and challenges that materially impact the Group's performance, sustainability and stakeholder value. Material matters influence our strategy and inform the report's content.

THE CAPITALS: Our relevance and ability to create long-term value depend on the forms of capitals available to us (inputs), how we use these capitals (value-adding activities), our impact on them, and the value we deliver (outputs and outcomes). We consider six essential capitals: financial, manufactured, human, social, cultural and relationship, intellectual, and natural capital.

BUSINESS MODEL: Our business model is the system through which we transform inputs, through our business activities, into outputs and outcomes to fulfil the Group's strategic intents and create value over the short, medium, and long term. In considering the business model, we also discuss our ability to adapt to changes in the availability, quality, and affordability of capitals, and how these changes may affect the Group's performance.

ABOUT THIS REPORT

OUR APPROACH TO THE PREPARATION OF OUR INTEGRATED REPORT

We apply integrated thinking in preparing our Integrated Report, involving a collaborative process across the Group. Information is drawn from Board papers, minutes, internal and external reports, stakeholder interviews including insights from materiality workshops, and management data. Responsible management members guide the process, propose report structure and concepts, and provide information and drafts. The annual financial statements are reviewed and verified by an independent assurance provider , with oversight from Executive Management and the Board of Directors.

OUR REPORTING FRAMEWORKS

Our integrated reporting is guided by the principles and requirements of the International Integrated Reporting <IR> Framework, International Financial Reporting Standard (IFRS) and the Code of Corporate Governance for Issuers of Securities in Kenya.

As a Kenyan-domiciled Group, we are a licensee of the Central Bank of Kenya (CBK) and are listed on the Nairobi Securities Exchange (NSE) and cross listed on the Uganda Securities Exchange (USE) and the Rwanda Stock Exchange (RSE). As such, in drawing up this Integrated Report, we are also guided by, and comply with:

- The Banking Act and all prudential guidelines and directions given by the CBK and other regional regulators,
- The Companies Act of 2015, (the "Act") its regulations and amendments,
- The Capital Markets Act and all subsidiary legislation,
- The NSE's rules and guidelines issued by the capital markets authorities and securities exchanges in the three markets where the Group is listed, together with any requirements, decisions, or directions given by these authorities and the exchanges,
- The Insurance Act, and its supporting regulations,
- The Retirement Benefits Act, as well as its supporting regulations, and
- All other applicable laws and regulations governing the various lines of businesses in which we are engaged.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements in respect of the Group strategy, performance, and operations as well as other geopolitical or macro-economic conditions. These forward-looking statements involve risk and uncertainty as they relate to future events and circumstances which are difficult to predict. They are thus, by definition, beyond the Group's control, and could cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

ASSURANCE

The Board of Directors ensures the integrity of the Integrated Report through adherence to our integrated reporting process, with various approvals and signoffs undertaken prior to publications by both the Management team and the Board. This process is overseen by the Board Audit Committee through deployment of our Enterprise Risk Management Framework (ERMF) and internal audit procedures. Our annual financial statements as presented in this report are assured by our external auditors.

ICONS

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 INFRASTRUCTUR
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 PARTNERSHIPS FOR THE GOALS

Tech used to realise social & environmental transformation
Extractives
Micro small and medium enterprises
Manufacturing
Logistics & route to market
Education leadership development
Energy, climate change and environment
Enterprise development and financial inclusion
Food and agriculture
Health
Social protection
Tech deployed to enable economic development
Agri business

DIRECTORS' STATEMENT OF RESPONSIBILITY

Our directors have a statutory duty to promote the success of the Group for the benefit of its stakeholders. In promoting the success of the Group, directors must have due regard for the long-term consequences of their decisions, the legitimate interests of employees, the need to foster effective business relationships with suppliers, customers and others, the impact of our operations on the community and the environment, and our desire to maintain our reputation for high standards of business conduct.

The Board is committed to ensuring that the Group complies with all laws, regulations and standards applicable to it. The Board ensures high standards and practices in corporate governance, and more specifically, that the principles, practices and recommendations set out under the Code of Corporate Governance and The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 for Issuers of Securities in Kenya (the "Code") as well as the Companies Act of 2015 CAP 486, (the "Act"), are adhered to. The Board has established internal procedures and monitoring systems to promote compliance with applicable laws, regulations and standards. The Board is also supported by duly qualified legal and compliance professionals to guide and focus the Group's compliance efforts.

The Board has overall responsibility for good corporate governance across the Group and ensures that its governance policies and mechanisms are appropriate to its structure, business and risks. The Board has ensured that there exists comprehensive governance documents and regular review and development of new and suitable ones that define the appropriate corporate governance principles that will provide fitting incentives for the Group to pursue objectives that are in its best interests, as well as those of its shareholders and other stakeholders, whilst protecting their interests. The Board further believes that this report fairly represents the Group's material matters and that it offers a balanced view of the Group's strategy, business model and their implementation.

Prof. Isaac Macharia
Chairman, Board of Directors
Equity Group Holdings PLC

WHO WE ARE

THE 2ND STRONGEST BANK BRAND IN THE WORLD (2024)

Brand Finance®

UNDERSTANDING OUR CONTEXT

COMPETITION:

The Banking sector in the region is highly competitive including competition from both local and international banks, as well as non-traditional competitors, such as Fintechs, Techfins, mobile money lenders and Telecommunications companies.

ECONOMIC CONDITIONS:

Economic stability and growth rates significantly influence the performance of the banking sector. Inflation, currency fluctuations, and GDP growth rates affect lending, borrowing, and overall financial health of banks as our performance is strongly linked to that of our customers.

TECHNOLOGICAL ADVANCEMENTS:

The rise of fintech and digital banking solutions is transforming the banking landscape. Banks continue to invest in technology to remain competitive, which can be both a challenge and an opportunity.

REGULATORY ENVIRONMENT:

The banking, insurance and digital financial services sectors are subject to stringent regulatory requirements. These regulations can impact the cost of compliance and operational flexibility. The regulatory environment is highly dynamic evolving to respond to external changes and the need to ensure financial stability.

POLITICAL STABILITY:

Political and social instability, when it occurs, leads to economic uncertainty, affecting investor confidence and the overall business environment. This impacts on the operation and performance of our businesses, constrains the performance of customers and results in investor.

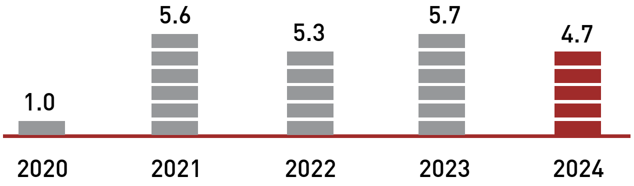
INFRASTRUCTURE:

The level of infrastructure development, including telecommunications and transportation, affects banking operations, especially in rural areas. Countries vary in this account but there is an overall need for improved infrastructure to enable accessibility.

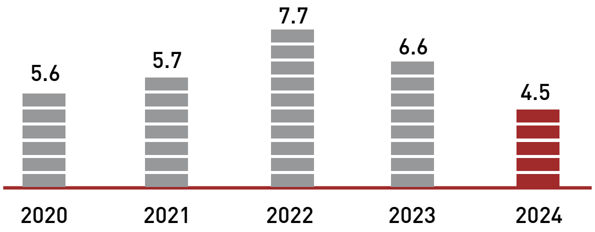
COUNTRY CONTEXT

KENYA

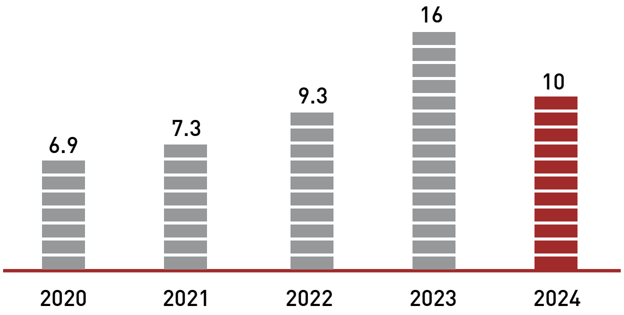
GDP GROWTH RATE (%)



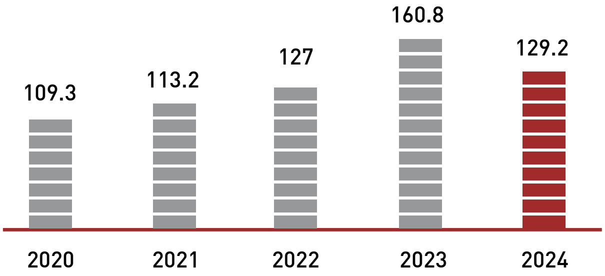
AVERAGE ANNUAL INFLATION RATE (%)



INTEREST RATES 91 DAY T-BILL (%)



EXCHANGE RATE SHS/USD



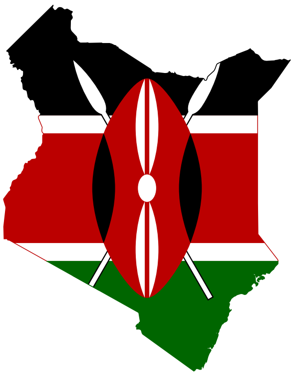
* at end of year

2024

Economic growth in Kenya moderated to 4.7% in 2024 from 5.7% in 2023. Growth was informed by hospitality, IT, the financial sector, and stable growth from agriculture. Growth laggards included manufacturing, trade and construction sectors. The Kenya Shilling appreciated to 129.2 against the US Dollar, despite some volatility earlier in the year. Headline inflation declined to 4.5% from 6.6% in 2023, mainly informed by lower food prices. The weaker growth in 2024 was informed by severe floods (April 2024), subdued business sentiment, and reduced public spending due to fiscal consolidation. Additionally, private sector credit contracted by 1.4% over the year.

OUTLOOK

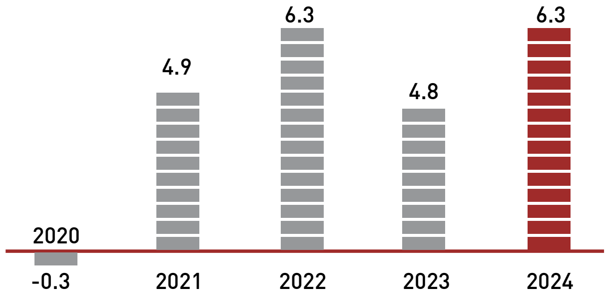
Growth in Kenya is projected at about 5.0% driven by positive performance in agriculture and services, and low inflation which is expected to sit within the target range of the Central Bank of Kenya supported by a stable exchange rate and falling oil prices. Factors to watch include the unpredictable impact of growing trade tensions on the global economy, slower global growth, and slowing global disinflation. Domestic downside pressures include conflicts in the East Africa Community and Horn of Africa, the suspension of U.S development assistance, and higher-than-expected food inflation.



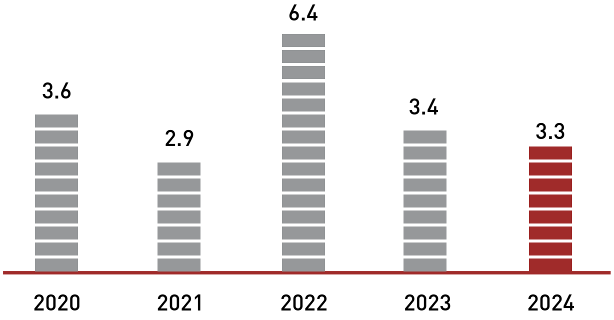
COUNTRY CONTEXT

UGANDA

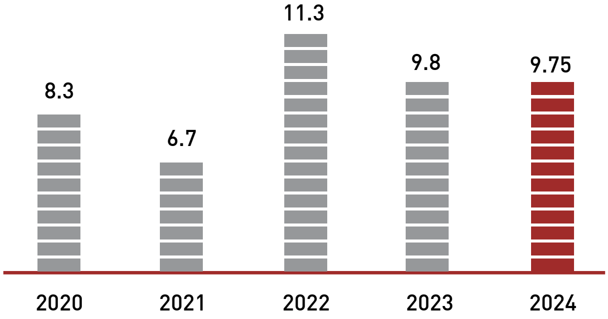
GDP GROWTH RATE (%)



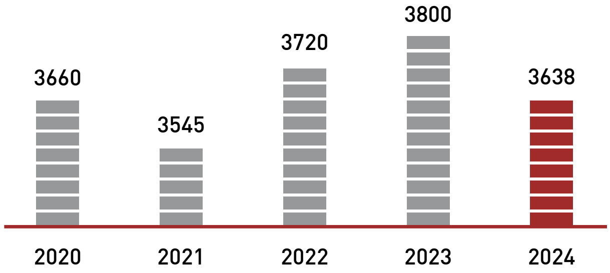
INFLATION (%)



INTEREST RATES 91 DAY T-BILL (%)



EXCHANGE RATE USHS/USD



* at end of year

2024

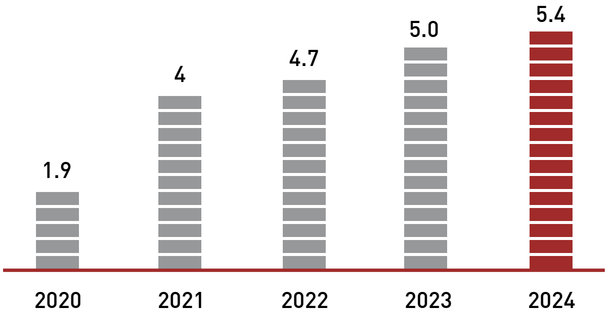
In 2024, Uganda's economy grew at 6.3% driven by a recovery in agriculture, industry, and strong export performance underpinned by coffee and gold. Continued investment into the oil and gas sector further supported growth in addition to easing inflation.

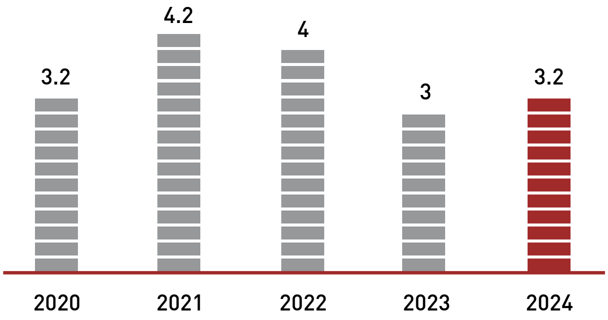
OUTLOOK

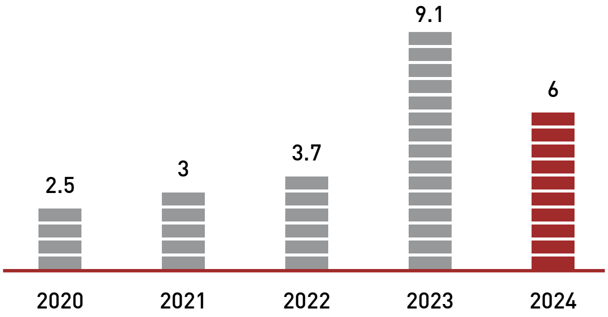
Uganda's economy is projected to grow at about 6.1% in 2025 informed by oil and gas-related foreign direct investment (FDI), agriculture, tourism, and exports (coffee and gold). Inflation is expected to stay within the target range of the Bank of Uganda supported by stable food prices and declining global oil prices. The Ugandan shilling will be supported by tourism receipts, continued FDI, and coffee and gold exports. Factors to watch include further delays in oil production, impacts of the East DRC conflict, and reduced foreign aid.

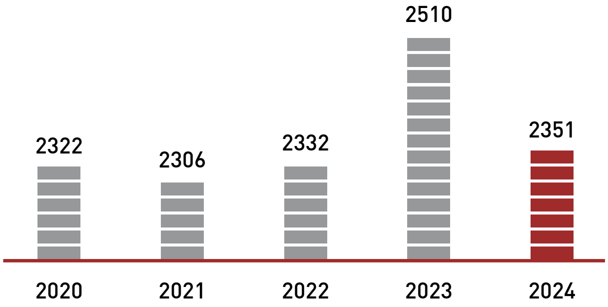
COUNTRY CONTEXT

TANZANIA


GDP GROWTH RATE (%)


AVERAGE ANNUAL INFLATION RATE (%)


INTEREST RATES 91 DAY T-BILL (%)


EXCHANGE RATE TSHS/USD

* at end of year

2024

Tanzania's economy is projected to have grown by 5.4% in 2024 supported by agriculture, construction, tourism, the financial sector and mining. Easing inflation, strong gold exports, and the management of exchange rate volatility added positive momentum to the year.

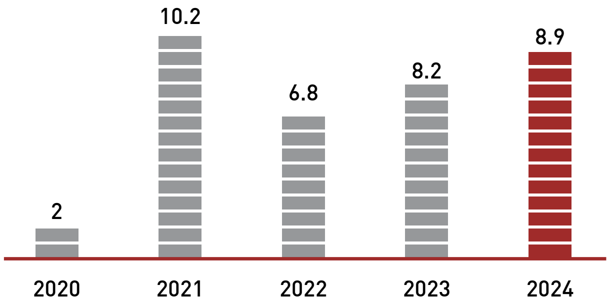
OUTLOOK

Growth is expected at 6% in 2025 driven by agriculture, tourism, infrastructure development, exports (gold and agricultural commodities), and mining-related FDI. Inflation is projected to remain around the Bank of Tanzania target of 5% informed by lower oil prices and stable food production. Factors to watch over the year include the October elections, currency volatility, and the intensification of regional conflicts.

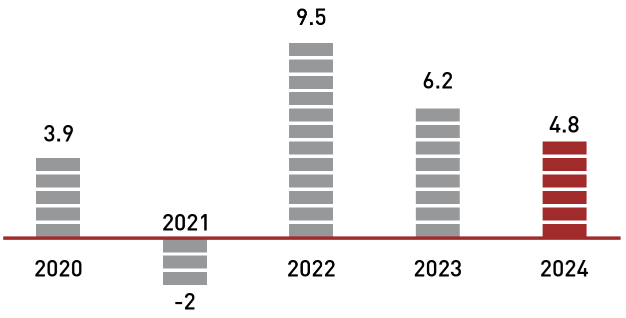
COUNTRY CONTEXT

RWANDA

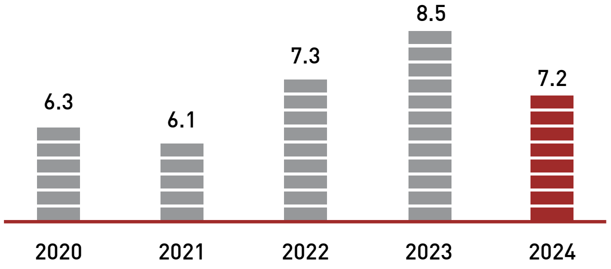
GDP GROWTH RATE (%)



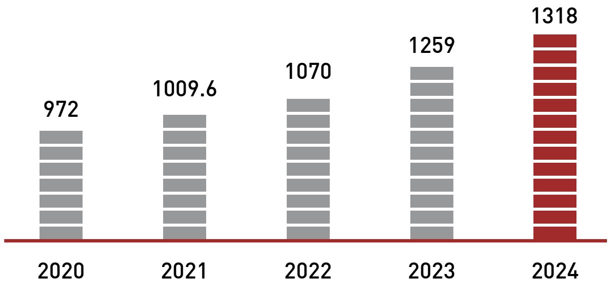
AVERAGE ANNUAL INFLATION RATE (%)



INTEREST RATES 91 DAY T-BILL (%)



EXCHANGE RATE RWF/USD



* at end of year

2024

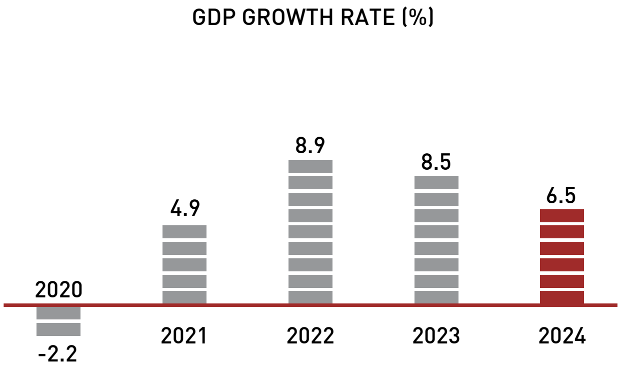
Rwanda's economy grew by 8.9% in 2024, up from 8.2% in 2023, driven by strong performance in the services and industrial sectors, each expanding by 10%, and a 5% growth in agriculture. The services sector remained the largest contributor to GDP at 48%, followed by agriculture at 25% and industry at 21%. Rwanda's overall inflation significantly eased but the exchange rate faced depreciation pressure for most of 2024.

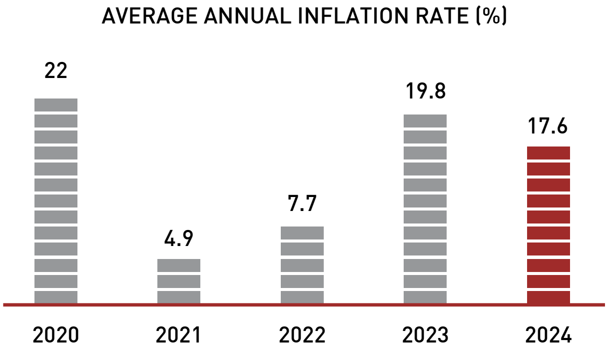
OUTLOOK

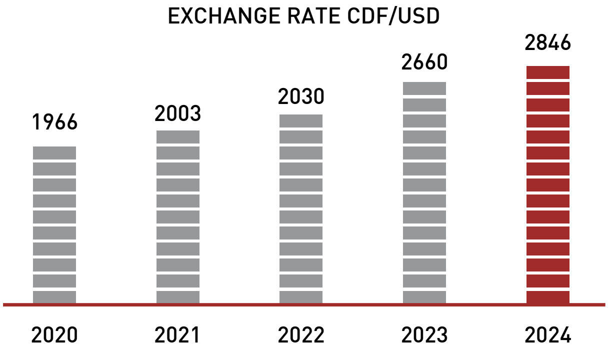
Rwanda's GDP growth is projected at 7.1% in 2025 driven by continued public investment; conducive business environment; tourism; mining and minerals; and consumption. Inflation is expected to trend higher than last year due to food inflation and exchange rate pressures. Factors to watch include the East DRC conflict and restricted access to external financing.

COUNTRY CONTEXT

DEMOCRATIC REPUBLIC OF THE CONGO







* at end of year

2024

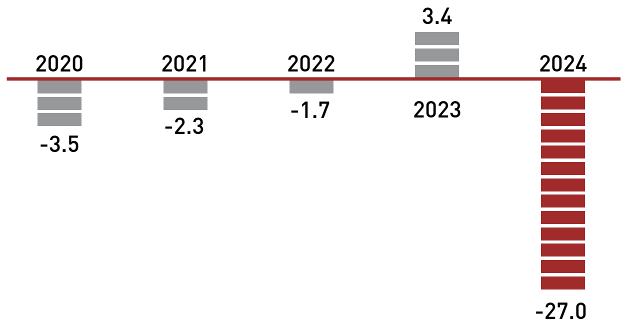
DRC's economy grew at about 6.5% in 2024 down from 8.5% in 2023. Despite the moderation, growth was broadly supported by both extractive and non-extractive sector activity. High inflation dominated for most of the year though easing to about 11.7% by end-year, still well above the Banque Centrale du Congo's (BCC) target inflation rate of 7%. In November 2024 the DRC entered into an agreement with the IMF worth US$ 2.7bn including a climate-focused arrangement.

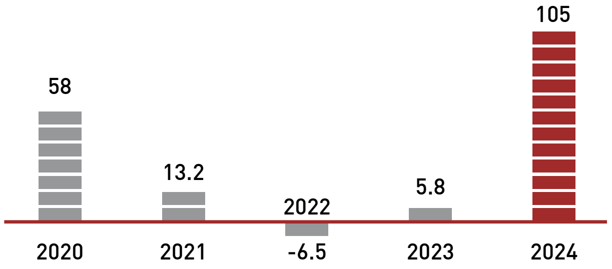
OUTLOOK

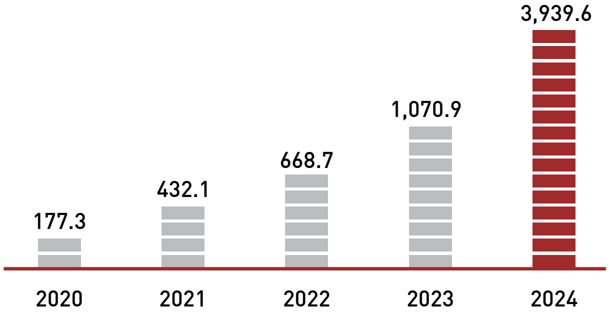
Growth is expected to moderate to 4.7% in 2025, still positively informed by mining activity; extractives-related FDI; and regional infrastructure development. Factors to watch include the conflict in the East DRC, commodity price performance (copper and cobalt), and potentially weaker exports due to domestic policies and economic slowdown in key markets.

COUNTRY CONTEXT

SOUTH SUDAN


GDP GROWTH RATE (%)


AVERAGE ANNUAL INFLATION RATE (%)


EXCHANGE RATE SSP/USD

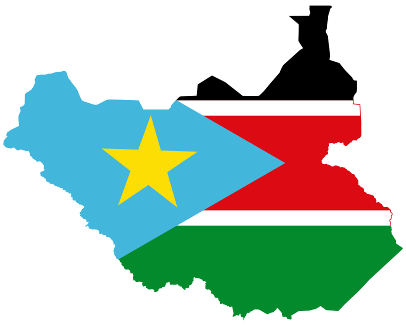
* at end of year

2024

In 2024, South Sudan's economy contracted by -27% mainly informed by shocks to oil production. Inflation stood at 105% in 2024 driven by currency depreciation, escalating conflict and supply disruptions. Additionally, South Sudan experienced severe flooding in 2024 leading to human displacement, infrastructure damage, disease outbreak, and subdued economic activity in affected areas.

OUTLOOK

In 2025, South Sudan's economic growth will continue to be volatile and reticulated through the escalation of conflict, disruption of oil production, and climate-informed crises. High inflation will persist complicated by domestic unrest which also creates a cloud over its fiscal performance. Factors to watch include falling oil prices, the impact of the suspension of US development aid, prolonged conflict, and the possibility of resumption of oil exports.



OVERVIEW

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 as well as 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.

DEPOSITS (Shs)

1,401bn

2023: 1,358bn
2022: 1,052bn

TOTAL ASSETS (Shs)

1,805bn

2023: 1,821bn
2022: 1,447bn

NET LOANS (Shs)

819.2bn

2023: 887.4bn
2022: 706.6bn

TOTAL REVENUE (Shs)

193.8bn

2023: 181.7bn
2022: 145.9bn

PROFIT BEFORE TAX (Shs)

60.7bn

2023: 51.9bn
2022: 59.8bn

SOCIAL IMPACT INVESTMENT SPEND (Shs)

89.5bn

2023: 101.8bn
2022: 72.7bn

MARKET CAPITALISATION

163.8bn

2023: 127bn
2022: 171bn

SHAREHOLDERS' FUNDS (Shs)

246.9bn

2023: 218.1bn
2022: 182.2bn

EPS (Shs)

12.3

2023: 11.1
2022: 11.9

NUMBER OF CUSTOMERS

21.6m

2023: 19.6m
2022: 17.7m

NUMBER OF EMPLOYEES

13,083

2023: 13,102
2022: 13,065

BRANCHES

399

2023: 392
2022: 358

CORPORATE PHILOSOPHIES

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

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

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

Tagline
Your Listening, Caring Partner

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

Motto
Growing Together in Trust

OUR CORE VALUES

P I C T U R E

- P – PROFESSIONALISM
- I – INTEGRITY
- C – CREATIVITY AND INNOVATION
- T – TEAMWORK
- U – UNITY OF PURPOSE
- R – RESPECT AND DIGNITY FOR THE CUSTOMER
- E – EFFECTIVE CORPORATE GOVERNANCE

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.

EQUITY AT A GLANCE

As an integrated financial services Group, we provide inclusive financial services that transform livelihoods, give dignity and expand opportunities, for consumers, businesses and communities.

EQUITY

Equity Banking Group

The leading inclusive bank in East Africa, with a strong base for pan-African growth.

Equity Insurance Group

Insurance products to deepen financial inclusion of our customers by providing cover for risk mitigation to protect their lives, wealth and health.

Equity Technology Group

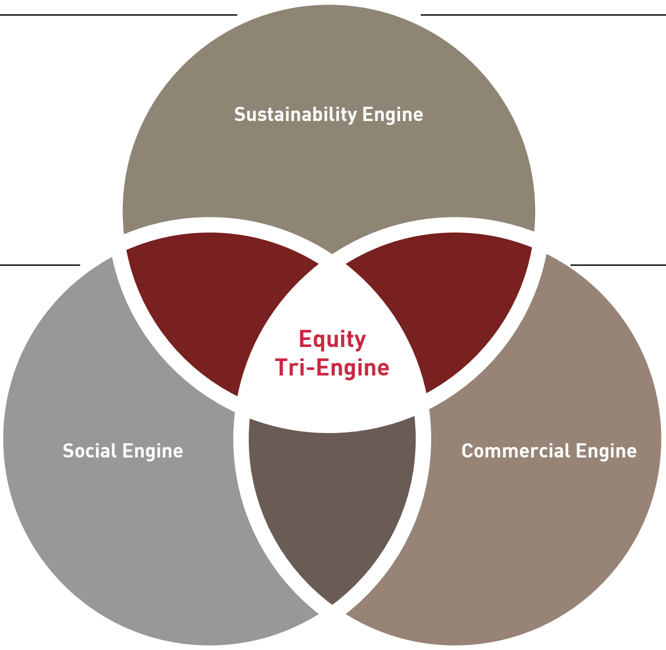
A distinctive agile, convenient and secure technology that seamlessly integrates and converges bank accounts and other financial products and services while providing value-add telecoms products and services.

Equity Group Foundation

A unique approach to impacting our communities using the Bank's existing infrastructure, enormous human capital and brand.

TRI-ENGINE MODEL

We have adopted a tri-engine model based on mutually complementary interconnection between the commercial engine, social engine and sustainability engine.



- Sustainable finance
- E&S risk management
- Sustainable governance

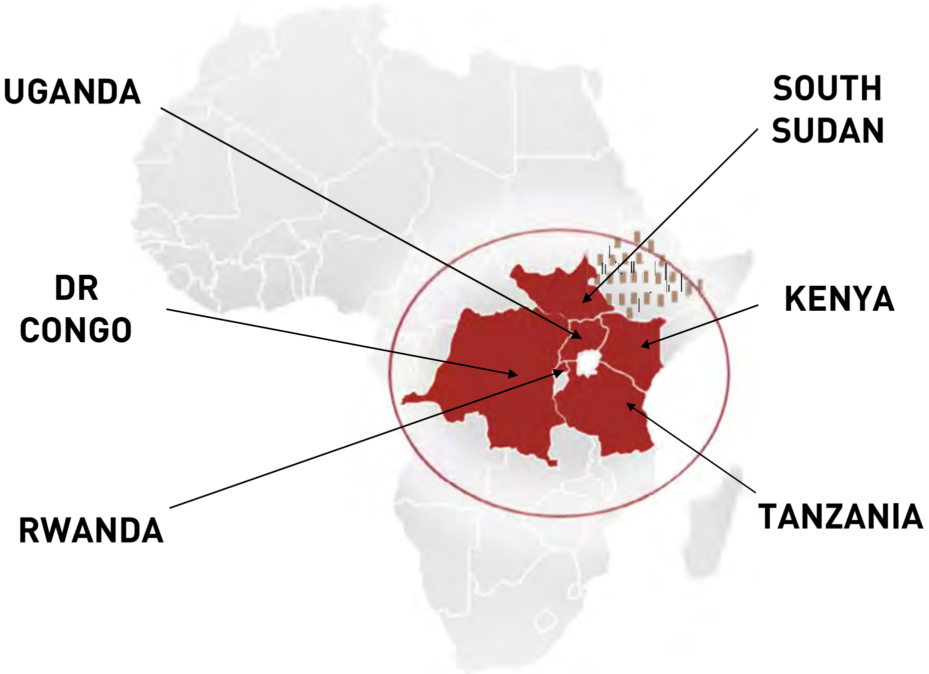
- Sustainable operations
- Climate and nature financing
- Partnership for the goals
- Sustainable supply chain

- Education and leadership development
- Food and agriculture
- Energy, Environment & Climate Change
- Innovation and technology
- Health
- Enterprise development and financial inclusion
- Social protection
- Monitoring, evaluation, reporting and finance
- Advocacy

- Borrow
- Invest
- Insure
- Move
- Save

GOVERNANCE AND RISK MANAGEMENT FRAMEWORK

We conduct our operations through strategically located banking and non-banking subsidiaries in six countries and a representative office. Our goal is to establish ourselves as the leading provider of integrated and inclusive financial services in Africa.



Equity Group

- 6 countries of operation
- 1 country (Ethiopia) with a Representative Office

Reach

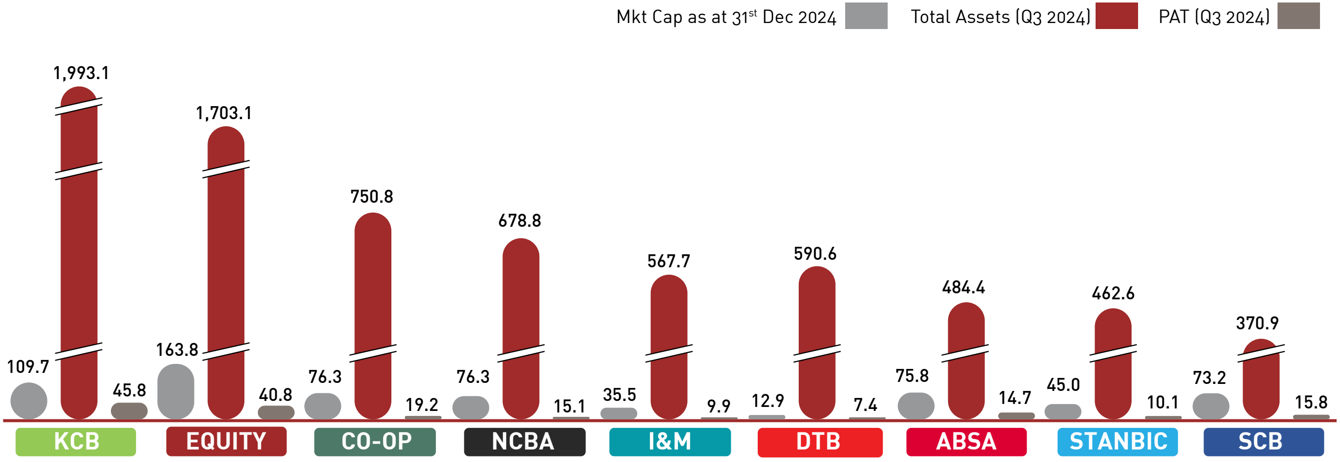
- 21.6 million customers
- 399 branches
- 13,083 employees
- 899 ATMs
- 85,080 agent outlets
- 1.1 million merchants

	Kenya	Uganda	S. Sudan	Rwanda	Tanzania	DRC
Customer accounts	14.4m	2.2m	203,840	1.5m	570,710	2.7m
Branches	216	50	5	34	15	79
Employees	7,013	1,424	149	939	501	3,057
ATMs	345	58	20	56	20	400
Agency outlets	42,622	9,193	90	4,791	5,341	23,043
Merchants	1.01m	44,102	176	14,105	3,413	3,270

BENCHMARKING AGAINST PEERS

We are a systemic bank in five of the six markets in which we operate. In Kenya, our leading market, we are a significant financial services provider in terms of profitability, market capitalisation and asset size.

Market Capitalisation as at 31 Dec 2024
(Figures in Shs Billion)



Market Capitalization Source: Business Daily January 01, 2025

GLOBAL RATINGS AND ACCOLADES

Equity Ranked the 2nd Strongest Banking Brand in the World 2024

Banking 500 2024

Brand Finance®

The Most Valuable and Strongest Banking Brands

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 the last year's brand value of USD 428 million to USD 450 million (Shs. 64 billion)

BRAND AFRICA
Top 10 Most Admired Brands Financial Services

GLOBAL RATINGS AND ACCOLADES (continued)

EUROMONEY AWARDS 2024

- Best Bank for Corporate Responsibility in Africa
- Best Bank for Corporate Responsibility in Kenya
- Overall Best Bank in Kenya
- Best Bank for SMEs in Kenya

FiRe FINANCIAL REPORTING AWARD 2024

- Governance - Position 2
- Integrated Reporting - Position 3
- ESG Reporting & GRI Standards - Position 3

GCR GLOBAL CREDIT RATING CO. Local Expertise • Global Presence 2024

- Long term rating: AA-
- Short term Rating: A1+
- Rating Outlook: Stable

Think BUSINESS Knowledge for a Competitive Edge

BANKING AWARDS 2024

BRAND

- Best Bank in Tier 1 – 1st Runners Up (Winner – 9 years running)
- Overall Best Bank in Kenya – 2nd Runners Up (Winner – 12 years running)
- Best Bank in Sustainable Corporate Social Responsibility – 1st Runners Up (Winner – 6 years running)
- The Most Customer-Centric Bank – 2nd Runners Up (Winner – 5 years running)
- The Bank With The Lowest Tariff – 2nd Runners Up (Winner – 6 years running)

FRANCHISE SEGMENT

- Best Bank in Agency Banking - (Winner – 6 years running)
- Best Bank in Retail Banking - (Winner – 6 years running)
- Best Commercial Bank in Microfinance (Winner – 7 years running)
- Best Bank in Digital Banking – 1st Runners Up
- Best Bank in Mobile Banking – 1st Runners Up (Winner – 3 years running)
- Best Bank in Corporate Banking – 1st Runners Up - 2 years running
- Best Bank in SME Banking – 2nd Runners Up - (Winner – 2 years running)

PRODUCT

- Best Bank in Asset Finance
- Best Bank in Agriculture & Livestock Financing - 4 years running
- Best Bank in Trade Financing - 4 years running
- Best Bank in Product Marketing (Campaign; Kusave Ni Rahisi Na Equity) - 5 years running
- Special Judges Awards for Product Innovation (EGF - Water Financing) - 4 years running
- Best Bank in Mortgage Finance – 1st Runners Up
- Best Bank in Product Innovation (Boostika) – 2nd Runners Up

SPECIAL RECOGNITIONS:

- Green Bank in Kenya
- Class Acts of 20 Years

Think BUSINESS Knowledge for a Competitive Edge

INSURANCE AWARDS 2024

EQUITY BANCASSURANCE INTERMEDIARY LTD

- Overall Best Bancassurance Intermediary Ltd
- Most Customer-Centric Bancassurance Intermediary
- Best Bancassurance Intermediary in Technology Application
- Best Bancassurance Intermediary in Life Products - Winner
- Best Bancassurance Intermediary in Non-Life and Non-Embedded Products - 1st Runners Up

EQUITY BANCASSURANCE INTERMEDIARY LTD

- Chief Executive Officer (CEO) of the Year
- Life Insurer of the Year Category
- Most Customer-Centric Underwriter - Life
- Best Insurance Company in Corporate Social Responsibility Category
- Claims Settlement Award - Life Assurance Category - 1st Runner Up

KEY ALLIANCES AND MEMBERSHIPS

Partnerships and alliances are critically important for our value and impact creation process. We are therefore actively involved in various memberships and engaged in diverse mutually beneficial partnerships to achieve our strategic aspirations.

Association of Microfinance Institutions (AMFI)	Kenya Bankers Association (KBA)
African Leadership Network (ALN)	Kenya Healthcare Federation (KHF)
Agenda Council on new models of economic thinking of the World Economic Forum (WEF)	Kenya Private Sector Alliance (KEPSA)
Aspen Network of Development Entrepreneurs (ANDE)	Micro Finance Network (MFN)
Association of Kenya Insurers (AKI)	Small Business Banking Network (SBBN)
Clinton Global Initiative	Smart Communities Coalition
East Africa Humanitarian Private Partnership Platform	Tent Partnership for Refugees
G8 New Alliance for Food Security and Nutrition	UN Economic and Social Council
Global Agenda Council on Emerging Multinationals 2010	UN Global Compact
Global Network for Banking Innovation (GNBI)	Women's World Banking (WWB)
Invest in Africa (IIA)	World Economic Forum

A section of staff from Equity and a delegation of leaders from some of the Malaysian tech companies, who visited Equity Group head office for a business networking session. Equity Group hosted a high-level delegation of twelve Malaysian tech companies, who expressed strong interest in leveraging the Bank's expansive network across East Africa as they explore opportunities to expand their supply chains in the region.

PROF. ISAAC MACHARIA
CHAIRMAN
EQUITY GROUP HOLDINGS PLC

CHAIRMAN'S REPORT

DURING THE YEAR UNDER REVIEW WE REMAINED COMMITTED TO GOOD, TRANSPARENT AND COMPLIANT GOVERNANCE

CHAIRMANS REPORT

OPERATING ENVIRONMENT

In 2024, the global economy exhibited modest growth, with the International Monetary Fund (IMF) reporting a 3.2% expansion, a slight increase from 2.8% in 2023. This acceleration was influenced by elevated central bank rates aimed at combating inflation and the withdrawal of fiscal support amid high debt levels, which collectively weighed on economic activity. Despite these challenges, global headline inflation declined faster than anticipated, owing to the resolution of supply-side issues and restrictive monetary policies.

Kenya's economy faced a slowdown, with growth at 4.7% in 2024, down from 5.7% in 2023. This reduction was attributed to factors such as floods, anti-government protests, and challenges in fiscal consolidation. In response, the Central Bank of Kenya implemented severe measures to stimulate economic activity, including reducing the main interest rate to 10.75% as at February 2025 from 13.0% in February 2024 and lowering the Cash Reserve Ratio to 3.25%. These actions aimed to encourage lending and support growth. Looking ahead, the Central Bank forecasts a rebound to about 5% growth in 2025, supported by anticipated improvements in economic conditions and effective policy measures.

GOVERNANCE AND STRATEGIC LEADERSHIP

Ensuring strong governance remains a fundamental focus for Equity Group Holdings PLC as we adapt to both internal progress and external changes. Internally, we continuously refine our governance structures to reflect the organisation's growth and strategic direction. Externally, we stay vigilant to evolving laws and regulatory requirements across our operational territories, including Kenya, South Sudan, Uganda, Tanzania, Rwanda, and the Democratic Republic of Congo. We continue to enhance our governance mechanisms to bolster adaptability, regulatory adherence, and long-term stability in an ever-evolving operating environment.

STRENGTHENING SUBSIDIARY BOARDS

To support our regional growth, we sought and secured shareholder approvals for the incorporation of both a banking holding company and health insurance subsidiary. We have since then made significant strides to operationalise the insurance subsidiaries. Further, we enhanced the composition of our subsidiary boards by nominating new board members with expertise in critical areas such as risk management, sustainable finance, communications, legal and regulatory affairs as well as health. These appointments align board skills with our strategic focus on the Africa Recovery and Resilience Plan (ARRP), ensuring that we have the necessary leadership to drive sustainable growth and create socio-economic impact.

STRATEGIC MARKET EXPANSION

In addition to the approval and commencement of the incorporation of the banking holding company and health insurance subsidiary, a significant milestone in our expansion strategy was the conclusion of the amalgamation of Cogebanque with Equity Bank Rwanda PLC, pursuant to our successful acquisition of Compagnie Générale de Banque (Cogebanque). This strategic acquisition and subsequent merger, underscores our commitment to market consolidation and customer-centric growth across the region.

REGULATORY AND GOVERNANCE DEVELOPMENTS

Across our markets, we have proactively engaged with regulators to ensure full compliance with evolving financial sector laws and governance requirements. In Kenya, we navigated the implementation of the new Capital Markets (Public Offers, Listings and Disclosures) Regulations 2023, aimed at enhancing corporate governance measures in the Country. In light of the new regulations, the Group Board appointed additional independent directors with extensive global experience (subject to regulatory approval). In the other jurisdictions where the Group has a presence, we have continued to align with key governance regulations and guidelines and emerging financial regulatory frameworks and policies that enhance financial inclusion. Our governance structures remain robust, with regular board engagements to address regulatory shifts, ensuring that our operations remain resilient and forward-looking. In line with ISO 37000, our Corporate Governance Framework reflects what boards need to know to make better governance decisions in an uncertain world where sustainability over the longer term is what matters most.

CHAIRMANS REPORT

ENHANCING TRANSFORMATIVE IMPACTS

Equity Group continues to drive inclusive social and environmental programs that transform lives and livelihoods. In Education and Leadership Development, 60,009 scholarships were awarded, and 415 staff were onboarded, cumulatively into the Equity Leadership Program's Innovation Hub to enhance tech skills.

In Food and Agriculture, 3.8 million farmers benefited, including 383,902 Small and Medium-Sized Farmers. Enterprise Development and Financial Inclusion saw 2.47 million women and youth trained in financial education, 634,059 MSMEs trained in entrepreneurship, and Shs 340.8 billion disbursed to 323,303 MSMEs under the Young Africa Works Program.

Under Social Protection, 5.79 million individuals benefited from Shs 164.2 billion in cash transfers. Energy and Environment initiatives led to 35 million trees being planted and 466,975 clean energy products distributed. In Health, the Equity Afia network expanded to 132 outpatient medical centers, with 3.34 million patient visits recorded. Through these efforts, Equity remains committed to sustainable development and economic empowerment across the region.

Through various platforms, such as the Africa Nature Capital Alliance (ANCA), SMI, UN Global Compact and the Building Bridges Initiative, among others, Equity has remained a global voice and champion on sustainability issues related to nature and climate. As we continue to seek significant and mutually beneficial collaborations in our endeavor to improve interventions across multiple sectors, our momentum on partnership for Sustainable development Goals (SDGs) has grown. Besides sustainable financial initiatives focused on adaptation and mitigating climate change, several of the collaborations involved the pursuit of innovative financing solutions that promote resilience and the capacity to endure climate shocks.

Environmental and social risk management, a key component of our sustainability DNA, has remained at the forefront of our efforts to mitigate the effects of our financial actions. Further the Group is also seeking to leverage the potential of sustainable products and solutions to power the sustainability engine at the customer-business interface. Our early adoption of sustainability reporting standards is a result of the Group's ongoing evolution as new sustainability disclosure standards are developed or enhanced across multiple regions and globally.

ACKNOWLEDGMENTS AND COMMITMENT TO EXCELLENCE

The Board expresses profound appreciation for the essential role played by the Group's diverse stakeholders, including investors, clients, regulators, strategic partners, management and employees.

The visionary stewardship and relentless efforts of the leadership management and the entire Group workforce consistently fuel the organisation's progressive momentum. Their pursuit of inventive approaches, customer centricity and disciplined risk oversight remains critical to the company's thriving trajectory. Cognisant of the robust growth of the Group across its subsidiaries, our Boards in the exercise of their mandate, ensured the necessary changes in Management were strategically and efficiently effected to take the Group to the next level.

The needs of the communities we operate in guide the focal point of our operations, directly influencing strategic priorities, product evolution, and service quality. The unwavering trust of our investors, which accelerates our strategic goals, is deeply valued, as is the constructive oversight of regulatory authorities that foster accountability and equilibrium. Strategic alliances further amplify our capacity to create impactful solutions, while the determination, agility, and enthusiasm of our teams underpin every milestone. Collectively, these integral contributors are instrumental in advancing Equity Group's legacy of excellence.

In 2024, the Group further strengthened its commitment to the environment and nature by evolving its business model from a twin-engine approach to a tri-engine approach to include Economic, Social and Sustainability engines. This change guides the Group to support, preserve and value nature and environmental assets as a core operating mode.

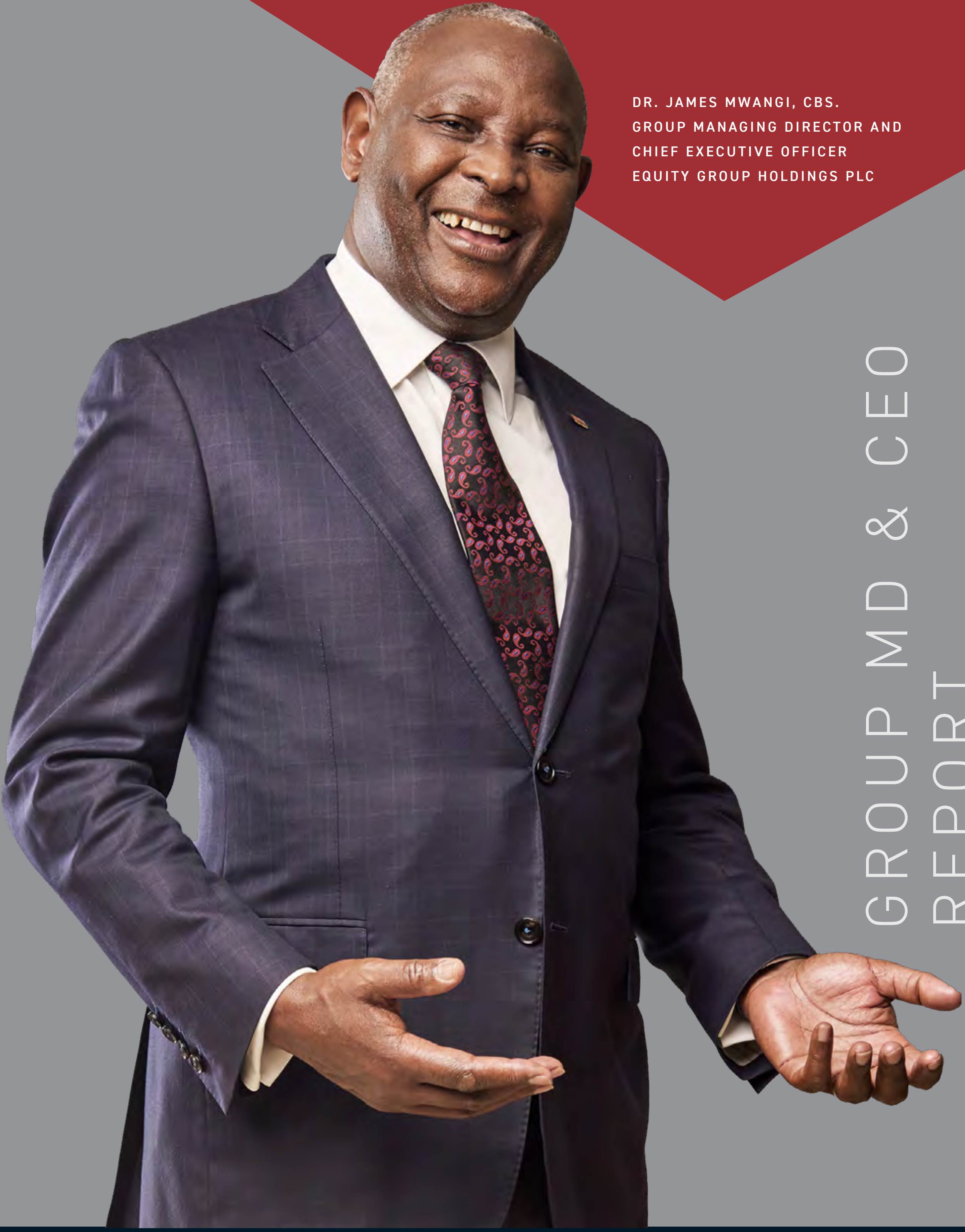
CHAIRMANS REPORT

IN THE FUTURE

Looking forward to what the future holds, the Group stands poised to continue our commitment to innovation, growth, and excellence across our diverse sectors, being Banking, Information Technology (IT), Insurance, Healthcare, Sustainability and Social Impact. With a foundation built on a strong legacy of service and a forward-thinking approach, we are embracing the opportunities that come with technological advancements and changing market dynamics. In the banking sector, we remain focused on delivering seamless, customer-centric solutions that anticipate the evolving needs of our clients. In IT, we are dedicated to driving digital transformation by harnessing the power of Artificial Intelligence (AI) and data analytics to improve efficiency and enhance user experiences. Our insurance division is evolving to offer more flexible, accessible products, ensuring that customers receive the coverage they need in an increasingly unpredictable world. Lastly, our healthcare business is at the forefront of promoting health and wellness, leveraging innovation to provide high-quality, affordable care to communities. As we enter 2025, we are energised by the prospects of expansion, collaboration, and continued leadership in each of these industries. We remain steadfast in our commitment to creating value for our customers, employees, and stakeholders, while driving sustainable growth for the future.

Prof. Isaac Macharia
Chairman, Board of Directors
Equity Group Holdings PLC

From left to right: Wanjira Mathai, Managing Director of the Africa Division, World Resources Institute, Equity Group Chairman Prof. Isaac Macharia, Baraka Moruri, the Little Mr. Environment Kenya 2023, Equity Group Managing Director and CEO, Dr. James Mwangi, Zainab Bangura, the UN Under-Secretary-General and Director-General of the United Nations Office in Nairobi, and French Ambassador to Kenya, H.E. Arnaud Suquet, during the launch of Equity Group's 2023 Sustainability Report.



DR. JAMES MWANGI, CBS.
GROUP MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER
EQUITY GROUP HOLDINGS PLC

GROUP MD & CEO REPORT

WE MADE MARKED STRIDES TO RE-ENGINEER AND CREATE A FIT-FOR-PURPOSE AND FUTURE READY GROUP

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER REPORT

In 2024, most economies in the region we operate in registered positive GDP growth ranging from 4% to 8%, with Kenya's GDP growth at 4.7%, Tanzania at 5.4%, Uganda at 6.3%, Rwanda at 8.9%, and the the Democratic Republic of the Congo (DRC) 6.5%. South Sudan's economy, which faced significant challenges, contracted. Improved diaspora remittances and strong performance by the service and agriculture sectors, coupled with good performance by mining in the DRC and Tanzania, contributed positively to GDP growth. However, disruption in oil exports in South Sudan weighed heavily, resulting in contracted economic performance. Currency depreciation witnessed in 2023 reversed with most currencies appreciating against the dollar before weakening towards the close of the year, except in Kenya and Uganda.

Inflation was largely contained by the close of the year, ranging from 3.2% in Tanzania to 17.6% in the DRC, except for South Sudan with the potential for triple-digit inflation. Interest rate cuts were observed as central bank rates declined or remained unchanged, leading to positive private sector credit growth in all countries except Kenya and South Sudan. Uncertainity affected investor confidence but did not heavily impact financial performance. Sovereign debt remains a major issue for Kenya and South Sudan, while Uganda, Tanzania, and Rwanda face moderate risk.

In general, our operating environment remains volatile and challenging, impacted by global geopolitical and economic variabilities. The prospect of looming trade wars between leading economies, including the escalation of tariff barriers, is expected to impact export businesses' access to foreign markets. As an import-dependent region, it is also anticipated to result in increased import expenses, with the potential effects being passed to consumers. The growth of digital offerings across the region has seen an almost triple growth in fintech companies since 2020, but the cost of credit remains a key obstacle. In the year, private sector credit growth contracted by 1.4% in Kenya, reaching the lowest level in over two decades.

OUR PERFORMANCE

Our tri-engine model continues to showcase resilience as we pursued enhanced performance and impact while integrating commercial, social, and sustainability priorities. This model has been instrumental in driving our success, as it allows us to balance our commercial objectives with our commitment to social impact and environmental sustainability. By integrating these three priorities, we have been able to create a holistic approach that not only enhances our financial performance but also contributes positively to the communities we serve and the natural environment. In 2024, we made significant strides in each of these areas.

On the commercial engine, the Group reported a Profit After Tax (PAT) of Shs 48.8 billion, highlighting the ongoing success of the Group's diversified business model and effective risk management. Regional subsidiaries contributed 54% of Profit Before Tax (PBT), which increased by 17% to Shs 60.7 billion. The Group's total deposits expanded to Shs 1.4 trillion, with the customer base growing to 21.6 million, demonstrating the extensive reach and scale of the deposit franchise.

The Group maintained a robust liquidity position, with cash and cash equivalents rising by 19% to Shs 345 billion, and investment securities increasing to Shs 512 billion, resulting in an overall liquidity ratio of 57%. Earnings Per Share (EPS) grew by 11% to Shs 12.3, reflecting the Group's continued strong performance. The performance of regional subsidiaries also improved, with Equity Bank Rwanda's revenue growing by 36%, Equity Bank Tanzania by 20%, and EquityBCDC by 9%.

The Non-Performing Loan (NPL) ratio remained below the industry average at 12.2%, significantly lower than the published industry average of 16.4%. NPL coverage stood at 71%, indicating the Group's strong asset quality, while loan loss provisions amounted to Shs 20.2 billion, to record a cost of risk of 2.5%, reflecting the challenging operating environment.

DELIVERING ON STRATEGY

The Africa Recovery and Resilience Plan (ARRP) remains the cornerstone of our aspirations. This is a private sector-led development plan championed by Equity aimed at catalysing, capacitating, connecting, and financing enterprises and households across Africa. Our Plan aims at reaching 100 million customers by 2030 and empowering them through financial and technological tools to pursue their social, environmental, and economic ambitions. Through strategic partnerships, the Group has achieved a variety of outcomes that are both sustainable and impactful. Collaborations with the African Development Bank (AfDB), Microsoft, and Mastercard Corporation aim to digitise 10 million farming customers under the Community Pass Program. Additionally, the Group has partnered with the World Food Programme (WFP) to empower small-holder farmers, transforming them into agribusiness entrepreneurs.

We are future-proofing the Group even as we pursue our ambitious strategy, the Africa Recovery and Resilience Plan (ARRP). In 2024, we spent considerable time and investments in strengthening our internal capacity, focusing on people, processes, and systems. To unlock further growth, we invested heavily in the Group's repositioning, focusing on talent development, digital transformation, and process enhancements.

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER REPORT

We have significantly strengthened the management bench to uniquely differentiate ourselves. These changes are deliberate and well-intended due to the evolving environment we operate in, aiming to improve people capabilities and competencies. We aim to be a global financial player and so our employees reflect this aspiration with a workforce complement of 13,083 employees comprising 26 nationalities. Talent development is a primary focus, as we aim to enhance the skills and capabilities of our workforce. This involved comprehensive training programs, leadership development initiatives, and technical expertise enhancements. In 2024, employees achieved an average of 46 learning hours, an investment of Shs 846.6 million.

Our focus on transforming systems and processes, including re-engineering, aims to achieve better capabilities and controls. This will give us processing power that matches the aspiration of ARRP to reach 100 million customers by 2030 and allow the adoption of the latest technologies like AI, futuristic systems, and crowd-ready capabilities. This is further supported by reinventing our product house, focusing on both products and channels, with a view of offering relevant propositions to well-segmented markets. This includes ecosystem financing, value chain financing, revolving financing, and bundling of products enabling us to be a one-stop-shop for financial services anchored on offerings through move, save, borrow, invest, and insure. In the year, we worked on 854 processes, deploying 238 of them while the rest are in various stages of the software lifecycle. Using a minimum value proposition model, we delivered 25 products directly to customers constituting new products as well as product and core service enhancements.

To further enhance customer experience, sales productivity, and operational efficiency, the Bank has transitioned branches into relationship-focused centres — designating all frontline positions as relationship roles from a functionally siloed setup. Embedded within this role evolution is the adoption of the Universal Banker Model, equipping our teams to deliver end-to-end customer service, advisory, and sales. This model enables portfolio-based, omnichannel, and full-service engagement, driving growth, efficiency, and loyalty while positioning the Bank for a digital-first future.

NEW PROPOSITIONS

In 2022, we established our insurance business, as a new proposition aimed at protecting people, health, and wealth. This nascent entity, Equity Life Assurance Kenya (ELAK), has achieved remarkable milestones by the end of 2024. In the year, the insurance group commenced its general insurance offering providing an increased range of products and services to customers beyond the existing life insurance services. In total, the insurer has issued 14.1 million policies, demonstrating its strong market presence and commitment to providing insurance solutions. Serving 5.9 million unique customers, ELAK has successfully catered to a diverse clientele, ensuring that a wide range of individuals and businesses benefit from its offerings. As a digital native insurer, ELAK has embraced technology to enhance its operations, with over 80% of policies issued digitally due to its innovative Insuretech strategy. This approach has not only streamlined processes but also improved accessibility and efficiency for customers.

Additionally, the Group's bank branch network plays a critical role in the distribution strategy ensuring that insurance products are readily available to a broader audience, further solidifying ELAK's position as a leading insurer in the region. The combination of digital innovation and a robust physical presence has enabled ELAK to deliver exceptional service and value to its customers, contributing significantly to the overall growth and success of the company.

THE EQUITY GROUP FOUNDATION (EGF)

The Equity Group Foundation (EGF), our social engine, continues to make strides, achieving enhanced social impact in the year. The Equity Leaders Program (ELP) has significantly impacted education, availing full scholarships to global universities for 113 scholars in 2024, bringing to a total of over 970 global scholars supported cumulatively, across 233 universities in 37 countries. The pre-university internship admitted 750 new scholars, reaching a cumulative total of 29,515 university scholars.

Agriculture is a key focus of the Foundation and in the year, we finalised the digitisation of training content for 12 value chains. This content is now available online and through Equitel. We linked 183,486 farmers to various agricultural markets and provided 12 million weather messages to 203,000 farmers. In climate action, the Group has planted over 35 million trees and distributed 466,975 clean energy products. Economic empowerment initiatives have trained over 2.4 million women and youth, and social protection programs have reached 5.79 million individuals. The Equity Afya Clinics recorded over 3.3 million patient visits, underscoring the Group's commitment to sustainable development and improving livelihoods.

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER REPORT

SUSTAINABILITY

The Group has made significant progress in assessing environmental and climate aspects and impacts, including those that result from lending processes. Additionally, similar reviews have been conducted regarding how we interact with our customers, engage with our suppliers, and manage our facilities. These interventions are intended to improve our operations, enhance efficiencies in energy and water usage, assess the use of backup energy supplies such as generators, and change the way we consume services in the Bank.

Externally, we are engaged with suppliers to encourage and support them in transitioning to greener practices and production methods. This engagement involves working closely with suppliers to understand their current practices and identify areas where they can adopt more sustainable methods. By providing resources, guidance, and incentives, we aim to facilitate a smooth transition to greener practices that benefit both the suppliers and the environment.

Furthermore, the Group is committed to continuous improvement in sustainability efforts. This includes regularly reviewing and updating our policies and practices to ensure they align with the latest environmental standards and best practices. We also invest in research and development to explore innovative solutions that can further reduce our environmental impact and promote sustainability across all aspects of our operations.

ACKNOWLEDGEMENTS

As I conclude, I would like to extend my heartfelt gratitude to our esteemed Board of Directors for their unwavering support and strategic guidance. Your leadership has been instrumental in steering Equity Group towards achieving our goals and navigating through challenges.

In the year, we bade farewell to our Group Executive Director, Mary Wangari Wamae, on early retirement after an illustrious twenty-year career at the Group. In addition, Gerald Warui, who served as Manging Director of Equity Bank of Kenya exited the Bank after twenty-six years with the Group. I acknowledge and appreciate the immense contribution made by these two leaders to the Group

To our valued customers, thank you for your continued trust and loyalty. Your patronage drives us to innovate and improve our services continually. We are committed to serving you with excellence and ensuring that your holistic needs are met with the highest standards of quality and integrity.

I also want to express my sincere appreciation to our dedicated management colleagues and staff, whose hard work and commitment have been the backbone of our success. Your passion and dedication are truly commendable. To our regulators, thank you for your oversight and collaboration, which have helped us maintain the highest standards of compliance and governance.

Lastly, to our partners and investors, your support and collaboration have been invaluable in helping us achieve our mission. Together, we have made significant strides, and I look forward to our continued partnership in the future. Thank you all for being an integral part of the Equity Group family.

Dr. James Mwangi, CBS,
Group Managing Director and CEO
Equity Group Holdings PLC

From left to right: Senator Cory Booker (D-NJ) shakes hands with Equity Group Managing Director and CEO, Dr. James Mwangi during a roundtable discussion at Capitol Hill, hosted by Equity Group. The discussion which was held on the sidelines of the historic U.S - Kenya State Visit, featured high-ranking U.S. congressional leaders, government officials, and leaders from the U.S. and Kenyan private sector seeking to put forth strategies to inform U.S.-Africa trade legislation and advance public-private partnerships that achieve shared policy goals and prosperity. Senator Booker spoke about the importance of strengthening partnerships with Kenya.

Equity Group Managing Director and CEO, Dr. James Mwangi (Centre) during a panel discussion at the U.S. Chamber of Commerce, where the President of Kenya, H.E. Dr. William Ruto, as part of his official State Visit to Washington, D.C, delivered a public address to the business community alongside senior U.S. officials to share his vision for the economic relationship with the United States and the priority opportunities for business partnership. Dr. Mwangi spoke about the importance of partnerships in overcoming barriers to digitisation, such as inadequate infrastructure and delayed policy frameworks.

GROUP BOARD OF DIRECTORS


Prof. Isaac Macharia
Non - Executive Chairman


Dr. James Mwangi, CBS
Group Managing Director and
Chief Executive Officer


Mr. Samwel Kirubi
Executive Director


Dr. Edward Odundo
Non-Executive Director


Dr. Helen Gichohi
Non-Executive Director


Mr. Jonas Mushosho
Non-Executive Director


Mr. Clifford Sacks
Non-Executive Director

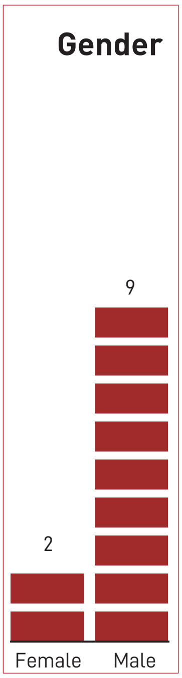

Mr. Vijay Gidoomal
Non-Executive Director

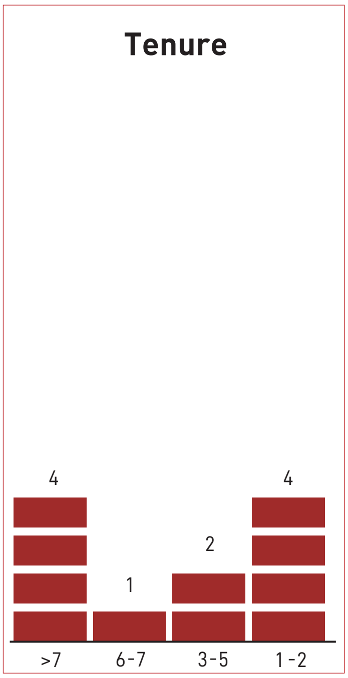

Dr. Evans Baiya
Non-Executive Director

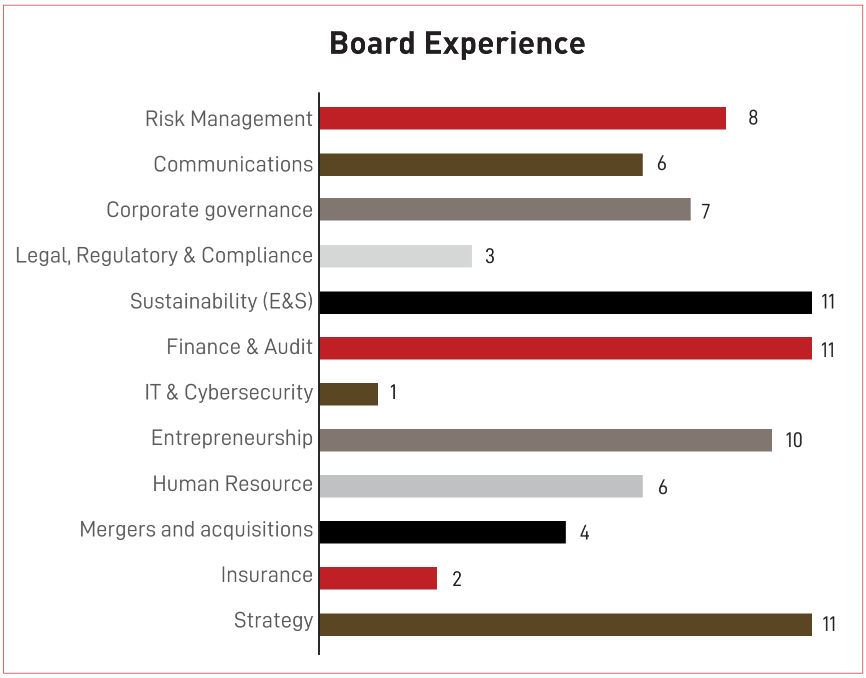

Mr. Samuel Mwale
Non-Executive Director


Ms. Farida Khambata
Non-Executive Director


Ms. Lydia Ndirangu
Group Company Secretary


Gender


Tenure


Board Experience

GROUP BOARD OF DIRECTORS – PROFILES

Name	Executive/ Non-Executive Director	Skills	Qualifications	Gender	Age	Appointed	Nationality
Prof. Isaac Macharia	■ Chairperson ■ Non-Executive Director	■ Medical ■ Strategic planning ■ Leadership ■ Business development	■ Bachelor of Medicine (University of Nairobi) ■ Bachelor of Surgery (University of Nairobi) ■ Master of Medicine in Otorhinolaryngology (University of Nairobi) ■ Fellow of the College of Surgeons of East, Central and Southern Africa (COSECSA)	Male	67	2017	Kenyan
Dr. James Mwangi, CBS	■ Group Managing Director and Chief Executive Officer ■ Executive Director	■ Banking and finance ■ Leadership ■ Management of financial institutions	■ BCom (University of Nairobi) ■ Certified Public Accountant (CPA) ■ Doctor of Business Administration (Kenya Methodist University) ■ Doctor of Humane Letters (Kenyatta University) ■ Doctor of Entrepreneurship (Jomo Kenyatta University of Agriculture and Technology) ■ Doctor of Business Management (Honours Causa) (Meru University of Science and Technology) ■ Doctorate of Letters (Africa Nazarene University)	Male	63	2014	Kenyan
Vijay Gidoomal	■ Non-Executive Director	■ Finance ■ Operations ■ Strategic planning ■ Business development	■ BA (University of Warwick) ■ LLB (University of Warwick	Male	57	2017	Kenyan
Dr. Helen Gichohi MBS, OGW	■ Non-Executive Director	■ Leadership ■ International management of social impact and transformational programmes	■ PhD in Ecology (University of Leicester) ■ MSc (Biology of Conservation) (University of Nairobi) ■ B.Ed (Sc) in Zoology (Kenyatta University)	Female	64	2015	Kenyan
Dr. Edward Odundo	■ Non-Executive Director	■ Strategic management ■ Marketing ■ Finance ■ Accounting ■ Pension ■ Tax	■ PhD in Business Administration (Strategic Management) (University of Nairobi) ■ MBA in Strategic Management and Marketing (USIU, San Diego) ■ BSc in Finance and Accounting (USIU, San Diego)	Male	67	2018	Kenyan
Jonas Mushosho	■ Non-Executive Director	■ Strategic management ■ Change management ■ Insurance ■ Organisational transformation ■ Innovation	■ Bachelor of Computer Science (University of South Africa) ■ Bachelor's Degree in Accounting (University of Zimbabwe) ■ MBA (University of Zimbabwe) ■ Management Development Program (University of Cape Town Graduate School of Business) ■ Global Leadership Program (London Business School) ■ General Management Program (Harvard Business School)	Male	66	2021	Zimbabwean
Dr. Evans Baiya	■ Independent Non-Executive Director	■ Inventor ■ Science, technology, engineering, and innovation leadership ■ New product development and management ■ Business transformation using digital technologies and big data ■ Technology transfer and commercialisation	■ Doctor of Philosophy; Engineering and Technology Management Northcentral University, Arizona, USA ■ Executive Program; Business Strategy and Intellectual Property, Harvard Business School, Massachusetts, USA ■ Postgraduate studies in Electrical Engineering (ABT); Boise State University, Idaho, USA ■ Postgraduate studies in Chemistry (ABT); Idaho State University, Idaho, USA ■ Master of Business Administration; Northwest Nazarene University, Idaho, USA ■ Bachelor of Science in Chemistry; Idaho State University, Idaho, USA	Male	50	2022	Kenyan

GROUP BOARD OF DIRECTORS – PROFILES

Name	Executive/ Non-Executive Director	Skills	Qualifications	Gender	Age	Appointed	Nationality
Samwel Kirubi	■ Executive Director	■ Organisational transformation ■ Business Development ■ Leadership ■ Strategic Management ■ Operations	■ Advanced Management Programs at Harvard Business School ■ Strathmore IESE Business School ■ Master's degree in Business Administration (Moi University) ■ BA in Economics and Statistics from Egerton University	Male	50	2023	Kenyan
Samuel Mwale	■ Non-Executive Director	■ Strategic Leadership & Management ■ Public Policy Formulation and Advisory ■ Corporate Governance & Board Leadership ■ Institution Building & Organisational Development	■ MSc in Agricultural Economics (University of Oxford) ■ Diploma in Development Economics (School of Development Studies, University of East Anglia, UK) ■ BSc (Hons) in Range Management (University of Nairobi, Kenya) ■ Certificate in Leaders in Development (John F. Kennedy School of Government, Harvard University, USA) ■ Certificate in Agricultural and Natural Policy Analysis, Food Research Institute (Stanford University, USA)	Male	62	2024	Kenyan
Clifford Sacks	■ Non-Executive Director	■ Global Capital Markets Expertise ■ Mergers & Acquisitions (M&A) Strategy and Execution ■ Debt and Equity Capital Markets Advisory ■ Cross-border Transactions ■ Risk Management & Governance Framework Implementation ■ Corporate Strategy Alignment	■ Higher Diploma in Company Law (University of the Witwatersrand) ■ Bachelor of Laws (LLB), (University of the Witwatersrand) ■ Bachelor of Commerce, (University of the Witwatersrand)	Male	63	2024	South African
Farida Khambata	■ Independent Non-Executive Director	■ Risk Management ■ Executive Leadership ■ Treasury & Investment ■ Capital Markets ■ Asset Management	■ Master of Arts in Economics - University of Cambridge ■ Master of Science in Business Management- London Business School ■ Chartered Financial Analyst (CFA) ■ Advanced Management Program (AMP) – Wharton Business School	Female	75	2024	Canadian
Lydia Ndirangu	■ Company Secretary	■ Corporate governance regulatory and compliance ■ Tax ■ Accounting ■ Investment ■ Analysis ■ Business relationship management	■ Master of Laws (LLM) – Public Finance (University of Nairobi); ■ Postgraduate Diploma (Law), (Kenya School of Law); ■ Bachelor of Laws (LLB) (University of Nairobi) ■ CPA, CS, CISA	Female	40	2021	Kenyan

GROUP BOARD OF DIRECTORS

VIJAY GIDOOMAL
NON-EXECUTIVE DIRECTOR

DR. EVANSON BAIYA
NON-EXECUTIVE DIRECTOR

LYDIA NDIRANGU
GROUP COMPANY SECRETARY

JONAS MUSHOSHO
NON-EXECUTIVE DIRECTOR

FARIDA KHAMBATA
NON-EXECUTIVE DIRECTOR

DR. JAMES MWANGI, CBS
GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

PROF. ISAAC MACHARIA
NON-EXECUTIVE CHAIRMAN

CLIFFORD SACKS
NON-EXECUTIVE DIRECTOR

SAMWEL KIRUBI
GROUP EXECUTIVE DIRECTOR

DR. HELEN GICHOHI
NON-EXECUTIVE DIRECTOR

SAMUEL MWALE
NON-EXECUTIVE DIRECTOR

DR. EDWARD ODUNDO
NON-EXECUTIVE DIRECTOR

GROUP EXECUTIVE MANAGEMENT

Dr. James Mwangi, CBS
Group Managing Director and Chief Executive Officer

Samwel Kirubi
Group Chief Operating Officer

Brent Malahay
Group Chief Strategy Officer

Gertrude Karugaba
Chief Legal Officer

Sam Gitwekere
Group Chief Risk Officer

Emmanuel Deh
Group Director Credit Risk

Lydia Ndirangu
Group Company Secretary

David Ssegawa
Group Director Human Resource

Rene Kalonji
Chief Product Officer

Christine Browne
Group Director Special Assets

Joy DiBenedetto
Group Director Communications

Michael Kwofie
Chief Information Officer

Paul Wafula
Group Director Control and Internal Compliance

Thelma Kganakga
Chief Information Security Officer

Beth Kithinji
Group Chief Internal Auditor

Moses Nyabanda
Managing Director, Equity Bank Kenya

Isabella Maganga
Managing Director, Equity Bank Tanzania

Gift Shoko
Managing Director, Equity Bank Uganda

James Kiarie
Ag. Managing Director, Equity Bank South Sudan

Hannington Namara
Managing Director, Equity Bank Rwanda

Willy Mulamba
Ag. Managing Director Equity BCDC S.A

Angela Okinda
Managing Director, Equity Life Assurance (Kenya) Limited

Alvin Okari
Managing Director, Finserve Africa Limited

Equity Bank Rwanda Managing Director, Hannington Namara addresses scholars during an Equity Leaders Program (ELP) Commissioning event in Kigali.

Equity Bank Rwanda leadership led by the Board Chairman, Col. (Rtd) Eugene Haguma (front centre) and Managing Director, Hannington Namara (front 5th left), together with 19 scholars from the 3rd ELP cohort who were airlifted to top global universities after earning scholarships and admission.

UNPACKING OUR VALUE CREATION STRATEGY

THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP)

The Africa Recovery and Resilience Plan (ARRP) is a bold vision for Africa's transformation, anchored in productivity-led growth, inclusive financial ecosystems, regional value chains, and digital acceleration. The Plan is built around six transformational pillars aimed at developing Africa's value chains.

THE PLAN

The ARRP aims at catalysing the transformation of Africa through:

- Capacitating and enhancing productivity of raw material producers
- Integrating primary producers to more co-ordinated African productive / manufacturing capacities
- Connecting primary and secondary sectors to global supply chains, capital, skills, and technology

1 PRIMARY SECTORS

DRIVE HIGHER PRODUCTIVITY AND OUTPUT

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

2 MANUFACTURING & LOGISITICS

ENCOURAGE VALUE ADDING ECOSYSTEMS

- Manufacturing loan mix of 30%
- Drive logistical connectivity

3 TRADE & INVESTMENT

STIMULATE & 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 TRANSORMATION

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

6 TECHNOLOGY ENABLED ECOSYSTEM

ACCERELATE WEALTH TRANSFORMATION THROUGH A DIGITAL ENABLED ECONOMY

- Digitally connect 100 million businesses and consumers

Strategic objectives (2030)

- Grow to 100 million customers
- Reach 5 million borrowing businesses
- Support 25 million borrowing customers
- Create 25 million direct jobs
- Food and Agriculture loan mix of 30%
- Catalyse other industries with manufacturing loan mix of 15%
- #1 Trade Finance bank
- MSME loan mix of 65%

The Plan focuses on the key sectors that can unlock critical value for Africa and in which the continent has an inherent competitive advantage due to its vast natural and mineral resources, land, a youthful and highly entrepreneurial population and strategic geographic positioning. It is underpinned enablers including technology, trade and investment and sustainability..

THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP)

Pillar	Context	Focus	Support provided
Pillar 1a: Agriculture	One of Africa's primary economic sectors, largely populated by smallholder producers with limited capacity.	Drive natural resource led industrialisation.	■ Value chain co-ordination and value addition. ■ Market access. ■ Capacity building
Pillar 1b: Extractives	One of Africa's primary economic sectors, fragmented and sub-scale and challenged by deficiencies in market structures.		
Pillar 2 Manufacturing & Logistics	Value addition of Africa's resources will drive wealth transformation and create the resultant demand complementarities that will deepen and broaden African value chains.	Support value added ecosystems.	■ Scaling value chain anchors and enhancing linkages. ■ Facilitating manufacturing hubs.
	Clustering of manufacturing and services will drive regional economies of scale and competitive advantages.		
Pillar 3 Trade and Investment	African countries have significant potential to complement each other, and regional trade will underpin a coordinated and integrated Africa.	Stimulate intra-continental trade.	■ Trade missions and conducive policies. ■ Champion foreign direct investment. ■ Access to markets and factors of production.
	Wealth transformation of Africa will require significant investment, technological advances, and specialised skills.		
Pillar 4 MSMEs	MSMEs and the informal sector are significant contributors to African economies.	Catalyse entrepreneurship.	■ Link MSMEs to formal value chains. ■ Capacity Building.
	African MSMEs disenfranchised due to fragmented and disorganised value chains		
Pillar 5 Social and environmental transformation	African households and businesses productivity levels remain low due to economic and social constraints.	Champion social transformation.	■ Capacity Building and Financial Inclusion. ■ Community Support. ■ Develop sustainable and resilient value chains.
	As the world looks towards a more sustainable future, households and businesses will need to adapt and mitigate risks associated with climate change.		
	Many African households continue to be marginalised when it comes to basic necessities adversely impacting productivity.		
Pillar 6 Technology-enabled ecosystems	Technology is a key enabler connecting households, businesses and individuals to critical services cost effectively and with expansive reach.	Use technology for reach and ease of access	■ Technology investment ■ Technology empowerment

The Group has committed USD 6 billion to the Plan and is actively collaborating with partners and funders to shape a resilient and sustainable future for Africa by 2030.

THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP)

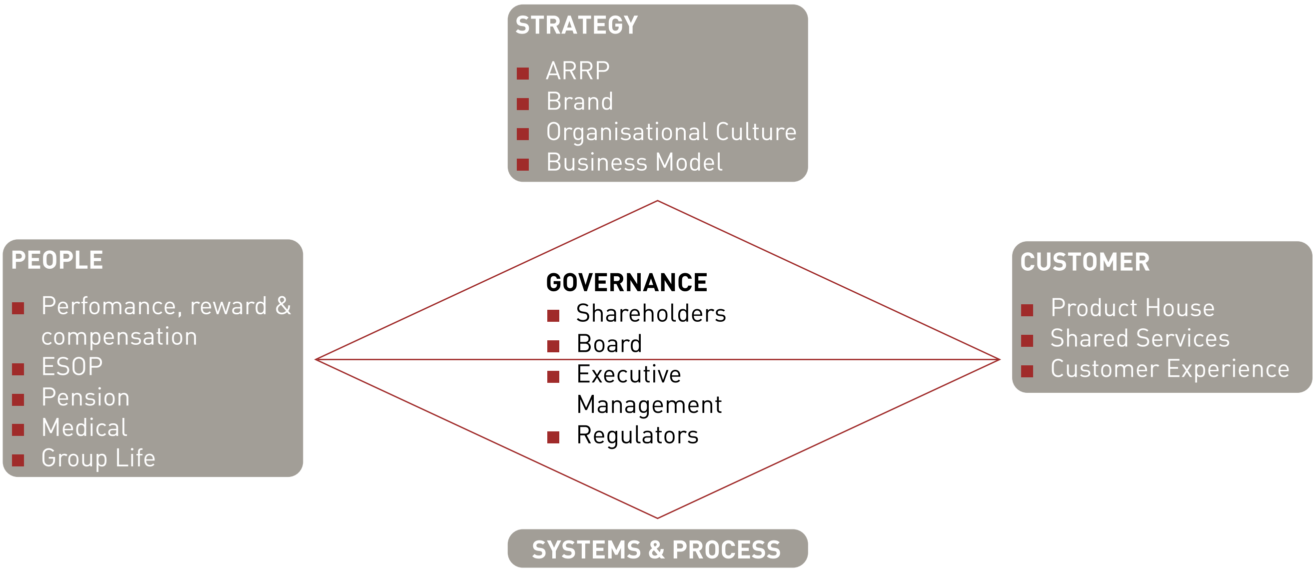
EQUITY GROUP TRANSFORMATION

Given the ambitious nature of the ARRP, the Group has continued to invest in the necessary internal capacity to deliver on the strategy. This transformation is anchored on several key initiatives.

Firstly, we are focusing on strengthening our governance structures and capabilities. On our people, we are enhancing our performance culture and building a stronger management team. We are also incorporating new people capabilities and improving skills and competencies across the organisation.

Additionally, we are renewing key systems, structures, and processes to ensure they are up-to-date, effective, and capable of supporting the Group's requirement based on the ambitions of the ARRP. On customer centricity, we continue revitilising existing products and services and launching new propositions to meet the evolving needs of our customers. Additionally, improving customer experience is a critical aspect of our transformation as we seek to provide attractive, relevant and impactful customer propositions. We are committed to providing exceptional service and ensuring our brand is positioned appropriately in the market.

Overall, these efforts are aimed at creating a robust and dynamic future-fit integrated financial services provider that can effectively deliver on the ARRP strategy and drive sustainable growth



STRATEGY
- ARRP
- Brand
- Organisational Culture
- Business Model

PEOPLE
- Perfomance, reward & compensation
- ESOP
- Pension
- Medical
- Group Life

GOVERNANCE
- Shareholders
- Board
- Executive Management
- Regulators

CUSTOMER
- Product House
- Shared Services
- Customer Experience

SYSTEMS & PROCESS

STRATEGY FOCUS AREAS

The Africa Recovery and Resilience Plan underscores the Group's aspiration to drive significant progress across the continent. This strategy is reinforced by our targeted strategic focus areas, enabling the Group to achieve both commercial and social objectives. These nine Focus Areas are:

1. Non-funded income growth
2. Treasury efficiency
3. Geographical expansion and business diversity
4. Balance sheet efficiency, optimisation and agility
5. Business transformation – innovation and digitisation
6. Asset quality, distribution and risk mitigation
7. Efficiency and cost optimisation
8. Emerging business lines
9. Impact investment and social brand development

Key achievements on these Focus Areas are provided on Page 58 - 97.

BUSINESS MODEL

Our tri- engine business model portrays how we deploy our capitals to create sustainable value for stakeholders in line with our strategy. We operate an inclusive, high volume, low margin, digital and experiential, agile and quality-driven business model.

OUR INPUTS (2023)	
Financial capital Our financial resources including assets and reserve funds as well as diversified sources of deposits and funding from investors, lenders and clients that are used to support our customers and reward shareholders for the capital invested.	■ Total assets Shs 1,821bn ■ Deposits Shs1,358bn ■ Shs 218.1bn shareholder funds
Human capital Our employees, together with their individual and collective competencies, abilities, experience, and expertise and the overall workplace culture that enable innovation and the delivery of value for all stakeholders.	■ 13,102 employees ■ Highly skilled and experienced leadership ■ Motivated and competent employees ■ High performance culture ■ A highly diversified staff complement
Intellectual capital Our intangible assets including proprietary procedures and intellectual property (IP), knowledge, policies, vision, mission, purpose and the value of our positioning, brand, and reputation	■ Strong and highly recognised brand ■ Dual engine model ■ Africa Recovery and Resilience Plan ■ Deployment of 9 Digital channels ■ Proprietary technology ■ Strong governance structure ■ Management systems
Manufactured Capital Our buildings, properties, vehicles, and physical infrastructure that underpin our operations	■ Presence in 6 countries ■ Representative Office in Ethiopia ■ 392 branches ■ 781 ATMs ■ 37,589 POS machines ■ 71,498 Agent Outlets ■ 98 Equity Afia clinics
Social, cultural and relationship capital The partnerships and associations we build with third parties, providers and suppliers, our communities and stakeholders, and the mutual benefit that this brings. Our ability to leverage our brand to create value and enhance levels of financial inclusion.	■ 19.6m customers ■ Shs 101.8bn spend on social investment ■ Leveraging our extensive partnership network
Natural capital The direct use and impact we have on natural resources through our own operations, including energy and water our focus on reducing our own level of exposure to climate change and biodiversity impacts across our value chain.	■ 25.2m tree planted cumulatively ■ 513,000 metric tons of CO_2 reduced ■ 44,560 clean energy products financed

BUSINESS PROCESSES AND OUTPUTS

The activities we undertake to create sustainable value in the short, medium, and long term, are aligned to the needs of our customers along their value chain.

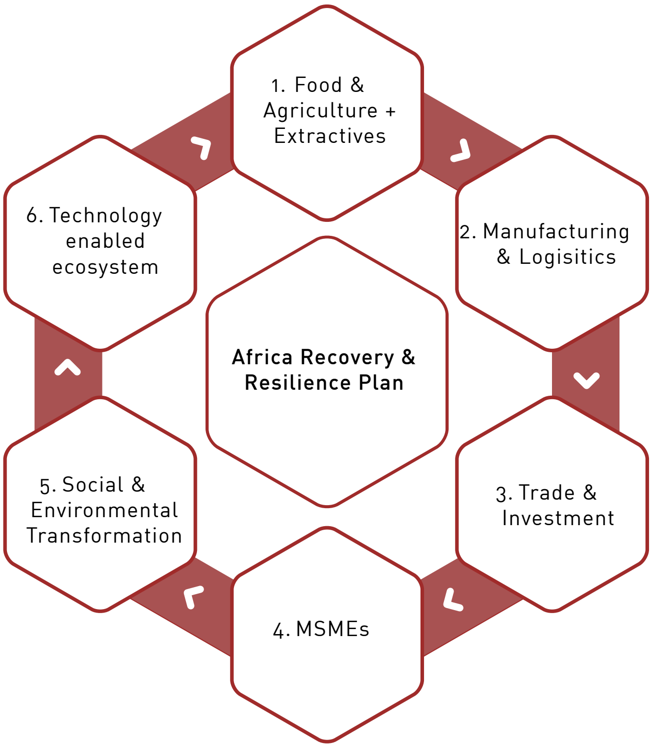
Commercial	Social	Sustainability
Activities we undertake to create value though the provision of financial and non-financial services and products underpinned by governance and risk management processes and supported by the operational aspects of the Group	Activities we undertake to support social interventions enabling us to derisk our customers, support businesses and communities and enhance the wellbeing of people and society.	Activities we engage in to enable environmental and social protection for stakeholders, create sustainable value and position the Group for long-term sustainable performance.

BUSINESS MODEL

BUSINESS STRATEGY

The activities we undertake to create sustainable value in the short, medium, and long term, are aligned to the needs of our customers along their value chain.

The Africa Recovery and Resilience Plan (ARRP) is our strategy for the transformation of Africa and is achored on six pillars indicated below. (Detailed information on ARRP on Page 41-42)



Strategic focus areas that the Group has prioritised in alignment with its commercial and social aspirations in pursuit of the ARRP

BUSINESS MODEL

OUR OUTCOMES (2024)

Financial capital

- Total revenue Shs 193.8bn
- Profit Before tax Shs 60.7bn
- Loans disbursed Shs 819.2bn
- Earnings Per Share (EPS) Shs 12.3
- Shs 89.5bn spend on social impact interventions
- Shs.22.01bn spend on procurement
- Shs 138.4bn spend on social protection

Manufactured Capital

- 21.6m customers
- 399 branches
- 85,080 agents
- 899 ATMs
- 34 additional Equity Afia clinics opened

Human capital

- 13,083 employees
- 89% staff retention rate
- eNPS score 40%
- Shs 33bn spend on employees
- Shs 846.6m spend on employee training
- 12,081 employees trained
- 16,723 cumulative training hours attained
- Enhanced performance management through ongoing training and development
- Workforce with enhanced skills capacity

Social and relationship capital

- 113 scholars received full scholarships to pursue education in global universities
- 60,009 cummulative scholarships issued through Wings to Fly and Elimu Scholarship
- 3,979 TVET scholars enrolled from programme inception
- 2.02 million jobs created
- 634,059 MSMEs benefitted from training in entrepreneurship
- Shs 340bn disbursed to 323,303 MSMEs through Young Africa Works.
- 3,343,889 cumulative patient visits to 132 Equity Afya medical centres
- 5.79m beneficiaries reached through social protection programs
- 2,477,358 women and youth received financial education training

Intellectual capital

- Shs 29.7bn disbursed through digital lending
- 704,088 digital loans issued
- 52.3% cost-to-income ratio
- 2.15m active customers on Equitel
- 1.95m transaction conducted on Jenga API

Natural capital

- 35m trees planted cumulatively
- 466,975 clean energy products distributed to households and institutions
- 549,000 metric tons of CO_2 reduced through deployment of clean energy products

Equity Bank Uganda SME Customers at the Kampala edition of the Tupange Business Na Equity engagement.

MATERIAL MATTERS

A matter is deemed material if it has the potential to significantly impact our capacity to generate value over the short, medium, and long-term. Our materiality process is designed to pinpoint our critical material matters and the overarching themes they encompass. By employing integrated thinking, we can identify these matters, which subsequently shape our strategic direction and inform our approach to risk management and the maximisation of opportunities.

We use a three-step materiality process to determine matters that could affect our ability to create value:

Identify	Prioritise	Integrate
In the identification phase, we evaluate significant issues in our operating environment that may impact our ability to create value and deliver our strategy. These issues could be financial, operational, reputational, environmental, social, strategic, or legislative. Our evaluation considers three key aspects: 1. How these issues affect the accessibility, availability, and affordability of our capitals. 2. Legitimate stakeholder feedback 3. Recent events as well as potential issues that could have a short, medium, or long-term impact on the Group	Using the outcomes of this assessment, we prioritise matters that are most important to our ability to generate sustained value over time while considering key risks and opportunities.	We incorporate an approach to managing these identified material matters into our strategic approach.

Equity Bank Kenya Managing Director Moses Nyabanda speaks at a panel discussion during the 5th German-African Business Summit. To his right is Melanie Keita of Melanin Capital and to his left, Barbara Von Toll of DEG.

MATERIAL THEMES

Through identification of material concerns raised by our stakeholders during the year, we are able to respond to shifts in their needs and expectations to ensure value creation and preservation of embedded value and the avoidance of value erosion. The stakeholder concerns raised during the year and our responses are summarised as follows::

Stakeholder	Stakeholder concerns raised in 2024	Our Response
Shareholders and Investors	■ Board capacity to respond to an evolving landscape and new dynamics created by geographic expansion. ■ Delivery of the Group transformation program. ■ Is there sound capital allocation to deliver on the Group strategy. ■ How do you maintain sustainable growth. ■ How are you adapting to the challenging operating environment including economic weakening in key markets, dynamic regulatory environment and changing societal and consumer expectations. ■ What is the impact of rising interest rates on borrowers including linkages to increases in Non Performing Loans (NPLs). ■ What is your role in society including managing Environmental and Social risks.	■ Established Board committees on IT and Sustainability and bolstered the requisite technical and board capabilities in critical skills. ■ The Board has prioritised oversight of the Group transformation initiatives with the aim of delivering on the projects that will position the Group to deliver on the ARRP. ■ The Group has committed USD 6 billion to ARRP and is actively pursuing partners and funders to support the Plan. ■ Overall, the Group is well capitalised for sustainable growth and profitability with scope for investment of excess liquidity. ■ The Group strategy and business model is robust and agile, able to adapt to changing contexts underpinned by the Group's strong capitalisation and liquidity. ■ The Group proactively engaged and supported customers impacted by cost of credit increases. ■ The Group has maintained adequate provisions and a high coverage ratios to cater for NPLs well beyond statutory requirements. ■ Enhanced our ESG credentials through the development of an environmental and social management frameworks and key recruits for the function as well as preparing an annual Sustainability Report, specifically to unpack our approach to ESG risks across the organisation. ■ Overall, communication is provided to shareholders on progress made in areas of concern through annual reporting, AGMs, impact and sustainability reporting, quarterly reporting and regular investor briefings and investor calls.

MATERIAL THEMES

Stakeholder	Stakeholder concerns raised in 2024	Our Response
Our Customers	■ There is an increased concern about the management and use of personal data by the Group. ■ System downtime and technology related issues need to be addressed to enhance customer service provision. ■ How do we protect the customer from interest rate increases. ■ How do you increase the speed at which you achieve resolution of issues raised. ■ How do you improve the turnaround time for loan requests. ■ How do you protect funds in the context of increasing levels of fraud. ■ How can you better promote wealth and lifestyle protection. ■ How can you support business growth. ■ How will Environmental and Social review requirements prior to onboarding affect me.	■ The Group has a data management framework and clear procedures on how data is handled and used in adherence to best practice and legislation. ■ The Group has invested in technological and digital systems to ensure uptime and clear approaches to speedy resolution of technological concerns. Additional technological innovations have has been developed or are in the pipeline while user related issues are being addressed through information sharing. ■ The Group has a data management framework and clear procedures on how data is handled and used in adherence to best practice and legislation. ■ The Group is supporting customers who are impacted by interest rate increases through various mechanisms including changing repayment terms. ■ We have improved our response time with over 90% of client concerns resolved on first contact. In addition, we have strengthened and trained our response teams. ■ We have launched new digital loans that include built-in covenants, based on previous customer behaviour allowing for automatic loan issuance up to a defined limit. ■ We are using technology to deter fraud and safeguard customer accounts in addition to several other fraud prevention mechanisms. ■ We provide ongoing communication to customers to prevent them from being victims of social engineering related activities. ■ We engage and educate customers during the onboarding process. ■ We continuing to provide customer trainings and skills enhancements to better manage their financial resources and businesses. ■ We continue to enhance our offerings especially in payments, investment, and insurance ■ We run trade missions for customers further offering them platforms to engage with other businesses in the region and globally. ■ The Group launched insurance products providing inclusive, innovative, and affordable customer protection including increased insurance propositions. ■ Environmental and Social requirements will affect customers differently, so the guiding approach is to work with our customers to ensure they adhere to the required standards. ■ There is a focus on creating green financial products for our customers to allow them to walk a sustainability journey with us. ■ There is a focus on using business meetings to disseminate information to customers.

MATERIAL THEMES

Stakeholder	Stakeholder concerns raised in 2024	Our Response
Our Employees	■ We need a better understanding of the increased deductions on salary and the impact on employees due to the Finance Act in Kenya. ■ We need to a better understanding of the changes made in the approved medical cover and first line provider and whether services provided will be on par with what was previous provided. ■ We are adjusting to returning to work in the office and need a better understanding on whether working from home remains an option. ■ We need to have a better understanding of the ARRP and what is required to deliver on it. ■ We need to be upskilled on the changing operational structure and the new products being launched. ■ We need more training on E&S risks and how to engage customers on this aspect.	■ The Group provided employees with relevant information on the deductions anticipated in the Finance Act and expected impacts. Also, maintained personal finance management trainings for employees. ■ We communicated advantages of the new medical cover and provider including cost benefits and access to higher quality care. ■ Employees have adapted to office work following the hybrid working model adapted during the pandemic. We supported the back to office process through effective communication and wellness considerations. An appropriate Remote Working/Work from Home/Hybrid workplace policy is in place. ■ The Group is utilising the induction process to sensitise employees on our strategy and approach to business and community sustainability. ■ Ongoing articulation of our strategic intent takes place across the organisation. ■ Make use of regional conventions and Subsidiary Executive Roadshows to engage employees on the strategy. Employees can approach the CEO and leadership on these issues during these events. ■ We have improved our employee performance management processes to include a revamped balanced score card approach. This allows opportunities to identify skills gaps and a roadmap to closing these. ■ We engage with employee during performance appraisals to ensure a sound understanding of operational changes. ■ We make use of publications, the intranet and learning platforms to disseminate information and knowledge. ■ The Group regularly communicates ways to contribute and participate in EGF activities. ■ We focus on building the required skills set to ensure we education our customers on the need for E&S screening. ■ The Group has also rolled out a specialised ESG training programme. ■ A continuous training and development programme is focused on women, especially in management.

MATERIAL THEMES

Stakeholder	Stakeholder concerns raised in 2024	Our Response
Society and Communities	■ Please share information and opportunities to participate in EGF activities ■ How can you facilitate the empowerment of your supply chain.	■ We communicate activities through our newsletters, radio / tv shows, face to face meetings in the branch, social media, regular meetings, customer dinners and lunches, various publications. ■ We have a clear mechanism for identifying participants to our projects. ■ We make use of customer testimonials to demonstrate our contribution to society. ■ We have partnered with the UN Global Compact to adopt and roll out a curriculum to empower our supply chain.
Regulators and Policy Makers	■ Do you have systems in place to manage emerging risks. ■ How are you approaching collaboration to enhance levels of financial inclusion. ■ How are you approaching collaboration to accelerate the businesses contribution to the SDGs.	■ We updated our Enterprise Risk Management Framework which was cascaded throughout the Group to identify and respond to emerging and new risks. ■ We regularly and consistently engage with regulators on issues of interest to them. ■ We provide thought leadership to the regulator to enhance broader sector performance. ■ We have signed partnerships with the United Nations to accelerate regional governments contributions to achieving the goals set under the SDGs. ■ In supporting the SDGs, we are leveraging our network and broad footprint, and continue to focus on financial inclusion and economic development per country of operation.

Tanzania's Minister of Community Development Gender, Women and Special Groups, Dorothy Gwajima (Centre) and Equity Bank Tanzania Managing Director Isabela Maganga (2nd Right) alongside guests during the launch of women banking in Dar es Salaam.

ONGOING STAKEHOLDER ENGAGEMENT

Engaging our stakeholders is crucial to the success of our strategy and the delivery of sustainable value. We recognise that stakeholder concerns vary in their material significance and will not influence implementation equally. The importance of a concern is assessed based on its potential impact on the business's long-term sustainability and its effect on the stakeholder, society or the natural environment. By maintaining open lines of communication and fostering strong relationships, we can respond effectively to the evolving needs and expectations of our stakeholders. We take pride in our established tradition of actively engaging with our stakeholders, ensuring that their voices are heard, and their concerns are addressed. This commitment to active engagement helps us to create and preserve value, while also mitigating potential risks and enhancing our overall performance.

Stakeholder definition	Manner of engagement	Frequency of Engagement
Shareholders and investors These constitute the providers of financial capital, and we disclose to them relevant information to make informed investment decisions in addition to seeking their perspectives on our financial performance and strategy.	■ Through publications ■ Through various reports ■ Through the Annual General Meeting (AGM) ■ Investor Roadshows ■ Regular investor briefings ■ Investor calls.	Quarterly/Annually
Our customers These constitute the largest source of our deposits, which enable us to fund lending activities. We safeguard their deposits through responsible and sustainable banking practices, sound governance and robust risk management.	■ Radio / TV Shows ■ Marketing and campaigns ■ Through Branch Employees ■ Through agents ■ Internet ■ Social Media ■ Outreach campaigns by the foundation ■ During the onboarding process ■ Through the relationship management team	Monthly
Our employees These are the motivated and skilled people, who enable us to offer value to our customers, and who, as part of society, contribute materially to the communities in which they live and work.	■ Induction / Orientation ■ Conventions ■ Performance appraisals ■ Publications ■ Intranet ■ One on One engagements ■ Content posts ■ Learning platforms ■ Recurring education	Monthly/ Quarterly
Society and communities Society and communities grant us the license to operate. Mindful of their interests we engage with our various host communities as part of understanding and identifying areas of sustainable social impact that we can invest in to empower them socially and economically.	■ Radio and TV Shows ■ Newsletters ■ Face to face meetings in the branch ■ Social media ■ Regular meetings customer dinners and lunches ■ Various publications. ■ Outreach campaigns by the foundation	Monthly
Regulators and policymakers They constitute a wide spectrum of bodies and people who regulate our industry across the various territories in which we operate, with whose laws, rules, and regulations we are committed to comply transparently and openly.	■ Through publications ■ Through reporting ■ One on One engagements	Quarterly

RISK STATEMENT

GROUP ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Group's Enterprise Risk Management Framework (ERMF), which is approved by the Board, supports the achievement of strategic objectives by promoting foresight and risk-informed decision-making to protect the Group from excessive and unwanted risks. The framework outlines the key principles and practices for the management of material risks, both financial and non-financial, and promotes a consistent approach to identify, assess, manage and report accepted and incurred risks, with clear accountabilities, and continuous monitoring of the risk environment. The Group continues to enhance its capabilities to ensure risk management is systematic, structured, and timely.

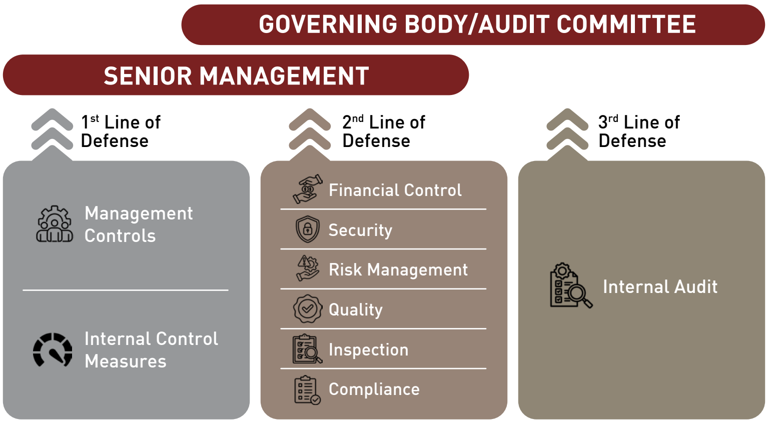
Risk culture

The Group is committed to building and maintaining a sound risk culture and the Board is responsible for setting the right tone. Senior Management is responsible for communicating and role modelling the expected values and norms in relation to risk- taking and ensuring a culture of integrity and high ethical standards.

Three lines of defense

The Group has adopted a three-lines-of-defense model to manage its risks. The first line of defense constitutes the functions that expose the Group to risk through revenue generating activities or transactions or providing the operational support for such activities. The first line of defense owns and manages the risks that arise from the Group's activities. The second line of defense refers to independent control functions, led by the Group Chief Risk Officer, that provide oversight and challenge to the first line risk management processes and decisions to provide confidence to the Board. The third line of defense comprises the Group Internal Audit function, which provides independent assurance to the Board on the effectiveness of risk management controls implemented by the first and second lines of defense.

Three Lines of Defense



Principal risk types

The Group ERMF identifies and prioritises principal risks which individually, or in combination, can have a material adverse impact on the financial performance or reputation of the Group. Prioritisation is based on the probability of occurrence and the consequences or impact, should the event happen. These risks are managed through distinct Principal Risk Type (PRTs) Frameworks that set out the overall risk management approach for respective PRTs.

The principal risks cover financial risk types (i.e. Credit Risk, Capital Risk, Liquidity Risk, Market Risk, Country Risk, Insurance Risk) and non-financial risk types (i.e. Strategic Risk, ESG and Climate Risk, Operational Risk, Reputational Risk, Compliance Risk, Financial Crime Risk, Conduct Risk, Fraud Risk, Model Risk, People Risk and Technology Information & Cybersecurity Risk).

The Group continuously monitors its internal and external environment to identify and manage any emerging risks that could materially impact on its strategic objectives, and that may require to be included in the ERMF. The Group ERMF and PRT Frameworks and the supporting policies and procedures are reviewed annually or more frequently if necessitated by material changes in the internal and/or external environment.

The Group appoints Risk Framework Owners, Policy Owners, and Process Owners, in addition to the Group Chief Risk Officer, to ensure effective implementation of the Group ERMF, the PRT Frameworks, Policies and Procedures.

RISK STATEMENT

Risk governance

The Board has ultimate responsibility for risk management and is supported by the Group Board Risk Committee. The management level Group Non-Financial Risks Committee (GNFRC) and the Group Assets & Liabilities Committee (GALCO) are approved by the Board to provide it with proactive support by scrutinising the management of key risks and the operation of internal controls.

The Board receives key information for the PRTs covering the risk profile in the current and previous quarters, key internal and/or external risk drivers, and the risk responses and timelines to control risk exposures within the Board approved risk appetite level. The reports also include emerging risks and the associated responses.

Risk appetite

The Board's risk appetite statements articulate the aggregate level and types of risks that the Group is willing to accept to achieve its business objectives. The risk appetite statements cover both financial and non-financial risks. Various quantitative and qualitative metrics are monitored and reported to the Board to ensure adherence to the risk appetite statements.

OVERVIEW OF SELECT PRINCIPAL RISK TYPES

Operational risk

The risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events including legal risks. The Group's Operational Risk Management practices include the development of operational risk management policies and procedures as well as the comprehensive identification and assessment of the operational risks inherent in all products and services.

Credit risk

The Group's credit portfolio remained resilient throughout 2024 despite significant headwinds including elevated inflation, rising interest rates, foreign exchange shortages and local currency depreciation. Throughout the year the effects of elevated inflation, rising interest rates, foreign exchange shortages, were visible in the portfolio. The Group made efforts to strengthen the process for identification and closer management of vulnerable customers and segments. Provisions' coverage was satisfactory and the portfolio was well diversified across geographies, customer segments, industry sectors and products.

Liquidity risk

The Group experienced substantial core deposits which were generally stable, diversified and lower cost in nature. The main factors behind the stability of deposits include the large number of customers, extensive network of branches, agents and ATMs, and the easily accessible digital channels across the six countries of operation. Furthermore, the Group held substantial liquidity reserves that were split between cash and government bonds.

Market risk

The Group demonstrated strong resilience despite significant volatility in interest rates and regional currencies throughout 2024. Fair value gains and losses on the Group's holdings of government securities, under the "Available For Sale" portfolio, were reflected under Other Comprehensive Income within the financial statements. Interest rates were elevated in the first half of the year, which resulted in a peak in mark-to-market (MTM) losses on bond investments. However, with global and local monetary policy easing in the latter half of the year, bond valuations improved significantly, reducing the negative MTM impact.

The Kenyan Shilling, which faced depreciation pressures at the beginning of the year, regained stability by February 2024. This recovery was driven by inflows from the International Monetary Fund (IMF), the issuance of a highly subscribed infrastructure bond, and continued government-backed oil import agreements. Additionally, the partial repayment and restructuring of the 2024 Eurobond eased external debt pressures, further stabilising the foreign exchange (FX) rates.

The outlook for market risk remains optimistic in 2025, with expectations of stable foreign exchange rates and declining interest rates. These trends are supported by the government's continued efforts to lower borrowing costs, which are anticipated to drive positive MTM positions and improve overall portfolio valuations.

RISK STATEMENT

Capital risk

Capital risk is the risk of insufficient capital in relation to the amount required to carry out the Group's strategy while satisfying regulatory capital adequacy requirements. The Group manages its business to avoid excessive losses and maintain a strong capital position including adequate management buffers under both normal and stressed economic conditions. Prudent capital risk management ensures adequate capital to support the Group's growth ambitions and absorb unexpected losses without breaching regulatory capital requirements. The Group's capital management practices include the Internal Capital Adequacy Assessment Process (ICAAP), internal capital targets, dividend distribution targets, stress testing, capital allocation, monitoring, and reporting.

Financial crime risk

The Financial Action Task Force (FATF) grey listed Kenya in February 2024 following a review conducted in 2022. Kenya was added to the grey list with other countries in the region, that is, the Demographic Republic of Congo, Tanzania and South Sudan. As part of the public-private partnership, the Group continues to work with regulators in the different markets to demonstrate an improved control environment and support to lift the countries out of the grey list. The Group has implemented additional measures to further strengthen its capabilities in the prevention of financial crimes across all of its entities including enhancing human resources and systems, reviewing policies and procedures, scaling up general awareness and targeted training, and increasing testing of controls.

Compliance risk

The Compliance Risk Management Framework sets out the approach for identification and management of risks associated with all applicable laws and regulations. The Group has implemented controls to ensure compliance with applicable laws and regulations including enhancing human resources and systems, reviewing policies and procedures and scaling up training and awareness. The Group has no appetite for breaches in laws and regulations. Whilst regulatory non-compliance cannot be entirely avoided, the Group strives to reduce this to an absolute minimum.

Technology, Information and Cybersecurity risk

The Group's investments in infrastructure upgrades, digital transformation, platform enhancements and enhanced customer experience continued to present technology, information, and cybersecurity risks. In line with the Group's Technology, Information, and Cybersecurity Risk Framework, the approach to risk management for these risks included:

- Enhancing IT project management, software application development, and lifecycle management in alignment with strategy.
- Replacing end-of-life infrastructure to improve system performance and maintain operational continuity to support business needs.
- Advancing IT service management and resilience to improve system availability, recovery, and continuity across all platforms.
- Strengthening governance and oversight capabilities, focusing on people, processes, and systems for effective risk management, information asset management, and third-party risk management.
- Continuously improving access controls, data protection, infrastructure security, and proactive cybersecurity risk management to address emerging threats, compliance to regulations, and vulnerabilities.

Fraud Risk Management

The Fraud Risk Management Framework provides a comprehensive approach to identifying, preventing, detecting, and responding to fraud risks. It establishes key controls and safeguards to protect the Group from fraudulent activities. The Group adopts a proactive, detective and responsive approach to the management of fraud risk. The Group remains committed to continuously enhancing fraud risk management capabilities by leveraging innovative technologies and investing in skilled personnel to stay ahead of evolving fraud threats.

Model risk

The Group uses models in different areas including business decision-making, regulatory and compliance purposes. Although the use of models has provided significant efficiency, transparency, and consistency in the decisioning process, the models themselves represent a new source of risk (Model risk). The Group adheres to a Model Risk Management Framework to mitigate Model Risk. This includes; Independent Model Validation, Model Governance, continuous Monitoring and Model Limitations. The Group ensures compliance with specific regulatory frameworks like Basel III for ICAAP and IFRS 9 for ECL models

DELIVERING VALUE THROUGH OUR STRATEGY

ARRP PROGRESS SCORECARD

Aspect	Strategic Pyramid	Strategic Pyramid Strategic Objectives	Achievements at at 2024
Society and Communities	Africa Recovery and Resilience Plan	■ 100 million customers ■ 5 million borrowing business ■ 25 million borrowing customers ■ 25 million direct jobs	■ 21.6 million customers (19.6 million customers in 2023) ■ 0.3 million borrowing businesses (0.3 million in 2023) ■ 0.81 million borrowing customers (0.84 million in 2023)
Strategic Pillars	Pillar 1a – Food and Agriculture Pillar 1b - Extractives Pillar 2 – Manufacturing and logistics Pillar 3 – Trade and investment Pillar 4 - MSMEs Pillar 5 – Social and Environmental Transformation Pillar 6 – Technology-enabled ecosystems	■ Food and Agriculture loan mix 30% ■ Catalyse other industries manufacturing loan mix 15% ■ #1 Trade finance bank ■ MSME loan mix 65% ■ Financially include 100 million ■ Digitally connect 100 million	■ Food and Agriculture loan mix 9% (5% in 2023) ■ Manufacturing loan mix 3.91% (5.1% in 2023) ■ Top 5 Trade Finance bank ■ MSME loan mix 41% (42.6% in 2023)
Operational Initiatives	Initiatives that internally enable Equity to execute its strategy	■ Cost-to-income 40% ↓ ■ Non-funded income 50% ↑ ■ Top 3 banks (Countries 5 years) ↑	■ Cost-to-income 58.2% (52.3 in 2023) ■ Non-funded income 44% (up from 30% in 2023) ■ In 2024 Equity ranked among the top 3 big banks by asset base in 4 of the 6 countries of operation

FINANCIAL REVIEW

In 2024, The Group has once again demonstrated the robustness of its diversified business model, disciplined strategic execution and prudent risk management, achieving a 17% growth in Profit Before Tax (PBT) which stood at Shs 60.7 billion. Customer deposits increased to Shs 1.4 trillion, reflecting the expansive scale and reach of our deposit franchise. This growth is complemented by an increase in the customer base from 19.6 million in 2023 to 21.6 million.

Furthermore, the Group's liquidity position remained robust, with cash and cash equivalents rising by 19% to Shs 345 billion. Investment securities grew to Shs 512 billion, contributing to an overall liquidity ratio of 57%. An 11% rise in Earnings Per Share (EPS) to Shs 12.3 resulted in the year and a proposed dividend of Shs 4.25 per share, a payout ratio of 34.5% is proposed. Return on Equity (ROE) of 21.5% and a Return on Assets (ROA) of 2.8% were both above industry averages.

The Group's financial capital sources, include shareholder funds, debt investors, and revenue reserves. As of 2024, financial capital consisted of paid up and assigned capital (Shs 1.887 billion), share premium (Shs 15.325 billion), retained earnings (Shs 248.872 billion), and a minority interest of Shs 12.827 billion. The Group is committed to raising funds from a variety of sources and deploying them in the most efficient and prudent manner to create long-term stakeholder value.

Our Internal Capital Adequacy Assessment Process (ICAAP) enables us to maintain appropriate capital resources, manage risks and meet capital adequacy requirements. It also guides our cost optimisation efforts and where we allocate financial resources. Overall, capital allocation focuses on supporting value creation and ensuring high returns on deployed financial capital.

Profit Before Tax (Shs)

60.7bn

2023: 51.9bn

Total Revenue (Shs)

193.8bn

2023: 181.7bn

Revenue Growth

6%

2023: 15.3%

Market capitalisation (Shs)

163.8bn

2023: 127bn

Total Assets (Shs)

1,805bn

2023: 1,821bn

Deposits (Shs)

1,401bn

2023: 1,358bn

Return on Equity

21.5%

2023: 22.3%

Cost-to-income ratio

58.2%

2023: 52.3%

Cost of funds

4.3%

2023: 3.8%

Net Loans (Shs)

819.2 bn

2023: 887.4bn

NPL

12.2 %

2023: 11.7%
Industry average 16.4%

NPL Coverage

71%

2023: 67.3%
Inclusive of credit risk

Shareholders' Funds (Shs)

246.9bn

2023: 218.1bn

Earnings per share (Shs)

12.3

2023: 11.1

Core capital/TRWA

17.2 %

2023: 14.3%
Statutory minimum: 10.5%

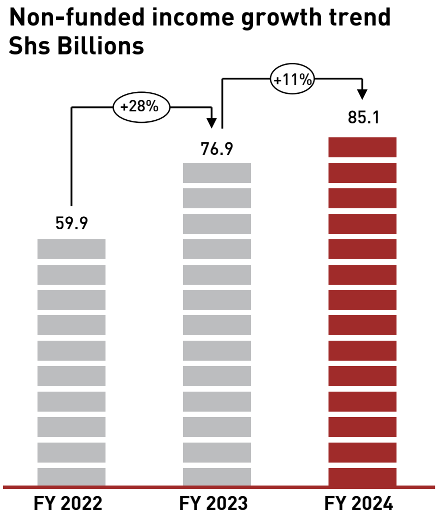
Total Capital/TRWA

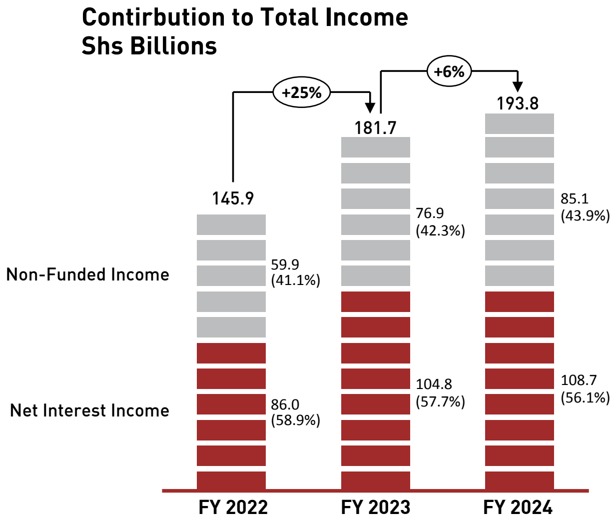
19%

2023: 18.1%
Statutory minimum: 14.5%

FINANCIAL REVIEW

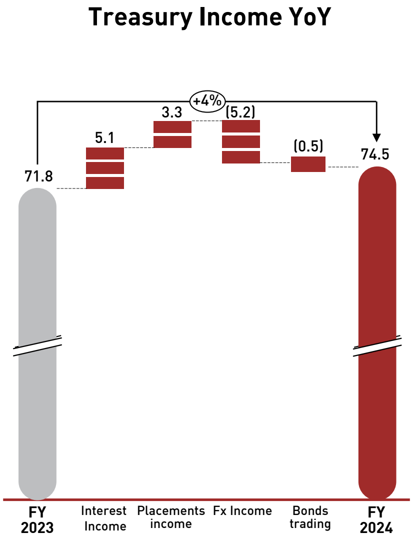
FOCUS AREA 1: Non-funded income

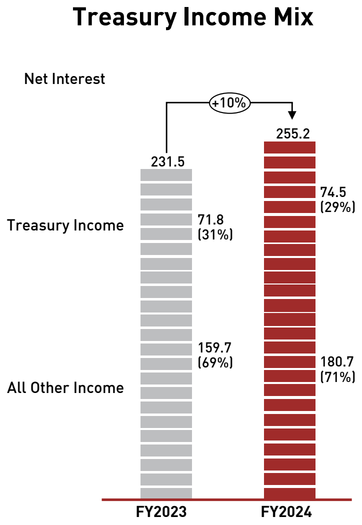

Non-funded income growth trend
Shs Billions

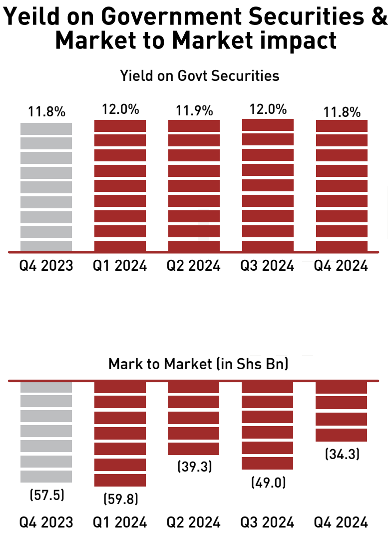

Contirbution to Total Income
Shs Billions

Non-funded income grew from Shs 76.9 billion in 2023 to Shs 85.1 billion in 2024, reflecting an 11% earnings increment. Overall, non-funded income constituted 44% of the total income, highlighting its importance in the overall financial performance of the Group.

FOCUS AREA 2: Treasury operations


Treasury Income YoY


Treasury Income Mix


Yeild on Government Securities & Market to Market impact

FINANCIAL REVIEW

FOCUS AREA 3: **Geographic Expansion and Business Diversification**

The ARRP sets ambitious goals including growing the Group's customer base to 100 million, supporting 5 million borrowing businesses, and financing 25 million borrowing customers. To achieve this, the Group is focusing on expanding both its digital and non-digital presence across the continent. Geographic expansion is a central aspect of this growth strategy.

In 2024, the Group's regional subsidiaries significantly contributed to its overall performance, with 54% of Profit Before Tax (PBT) attributed to operations outside of the Kenyan business. The Group is a systemic bank in five of the six markets it operates in and ranks among the top three in Kenya, the Democratic Republic of the Congo (DRC), and Rwanda.

The integration of the Cogebanque, acquired in 2022, has been enhanced, allowing the Group to cascade its business model, operational and performance modalities. The results achieved by subsidiaries in Rwanda, DRC, Tanzania, and Uganda have shown marked improvement during the year under review. On the other hand, the Kenyan business remains the largest single contributor to the Group's performance, accounting for 46% of PBT.

The Group's strategic focus on regional expansion and digital integration underscores its commitment to providing accessible and efficient financial services across the continent.

FY 2024	EBTL	EBRL	EBUL	EBSS	Equity BCDC	Regional Subs Total (% Contribution)	EBKL (% Contribution)	Banking Group Total* (% growth)	Regional Subs Contribution FY 2024	Regional Subs Contribution FY 2023
Deposit	44.4	92.7	98.3	12.0	542.2	789.6	841.5	1,631.1	48%	50%
YoY Growth	-9%	-4%	-20%	-20%	7%	48%	52%	4%		
Loan	26.0	52.0	46.2	0.8	271.9	396.9	422.3	819.2	48%	49%
YoY Growth	-14%	-3%	-31%	11%	-5%	48%	52%	-8%		
Assets	56.2	124.3	119.3	20.7	656.5	976.9	1,027.7	2,004.6	49%	50%
YoY Growth	-7%	-3%	-23%	-8%	5%	49%	51%	0%		
Revenue	6.2	12.7	15.3	8.4	61.0	103.6	89.3	192.9	54%	49%
YoY Growth	20%	36%	-4%	115%	9%	54%	46%	5%		
Cost before povisions	3.2	4.6	11.3	6.8	34.5	60.4	54.1	114.5	53%	52%
YoY Growth	-4%	29%	14%	617%	11%	53%	47%	21%		
PBT before provisions	3.0	8.1	4.0	1.7	26.5	43.2	35.2	78.4	55%	47%
YoY Growth	66%	40%	-35%	-44%	6%	55%	45%	-12%		
PBT	1.5	7.8	0.5	1.7	20.1	31.5	26.7	58.2	54%	51%
YoY Growth	144%	36%	134%	-44%	8%	54%	46%	12%		
PAT	1.2	5.4	0.6	1.3	15.6	24.1	24.1	48.2	50%	41%
YoY Growth	107%	30%	186%	-40%	29%	50%	50%	7%		
RoAE	16.8%	33.1%	3.8%	22.8%	22.7%	21.4%	20.2%	20.8%		
RoAA	2.2%	4.7%	0.5%	5.0%	2.6%	2.7%	2.4%	2.5%		

FINANCIAL REVIEW

EQUITY BANK (KENYA) LIMITED


Amb. Erastus Mwencha
Non-Executive Chairman


Moses Nyabanda
Managing Director


Prof. Timothy Waema
Non-Executive Director


Adema Sangale
Non-Executive Director


Prof. Gideon JK Maina
Non-Executive Director


Fredrick Muchoki
Non-Executive Director


Dr. Julius Muia
Non-Executive Director


Samuel Onyango
Non-Executive Director


Lydia Ndirangu
Company Secretary

Commentary

The Kenya subsidiary remains a significant contributor to the Group providing 46% of PBT. Despite this strength, 2024 was a challenging year for the subsidiary, with a particularly constrained environment in the first half of the year. Interest rates remained high coupled by stubborn inflation. The exchange rate hit an unprecedented high with the shilling at 160 to the dollar while forex liquidity contracted significantly. The second half of the year noted marked improvements. Inflation came down to as low as 2.7% before ticking up marginally. The Central Bank of Kenya, led in lowering the Central Bank Rate (CBR) three times in the year and foreign exchange reserves improved to record levels. Overall, the subsidiaries performance remained strong with total revenue at Shs 89.3 billion, a 5% decrease from prior year while PBT at Shs 26.7billion marked a 6% increase compared to 2023.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	93,774	**89,272**
Customer deposits	772,742	**841,547**
Total assets	1,004,244	**1,027,680**
PBT	25,194	**26,661**
Other metrics		
Customer numbers	12,906,101	**14,376,819**
Employee numbers	7,000	**7,013**
ATM's	342	**345**
Branches	195	**216**
Agents	43,084	**42,622**

The Equity team marches past the main dais during the official opening parade of the 37th Interbank Games at the Kenya School of Monetary Studies (KSMS) Sports Arena in Nairobi, where Equity Bank emerged as the overall winner.

FINANCIAL REVIEW

EQUITY BANK UGANDA


Mark Ocitti
Non-Executive Chairman


Gift Shoko
Managing Director


Simon Lugoloobi
Non-Executive Director


Paul Sine
Non-Executive Director


Allen Ssebugwawo
Non-Executive Director


Samwel Kirubi
Non-Executive Director


Gertrude Karugaba
Non-Executive Director


Henry Rugamba
Non-Executive Director


Dr. Norah Bwaya
Non-Executive Director


Lydia Ndirangu
Company Secretary

Commentary

Uganda's economy continues to register impressive growth reaching 6% in 2024. Despite this economic performance, Equity Bank Uganda faced a challenging year, predominantly on account of a significant fraud event. The subsidiary showed strong stewardship in addressing and mitigating this event. The Bank's performance improved with Profit Before Tax (PBT) and Profit After Tax (PAT) increasing by 134% and 186% while total revenue declined by 4%. Total assets stood at Shs 119.3 billion. The subsidiary is supporting customers in the hospitality, agriculture and oil and gas sectors as flagship projects under the ARRP. Ecosystem banking is a key strategy for the subsidiary. A key strategic objective in 2025 will be process re-engineering to improve turn around times on key customer processes.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	15,766	**15,312**
Customer deposits	123,510	**98,270**
Total assets	156,584	**119,261**
PBT	1,295	**468**
Other metrics		
Customer numbers	2,105,855	**2,221,748**
Employee numbers	1,501	**1,424**
ATM's	59	**58**
Branches	50	**50**
Agents	9,089	**9,193**

Equity Bank Uganda Managing Director, Gift Shoko (left) presents a congratulatory letter to Ms. Namuwonge Dorcas, an ELP scholar and Kyambogo University graduate, during a celebration marking the graduation of the Bank's first cohort of Equity Leaders Program scholars, who successfully completed their 3-year University Bachelor's degree programs.

FINANCIAL REVIEW

EQUITY BANK (TANZANIA) LIMITED

Eng. Raymond Mbilinyi
Non-Executive Chairman

Isabella Maganga
Managing Director

Dino Stengel
Non-Executive Director

Evelyn Rutagwanda
Non-Executive Director

George Theobald
Non-Executive Director

Dr. Aggrey Mlimuka
Non-Executive Director

John Wilson
Non-Executive Director

Prof. Ahmed Ame
Non-Executive Director

Commentary

Equity Bank Tanzania continued to demonstrate robust performance, driven by strong macro-economic factors and diligent execution. The Bank achieved an impressive 144% growth in Profit Before Tax (PBT), reaching Shs 1.5 billion, compared to Shs 631 million in 2023. Similarly, revenue growth was notable, increasing from Shs 5.2 billion to Shs 6.2 billion, marking a 20% increment. Despite a marginal decline in customer deposits by 9%, which stood at Shs 42.6 billion, the Bank's total assets remained substantial at Shs 56.2 billion. The key focus sectors for the Africa Recovery and Resilience Plan (ARRP) include agriculture, extractives, and MSMEs, which are expected to drive further growth and development

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	5,183	**6,223**
Customer deposits	46,840	**44,370**
Total assets	60,587	**56,208**
PBT	631	**1,540**
Other metrics		
Customer numbers	619,234	**570,710**
Employee numbers	484	**501**
ATM's	20	**20**
Branches	15	**15**
Agents	5,981	**5,341**

Equity Bank Tanzania Managing Director, Isabela Maganga (Right) with Oryx Energies Head of Finance Ashery Mbasha (Left) at a partnership signing ceremony in Dar es Salaam. Equity Bank Tanzania and Oryx Energies signed a partnership to provide interest-free access to Oryx gas for vendors nationwide, supporting government efforts to reduce charcoal use and combat climate change.

FINANCIAL REVIEW

EQUITY BANQUE COMMERCIALE DU CONGO (EQUITY BCDC)

Ignace Mabanza Meti
Non-Executive Chairman

Willy Mulamba
Ag. Managing Director

Dr. James Mwangi, CBS
Non-Executive Director

John Wilson
Non-Executive Director

Brent Malahay
Non-Executive Director

Kadita Tshibaka
Non-Executive Director

Wolfgang Bertelsmier
Non-Executive Director

Eric Mboma
Non-Executive Director

Jean-Marc Openge
Secretary

Commentary

The Democratic Republic of the Congo (DRC) is the second largest country on the African continent, presenting a challenging and dynamic operating environment that requires propositions tailored to its unique circumstances. Due to poor infrastructure and a weak telecommunications network, both digital and branch-based channels are significantly constrained. Despite these challenges, Equity Banque Commerciale Du Congo (Equity BCDC), the second largest subsidiary after Kenya, has continued to perform robustly. The Bank's total assests grew by 5%, reaching Shs 656.5 billion, while customer deposits increased by 7%, closing at Shs 542.2 billion. Revenue saw a notable increase from Shs 55.9 billion in 2023 to Shs 61 billion in 2024, marking a 9% increment. Additionally, Profit Before Tax (PBT) experienced an 8% rise, reaching Shs 20.1 billion compared to Shs 18.6 billion in 2023.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	55,861	**60,959**
Customer deposits	504,556	**542,164**
Total assets	624,108	**656,482**
PBT	18,638	**20,051**
Other metrics		
Customer numbers	2,054,360	**2,719,603**
Employee numbers	2,696	**3,057**
ATM's	279	**400**
Branches	81	**79**
Agents	8,222	**23,043**

EquityBCDC Wins First World Elite Card Award in the DRC at the 2024 Mastercard MENA West Business Forum.

FINANCIAL REVIEW

EQUITY BANK (RWANDA) PLC


Col(Rtd) Eugene Haguma
Non-Executive Chairman


Hannington Namara
Managing Director


Belinda Bwiza
Non-Executive Director


Dr. Patrick Uwizeye
Non-Executive Director


Amb. William Kayonga
Non-Executive Director


Andrew Rugege
Non-Executive Director


Camille Karamaga,
Non-Executive Director


Emmanuel Muragijimana
Non-Executive Director


Jean Claude Nkulikiyimfura
Non-Executive Director


Arlette Rwakazina
Non-Executive Director


Lydia Ndirangu
Company Secretary

Commentary

Equity Bank Rwanda continued to demonstrate improved performance in 2024. The Bank achieved a remarkable 36% growth in Profit Before Tax (PBT), reaching Shs 7.8 billion, compared to Shs 5.7 billion in 2023. Despite a 3% decline in total assets, which stood at Shs 124.3 billion, the Bank's overall performance remained strong.

Following the acquisition of Congebanque in 2023, Equity Bank Rwanda emerged as the second largest bank in Rwanda by asset size. The Bank closed 12 branches in a post merger exercise to realise synegies, create opertional efficiencies and enhance service delivery.

A substantial portion of the year was dedicated to improving the strategic and operational integration of the merged bank, ensuring the delivery of a consistent customer experience, a unified culture, and operational synergy.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	9,364	**12,694**
Customer deposits	96,999	**92,683**
Total assets	127,716	**124,301**
PBT	5,719	**7,789**
Other metrics		
Customer numbers	1,620,327	**1,543,062**
Employee numbers	537	**939**
ATM's	61	**56**
Branches	46	**34**
Agents	7,480	**4,791**

Equity Bank Rwanda Managing Director Hannington Namara (centre), joined by staff, lays a wreath at the Nyanza Genocide Memorial to honor the victims, as part of the 30th Commemoration of the 1994 Genocide Against the Tutsi.

FINANCIAL REVIEW

EQUITY BANK (SOUTH SUDAN) LIMITED

Prof. John Adwok
Non-Executive Chairman

James Kiarie
Ag. Managing Director

Dr. Abraham Mamer
Non-Executive Director

Hellen Lotara
Non-Executive Director

Mary Ajith
Non-Executive Director

Dr. Biong Kuol Deng
Non-Executive Director

Dr. Lina Sara Mathew
Non-Executive Director

Commentary

The economy continued to face significant challenges, exacerbated by the ongoing conflict in the Sudan and the limited diversification of the economy beyond oil. Hyperinflation and currency devaluation were noted in the year, creating a difficult environment for financial institutions. Despite these obstacles, the subsidiary's revenue increased impressively by 115%, rising from Shs 3.9 billion to Shs 8.4 billion. However, Profit Before Tax (PBT) saw a decline of 45%, closing at Shs 1.7 billion. The Bank operates five branches in the capital city of Juba and one in Nimule, located on the border with Uganda. In 2023, the Bank relocated to new premises aimed at providing better services to customers and an improved working environment for employees. The premises are fully powered by solar power contributing to the energy efficiency agenda of the Group. The Bank's overarching aim is to deliver on the Africa Recovery and Resilience Plan (ARRP) and positively contribute to the challenging socio-economic context in South Sudan. This is achieved through a focus on expanding access to financial solutions using digital channels. SMEs form the backbone of the subsidiary and currently constitute 32% of its customer base.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	3,917	**8,420**
Customer deposits	14,956	**12,023**
Total assets	22,391	**20,661**
PBT	3,009	**1,657**
Other metrics		
Customer numbers	180,578	**203,840**
Employee numbers	127	**149**
ATM's	20	**20**
Branches	5	**5**
Agents	42	**90**

Equity Bank South Sudan Board Members led by (from Left to Right) the Chairman, Prof. John Adwok, Non-Executive Director, Dr. Biong Kuol Deng, Former Managing Director, Dr. Addis Ababa Othow, Non-Executive Director, Dr. Abraham Mamer and Non-Executive Director, Dr. Lina Sara Mathew Alonga, inspect a solar system installed at Equity Bank South Sudan Head Office, as part of the Bank's ongoing initiative to go green.

FINANCIAL REVIEW

EQUITY LIFE ASSURANCE KENYA LIMITED


Dr. Edward Odundo
Non-Executive Chairman


Ms. Angela Okinda
Managing Director


Dr. Eva Njenga
Non-Executive Director


Joshua Njiru
Non-Executive Director


Prof. Agnes Wausi
Non-Executive Director


Ms. Miriam Musaali
Non-Executive Director


Lydia Ndirangu
Company Secretary

Commentary

Equity Life Assurance (Kenya) [ELAK] was launched in 2022 to offer life insurance and retirement solutions to all categories of customers. The non-bank subsidiary achieved impressive results in 2024, with cumulative policies issued increasing 41% from 9.9 million to 14.1 million. Profit Before Tax (PBT) increased by 49% to Shs 1.4 billion providing the subsidiary with a strong foundation for further expansion and reach. In the year, the subsidiary acquired a general insurance licence.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Insurance Service Revenue	1,657	**1,429**
Insurance Service Result	593	**813**
PBT	934	**1,400**
Total Assets	19,245	**24,242**
Policies issued (million)	9.9	**14.1**

FINSERVE AFRICA LIMITED


Dr. Patrick Uwizeye
Non-Executive Chairman


Dr. James Mwangi, CBS
Non-Executive Director


Brent Malahay
Non-Executive Director

Commentary

Finserve Limited is the fintech subsidiary of Equity Group, established to inspire and grow people and businesses by connecting today's potential with tomorrow's innovative opportunities. Finserve addresses complex financial and lifestyle obstacles by employing a data and insight driven culture to build products that enrich customer experience. The subsidiary manages Equitel, a mobile virtual network operator with over 2.5 million customers providing mobile money services and Jenga, a payment gateway that enables small businesses to connect to the Bank digitally.

Performance	2023	2024
Total number of active equitel users	2.05 Million	**2.23 Million**
Number of Equitel customers active on telephony	0.45 Million	**0.52 Million**
Number of Equitel customers active on m-banking	0.99 Million	**1.06 Million**
Other metrics		
Volume of transactions on Jenga API	0.99 Million	**1.19 Million**
Volume of transactions via the Jenga Gateway	2,521	**2,871**

FINANCIAL REVIEW

EQUITY INVESTMENT BANK LIMITED


Vijay Gidoomal
Non-Executive Chairman


Dr. James Mwangi, CBS
Non-Executive Director


Daniel Szlapak
Non-Executive Director


Clifford Sacks
Non-Executive Director

Commentary

Equity Investment Bank provides wealth creation and preservation products to customers enabling them to create long-term value and benefit from product differentiation. We are a one-stop shop for financial and investment services and at the forefront of providing brokerage services that enable our diverse portfolio of local and international clients to invest in capital markets. In the long term we aim is to create employment opportunities, and to realise new avenues for investment to boost economic growth across the geographies we operate in.

Performance	2023 (Shs Millions)	2024 (Shs Millions)
Total revenue	357	**319**
Total assets	661	**746**
PBT	193	**139**
Other metrics		
Customer numbers	3,475	**4,985**

EQUITY GROUP FOUNDATION


Dr. James Mwangi, CBS
Executive Chairman


Ms Zainab Jaffer
Non-Executive Director


Amb. Caleb Manoah Esipisu
Non-Executive Director


Dr. Ruth Wanjiru Kagia
Non-Executive Director


Mr. Samson Bwaya
Non-Executive Director


Amb. Macharia Kamau
Non-Executive Director


Mr. Charles Lyons
Non-Executive Director


Mrs. Gina Din-Kariuki
Non-Executive Director


Dr. Helen Gichohi
Non-Executive Director


Ms. Lydia Ndirangu
Company Secretary

Commentary

The Equity Group Foundation (EGF) was established in 2008 as the not-for-profit social impact implementing arm of the Group. The Foundation aims to transform the lives and livelihoods of the people of Africa socially and economically through capacity building, equipping them with skills, and linking them to modern, inclusive financial services that maximise their opportunities. EGF continues to lead high-impact development programs in East and Central Africa across its seven thematic pillars, equipping our customers and communities with the tools and technologies that enable them to scale their economic and lifestyle engagements. EGF's performance indicators provide a focus for measuring and reporting Creating Shared Value.

Equity Group Managing Director and CEO Dr. James Mwangi (2nd left) participates in a panel at the 2024 Africa Food Systems Forum in Kigali, which brought together over 5,000 delegates from 97 countries. The event saw major commitments, partnerships, and investments aimed at transforming Africa's food systems.

FINANCIAL REVIEW

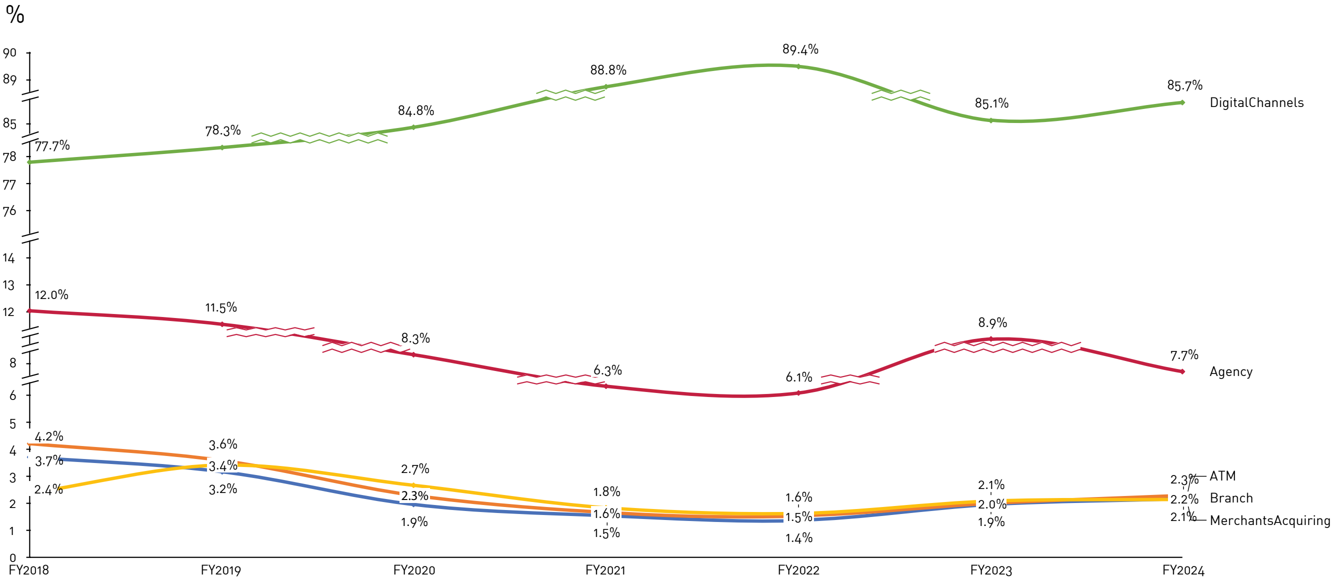
FINANCIAL REVIEW

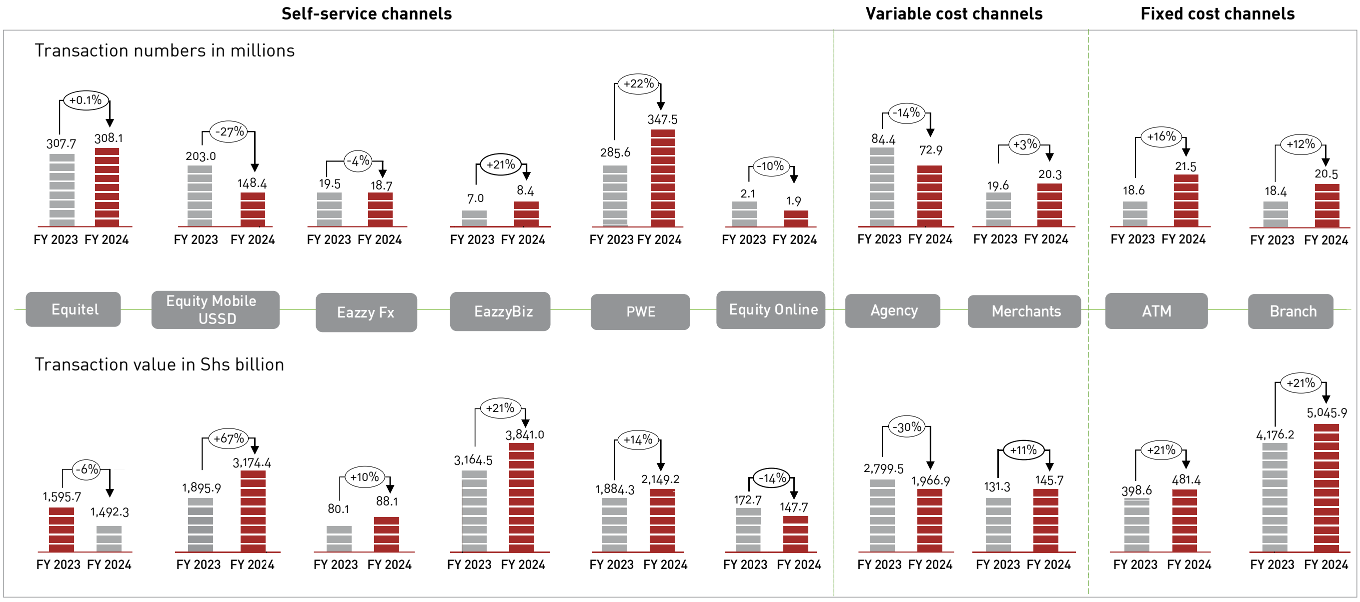
FOCUS AREA 4: Balance sheet efficiency, optimisation, and agility

Our balance sheet growth continued underpinned by a diversified funding structure. Asset mix was also varied positioning the Group for optimisation of returns. The Group liquidity ratio was 57.4%, which is above the regulatory requirement of 20%.

FOCUS AREA 5: Business transformation through innovation and digitisation

Investment in technology and digitisation was a key facet of 2024, as the Group sought to strengthen its technology capabilities as a requisite requirement for achieving the ambitions of the ARRP. We have sustained migration from fixed and variable cost channels to self-service channels for 98% of our transactions outside the branch.



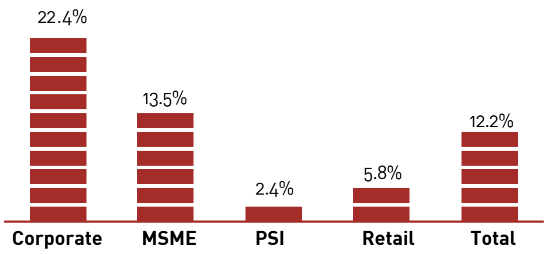


FINANCIAL REVIEW

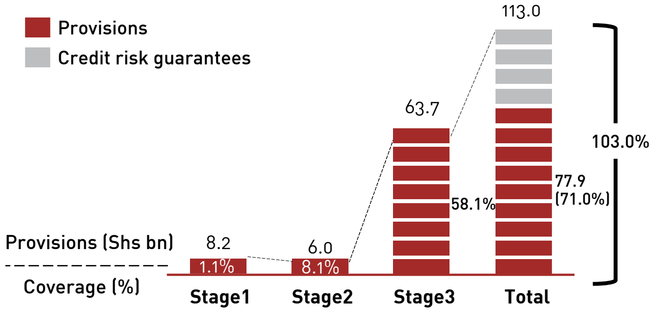
FOCUS AREA 6: Asset quality, distribution, and risk mitigation

Across the Group, asset quality remained within statutory expectations although a slight deterioration was noted. Most importantly, our diversification strategy in terms of market segments, geography, economic sector, and currency proved sound as it cushioned the Group from macro-challenges faced in key geographies. Our NPLs at 12.2% (2023: 11.7%) remained well below the industry average of 16.4%. The Group continued to support clients impacted by the high interest environment noted in earlier parts of the year.

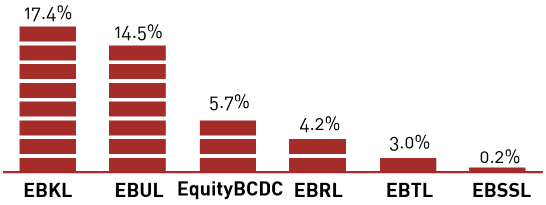
NPL Ratio by Segment



IFRS Coverage and provisions



NPL Ratio by Country



Delegates participate at a site visit in Kinshasa - DRC, during the 2024 Kenya - DRC Investors' Roadshow spearheaded by Equity Group.

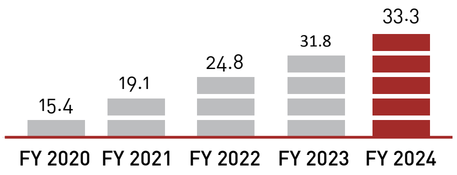
FINANCIAL REVIEW

FOCUS AREA 7: Efficiency and Cost Optimisation

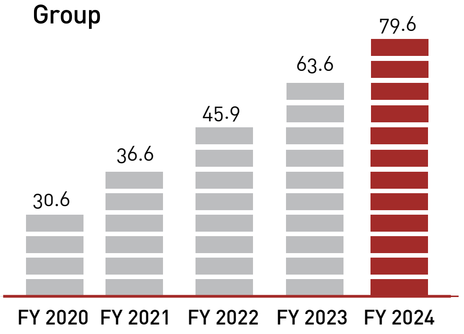
Cost optimisation focuses on deploying our resources in a manner that maximises value creation. This approach allows us to allocate resources efficiently, eliminate wastage, and enhance profitability. We regularly monitor our expenses, identifying ways to address cost escalations and eliminate unnecessary expenditure. Additionally, we emphasise improving operations and streamlining processes to achieve operational efficiency.

Generally, our cost base has remained stable, except for increases in costs due to the growth in employee numbers, talent acquisition, and investments in the Group's transformation program covering technology, digitisation, product development. In addition, costs were required to integrate Cogebanque with Equity Bank Rwanda, including investments in technology, infrastructure, and employee training. Our cost-to-income ratio stood at 58.2% in 2024, compared to 53.2% in 2023.

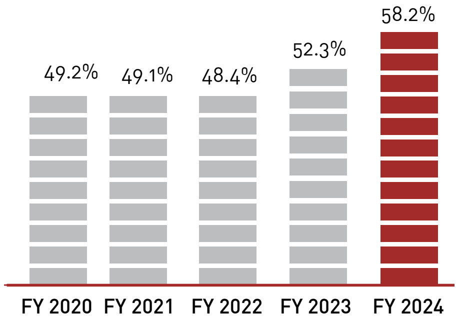
Staff Cost Trend
Shs Billions
Group



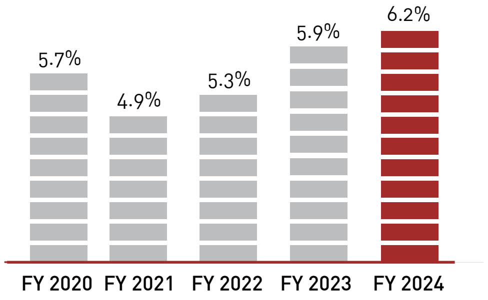
Other Expenses Trend
Shs Billions
Group



Cost to Income Ratio
(Without Loan Loss Provision)
Group



Cost to Assets Ratio
(Without Loan Loss Provision)
Group



FINANCIAL REVIEW

FOCUS AREA 8: Emerging Business Lines

The Group seeks to diversify by providing products and services that resonate with our purpose and the ARRP. In this regard, we have established two new business lines focusing on insurance and technology.

INSURANCE GROUP

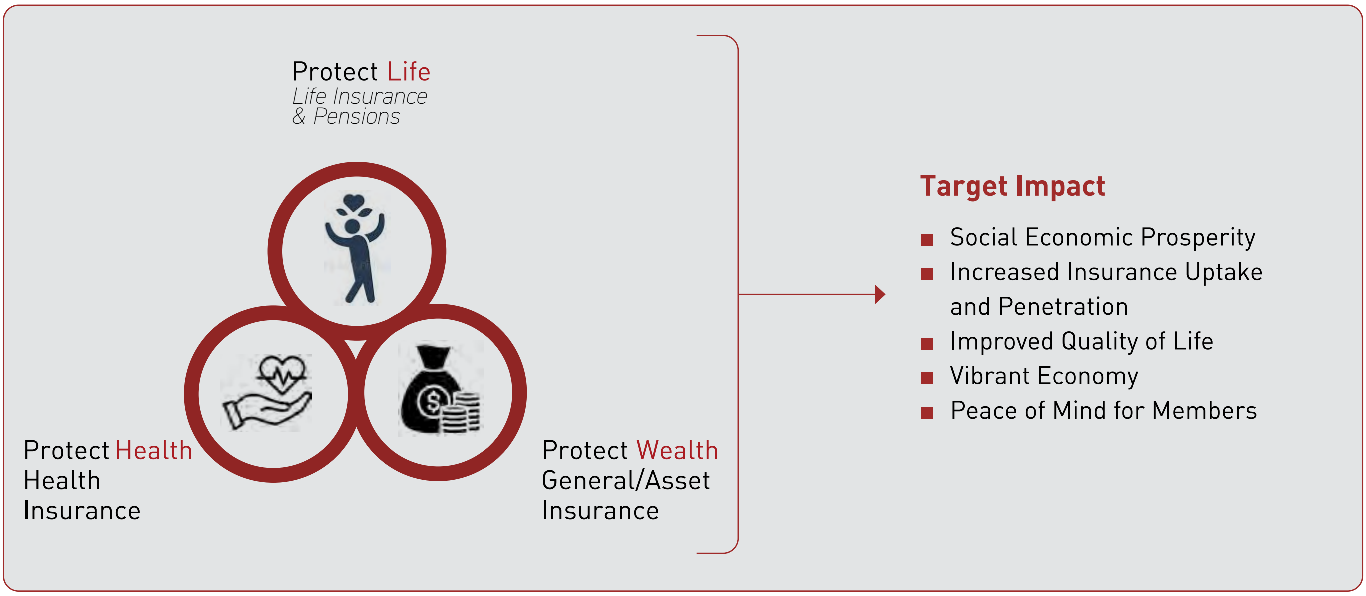
Insurance penetration rates in Africa remain relatively low, with significant variations across different regions. In 2022, the insurance penetration rate in East Africa was 1.39%, with Kenya leading at 2.14%, while Tanzania, Uganda, and Ethiopia had lower rates of 0.62%, 0.74%, and 0.3%, respectively. South Africa has the highest level of insurance penetration on the continent at 17%. The Group views the role of insurance as being both social and economic. It is imperative to enhance insurance uptake as a means of wealth protection since most consumers in Africa are an event away from financial distress. The Group's insurance proposition seeks to resolve key hindrances that have impeded uptake of insurance products including:

- Access
- Relevance or suitability
- Affordability
- Reliability

The insurance business commenced in March 2022 with the primary objective of demonstrating that insurance could be conducted innovatively and differently while remaining profitable. The Group adopted a distinct distribution model, specifically digital insurance, to enhance accessibility and efficiency. A clear mandate was established to differentiate products, ensuring they are fit for purpose without compromising value for customers and insurance providers. The concept of wallet-sizing products to fit the average consumer's budget was introduced.

Four life assurance and pensions products were selected and exhibited significant growth. Emphasis was placed on customer experience as well as innovation on products to ensure that they are truly fit-for-purpose and developed with the customer in mind. In 2023, the focus shifted to general insurance, and by 2024, the scope expanded to include property, casualty and health. Several products, including life, health, and wealth, were launched in Kenya, with one product entering the DRC market through a partnership. The holistic approach to life, health, and wealth is expected to deepen consumption per customer and enhanced the value proposition.

Equity's insurance propositions aim to protect life, protect health and protect wealth leading to five key outcomes as shown in the image:



Protect Life
Life Insurance
& Pensions

Protect Health
Health
Insurance

Protect Wealth
General/Asset
Insurance

Target Impact

- Social Economic Prosperity
- Increased Insurance Uptake and Penetration
- Improved Quality of Life
- Vibrant Economy
- Peace of Mind for Members

FINANCIAL REVIEW

INSURANCE GROUP

Our propositions

We provide a wide range of relevant insurance products and services including:

Group Life Assurance Life insurance policy that extends cover to employees of a company or members of an organised group with a minimum of 5 members for a period of 1 year.	**Credit Life Insurance** Credit Life Insurance is a life policy designed to pay off a borrower's outstanding debt in cases where the borrower faces unfortunate life events and cannot meet their loan obligations.	**Group Last Expense** A cover for the life of an individual who is part of a formal group to help meet immediate funeral related expenses on their death or that of an immediate family member.
Umbrella Fund (Provident & Pension): We have registered two Umbrella Funds - the Equity Umbrella Retirement Fund (Pension Section) and the Equity Umbrella Retirement Fund (Provident Section). Both Funds have provision to allow members to save towards their post-retirement medical expenses through embedded Post-Retirement Medical Funds (PRMF).	**Individual Pension Plan (IPP):** This is ideal for self-employed persons, contractual employees, or even pensionable employees who are looking at increasing their savings for retirement. The plan is highly flexible and can be customised to meet the clients bespoke needs.	**Income Drawdown Fund (IDD):** This is for retirees who are looking at earning a regular income from their pension savings. The premiums are invested and continue to earn an income and the retirees draw down a maximum of 12% per annum of the opening balance at the start of the year.
Health Insurance Provision of quality, accessible and affordable healthcare coverage solutions that protect the wellbeing of customers.	**Fire Domestic** Protects the insured against loss or damage from fire or allied perils, theft, accidental damages, loss of personal effects, personal accident, personal liability, and injury to employees.	**Fire & Perils** Protects the insured against loss of or damage to property resulting from Fire, Lightning, Explosion, Earthquake Fire & Shock and Volcanic Eruption, Bush Fire, Riot, Strike, Malicious Damage and Special Perils.
All Risk Indemnity against loss of or damage to the specified property as a result of any cause not excluded by the policy. It combines perils covered under Fire and Burglary policies with accidental damage and simple theft (larceny).	**WIBA** This is a compulsory insurance product required by all employers of labor under, The Work Injury Benefits Act, 2007.	**Marine** Protects the insured against loss of or damage to property whilst in transit by means of the specified conveyance (sea, air and road/rail).

FINANCIAL REVIEW

INSURANCE GROUP

Goods In Transit "All Risks" of physical loss and/or damage to the whole or part of the property declared in the course of transit by the means of conveyance declared including loading and unloading risks.	**Political Violence & Terrorism** Protects the insured against physical loss or damage to buildings and contents which belong to the insured or for which the insured is legally responsible, directly caused by one or more perils occurring during the policy period.	**Directors Liability** Basis of indemnity – "Claims Made" against a Director, Officer or the Company resulting from acts occurring during the policy period.
Term Life Assurance Equity Term Life Policy offers affordable life cover for 1–15 years, with a payout on death during the term. It has no maturity or savings benefit and is available as single or joint life, including Keyman cover for businesses. It offers optional riders like Accidental Death, Critical Illness, Family Income and Waiver of Premium to enhance flexibility.	**Education Savings Policy** Equity Life Education Policy is a savings and life cover plan designed to secure your child's education. It offers flexible premiums, guaranteed returns, capital preservation, and a no-lapse guarantee. In case of untimely death, the policy ensures uninterrupted education funding. It's tailored to individual goals and protects against rising education costs with peace of mind.	**Equity Goal Based Savings policy** Equity Life Goal-Based Savings Plan is a flexible, secure way to save for short- or long-term goals like holidays or your child's education. Open to individuals aged 18–60, it offers guaranteed interest, life cover, daily Hospi-cash, flexible payments from Kshs. 100, advisory support, and a maturity payout, making it a simple, goal-driven path to financial peace of mind.
Annuity: Equity Annuity is a retirement income solution that provides guaranteed, regular payouts in exchange for a lump sum or series of payments. It ensures financial stability and protects against outliving your savings, offering peace of mind through predictable income for a set period or for life.	**Personal Accident** Equity Personal Accident Cover offers 24-hour protection for individuals aged 18–65 against accidental death, disability, medical and funeral expenses. It also covers risks from riots, strikes, civil unrest, political violence, and terrorism, ensuring all-round peace of mind in uncertain times.	**Contractors All Risk** Contractors All Risk Insurance offers comprehensive protection for construction projects, covering damage to works, equipment, and machinery, as well as third-party liability for property damage or injury. Cover is tailored based on project type, duration, location, value, liability limits, and claims history.

FINANCIAL REVIEW

INSURANCE GROUP

Insurance and the ARRP

Our insurance proposition is aligned to the ARRP as follows:

Customer	Businesses & Jobs	Food & Agriculture	Trade Finance	Cost-to-Income	Non Funded Income (NIF)
100m customers	5m businesses, 25m direct jobs	30% Food & Agri, 15% Manufacturing, 65% MSMEs	#1 Trade Finance Bank	<40% cost to Income Ratio	<50% NFI
+4m customers	5% cross-sell for Life insurance for business owners & employees + business insurance	Target for General Insurance; 20% of MSMEs to consume at least 2 insurance products	Develop Innovative trade finance insurance solutions	Targeted 50% Loss ratio across the book	Insurance revenue will entirely boost Group NFI (Annual Flows of Shs 10Bn)

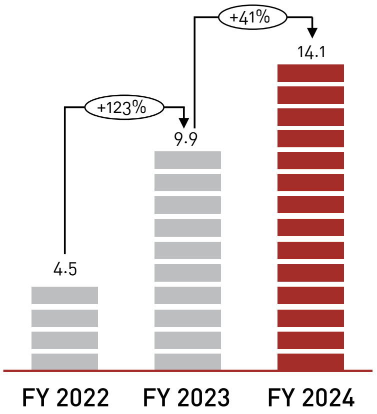
Equity Life Assurance (Kenya) Limited

Equity Group's insurance subsidiary was operationalised in March 2022 to provide life insurance solutions. At the close of 2024, the subsidiary was:

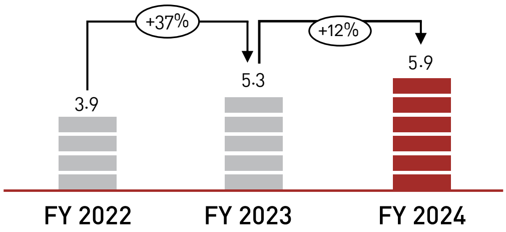
- #4 in Gross Written Premiums (GWP) (9% Market share of total industry GWP)
- #2 in Group Life and Credit acquiring 18% of market share
- #1 in return on Equity
- #4 in profitability
- #7 in Total Assets

14.1 million cumulative policies were issued by close of the year and 1,274,980 customers benefiting from various insurance products.

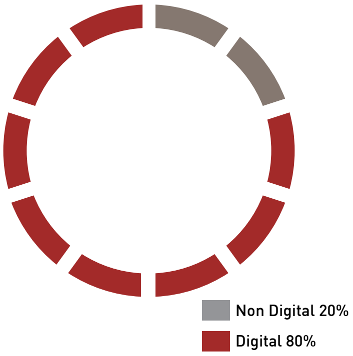
Cumulative number of policies issued by ELAK (in Millions)



Number of Unique Customers (in Millions)



Distribution channel (Number of Policies)



Equity Life Assurance Kenya (ELAK) has achieved remarkable milestones by the end of 2024. The insurer had issued 14.1 million cumulative policies since inception in 2022, demonstrating its strong market presence and commitment to providing comprehensive insurance solutions. Serving 5.9 million unique customers, ELAK has successfully catered to a diverse clientele, ensuring that a wide range of individuals and businesses benefit from its offerings.

FINANCIAL REVIEW

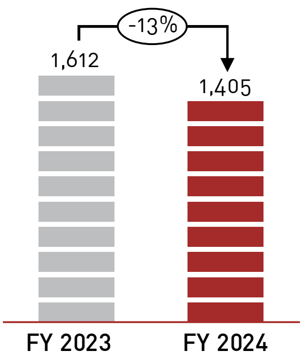
INSURANCE GROUP

As a digital native insurer, ELAK has embraced technology to enhance its operations, with over 80% of policies issued digitally due to its innovative Insuretech strategy. This approach has not only streamlined processes but also improved accessibility and efficiency for customers. Additionally, the Equity bank branch network plays a critical role in the insurance distribution strategy, particularly for non-SME and non-consumer segments. This extensive network ensures that insurance products are readily available to a broader audience, further solidifying ELAK's position as a leading insurer in the region.

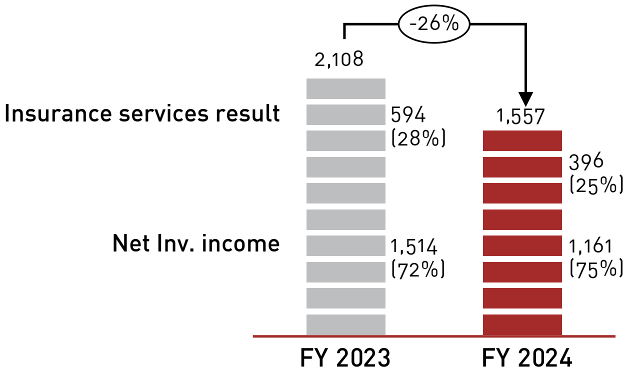
Overall insurance performance (Life and general)

Profit Before Tax increased by 58% to Shs 1,5 billion.

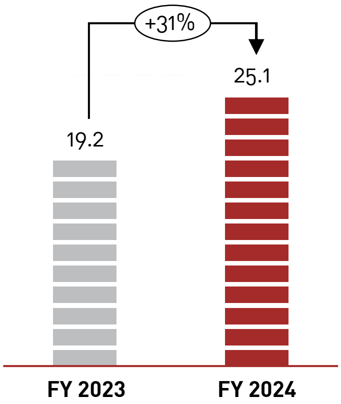
Insurance Revenue (Shs Million)



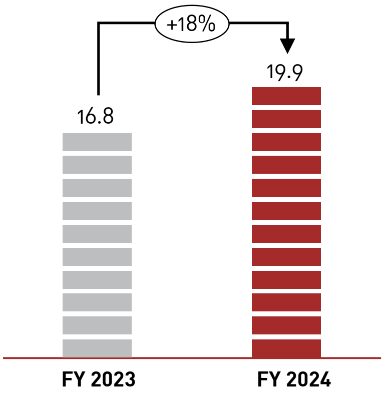
Net Insurance and Investment Revenue (Shs Million)



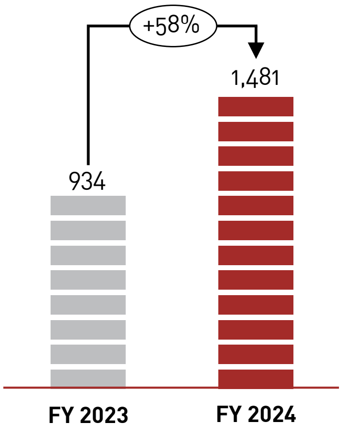
Total Assets (Shs Million)



Insurance Contract Liabilities (Shs Million)



Profit Before Tax (Shs Million)



Capital Adequacy Ratio (CAR) as at 31 December 2024

242%

Notes:

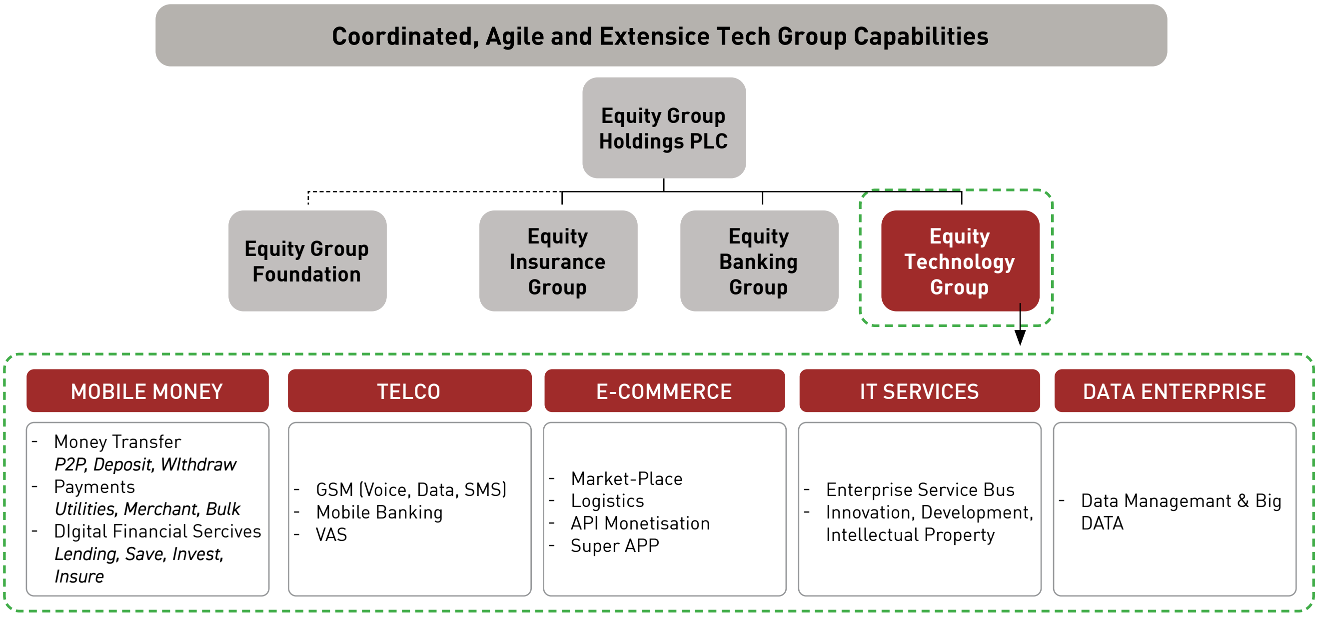
- Adequate Capital ratio at 242%
- Growing Return on Equity resulting from growing investment income
- Decreasing Return on Assets due to growth in asset mainly assets under management

FINANCIAL REVIEW

TECHNOLOGY GROUP

Technology has always been a fundamental aspect of how we operate our business and deliver value to our stakeholders. It enables us to streamline processes, enhance efficiency, and provide innovative solutions that meet the evolving needs of our customers. However, the Group is now seeking to leverage technology in a more robust and strategic manner. This involves creating and operating a reliable and scalable mobile money platform designed to offer daily relevant products and services.

By fostering technology in this way, we aim to enhance our digital capabilities and ensure that our propositions are not only efficient but also adaptable to the changing market demands. This strategic approach will allow us to provide a seamless and consistent customer experience, improve accessibility to financial services, and drive overall growth and profitability for the Group.



Coordinated, Agile and Extensice Tech Group Capabilities

Equity Group Holdings PLC

Equity Group Foundation

Equity Insurance Group

Equity Banking Group

Equity Technology Group

MOBILE MONEY
- Money Transfer
  P2P, Deposit, WIthdraw
- Payments
  Utilities, Merchant, Bulk
- DIgital Financial Sercives
  Lending, Save, Invest, Insure

TELCO
- GSM (Voice, Data, SMS)
- Mobile Banking
- VAS

E-COMMERCE
- Market-Place
- Logistics
- API Monetisation
- Super APP

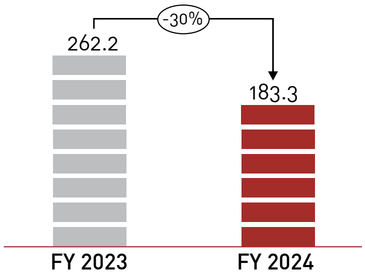
IT SERVICES
- Enterprise Service Bus
- Innovation, Development, Intellectual Property

DATA ENTERPRISE
- Data Managagement & Big DATA

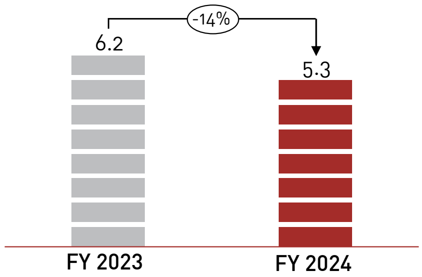
Technology-enabled lending

The increased use of our digital channels in lending practices has been a significant shift in how we deliver credit products. In 2024, disbursements through digital channels stood at Shs 183.3 billion, a 30% decline from the Shs 262.2 billion attained in 2023, constituting 5.3 million loans. Average loan size stood at Shs 34,400.

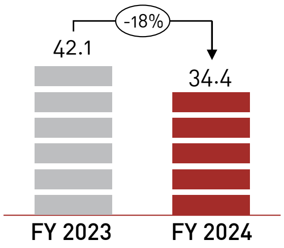
Group Disbursements Value in Shs Billion (YoY)



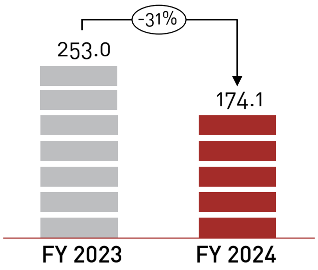
Group Disbursements Count in Millions (YoY)



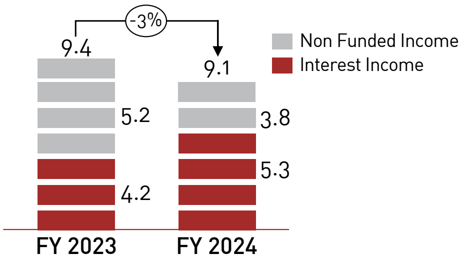
Group Average Ticket size in Shs '000' (YoY)



Group Repayments (Shs Billion)



Group Revenues in Shs Billion (YoY)

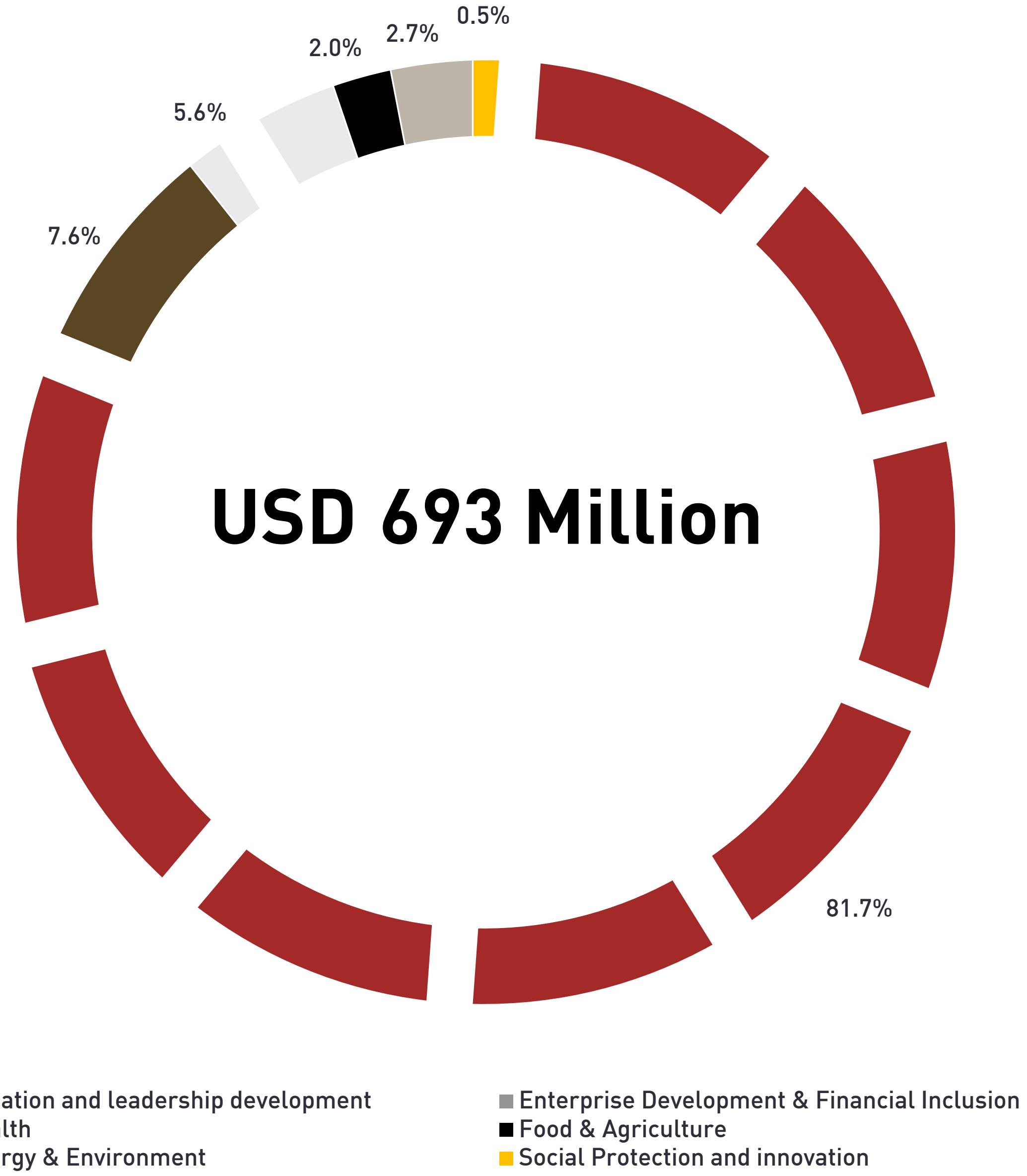


FINANCIAL REVIEW

FOCUS AREA 9: Social Impact Investment

The Equity Group Foundation (EGF) is committed to transforming lives and livelihoods across Africa through innovative programs that harness the Group's extensive infrastructure and strategic partnerships. EGF drives inclusive development by focusing on key thematic areas, including Financial Inclusion, Education and Leadership Development, Food and Agriculture, Health, Enterprise Development, Energy, Environment and Climate Change, Innovation and Technology, and Social Protection. By 2024, EGF had mobilised funding totaling USD 693 million, underscoring its growing capacity to deliver sustainable, high-impact solutions that create shared value for communities across the continent.

EGF - Funds Raised (2024)



HUMAN CAPITAL

Headcount	**13,083**	2023: 13,102
Women employed	**44%**	2023: 41%
Women in senior leadership positions	**35%**	2023:35%
Employee turnover	**11%**	2023: 17%
Spend on employees (Shs)	**33bn**	2023: 32bn
Training spend (Shs)	**846.6m**	2023: 317m
Number of employees trained	**12,081**	2023: 10,328
Average learning hours per employee	**46**	2023: 42

The Equity Group's 2022 –2026 Human Resources Strategy has four strategic pillars.

1. Organising for transformation and growth through a market-focused target operating model and organisation design.
2. Delivering superior sustainable value creation for our stakeholders through a robust Productivity and Performance Management Framework.
3. Harnessing high employee engagement and experience through deployment of a competitive Employee Value Proposition
4. World Class Talent Management for succession planning and Career Management

Organisation design

In 2023, we finalised the re-design of our target operating model, built around five key broad categories of job families, namely:

1. **Demand** – these teams develop and grow our customer base, target agreed to Customer Segments, and link these to specific sectors to customise relevant Customer Value Propositions.
2. **Supply** – these teams are responsible for demand fulfilment, designing and customising customer solutions, products and experience to specific segments and sectors.
3. **Business Partners** – These teams provide enabler subject matter expertise in the back-office centres of excellence to enable customer value creation along the organisation's value chain. These include Strategy, Governance, Risk, and other technical subject-matter functions.
4. **Subsidiaries/Licenses** – These teams translate business strategy into customer value creation and delivery through the regulated jurisdiction of operations across geographies.
5. **Shared Services** – These job families offer high volume, repetitive, standardised, and harmonised operational services, leveraging efficient, automated processes and policies to minimise duplication of resources and effort across geographies and licenses.

In 2024, the benefits of the 2023 Target Operating Model redesign became more evident, with stronger alignment of job families to the Africa Recovery and Resilience Plan (ARRP). A more focused governance approach also emerged, driven by enhanced collaboration across job families through different councils enabling cross-functional alignment, inclusive decision-making, and knowledge sharing. Additionally, the shared services model continued to deliver value by optimising scale, standardisation and optimising costs in back-office functions, while productivity remained a central lens in evaluating role effectiveness.

HUMAN CAPITAL

Benefits noted in 2024

- **Job family alignment to ARRP:** All job families were realigned to reflect the objectives and structure of the Africa Recovery and Resilience Plan (ARRP), ensuring consistency across roles and functions.
- **Competency Framework development:** The redesign established a solid foundation for defining and mapping the competency requirements for each role, enabling targeted capacity building and talent development.
- **Shared Services Optimisation:** Back-office, high volume, repetitive functions were centralised under shared services to leverage economies of scale, harmonisation, standardisation, optimising operational costs while maintaining service efficiency.
- **Clarity in role design and accountability:** Improved clarity of work design as well as segregation of duties between Group Matrix Functional Leaders and Subsidiary Leaders enhanced accountability and alignment in execution.

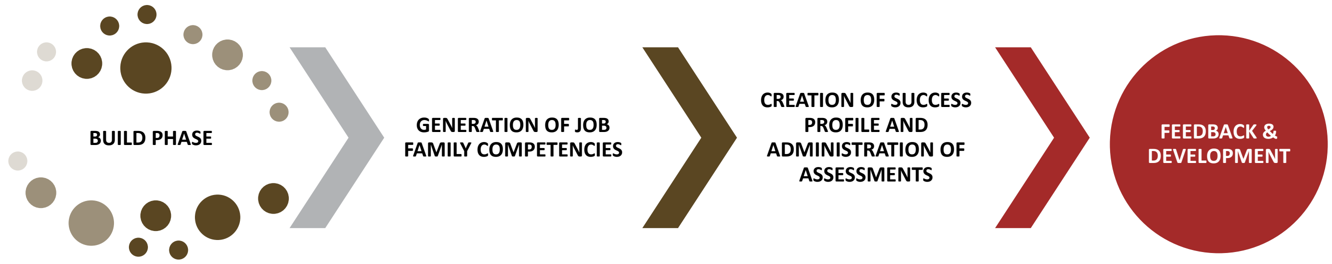
Enhancements done in 2024

- **Progress in process re-engineering and automation:** Significant strides were made in re-engineering and automating core back-office procedures, across functional operations, leading to improved efficiencies, accuracy, faster turnaround, and lower operational costs
- **Structural enhancements in Key Business Areas:** The structures for both the Insurance Group and Technology Group were further fleshed out to support their growing mandates, allowing for clearer leadership roles, accountability, and support of their strategic focus areas

Productivity and Performance Management Automation

Our Performance Management system features an intuitive, user-friendly interface, making it easy for all employees to access and utilise. Each employee is assigned Key Performance Indicators tailored to their role, aligned with the Group's overall goals, and can track performance against targets dashboards in real time. The system automates the documentation of performance feedback and outcomes, ensuring accurate records for future reference and decision-making. The system is stable, and related processes such as performance ratings calibration, performance improvement plans, and probation are being successfully deployed.

4 Key Phases of the Program



November 2024 - February 2025	March - April 2025	April - May 2025	April - May 2025
BUILD PHASE	GENERATION OF JOB FAMILY COMPETENCIES	CREATION OF SUCCESS PROFILE AND ADMINISTRATION OF ASSESSMENTS	FEEDBACK & DEVELOPMENT
■ Gather insights on current and future capabilities ■ Consultative workshops with Business leaders & Subject Matter Experts (SMEs) in all Job Families ■ Creation of core job family competencies	■ Co-creation of success profiles for each role. ■ Validation of the success profiles	■ Employee assessments against the developed success profiles ■ Generation of individual competency reports	■ HR & Line Manager led coaching sessions to review reports and provide feedback ■ Discussion and prioritisation of development plans ■ Implementation of learning actions, Embedment in Training Needs Analysis

HUMAN CAPITAL

Application of Competency Framework in the Employee Lifecycle

01

Recruitment and Selection:

- **Job Descriptions:** Clearly define the specific skills and behaviors required for different roles within the organisation
- **Candidate Assessment:** Evaluating candidates against predefined competencies.

02

Performance Management:

- **Setting Expectations:** Clearly communicating to employees what is expected of them in their roles.
- **Evaluation:** Performance is evaluated against the established competency standards.
- **Feedback:Feedback** provided to employees is based on the identified competency gaps or strengths.

03

Training and Development:

- **Identifying Skill Gaps:** Competency frameworks are used to pinpoint specific areas where employees lack the necessary skills or require upskilling to perform effectively in their current or future roles.
- **Personal Development Plans:** Competency needs guide the creation of personal development plans for employees.
- **Tailored Training Programs:** Training initiatives are designed to address specific competencies identified as crucial for individual and organisational success.

04

Career Development and Succession Planning:

- **Career Mapping:** Competency frameworks help in mapping potential career progressions within the organisation.
- **Succession Planning:**The frameworks are used to identify and groom high-potential employees for future leadership roles.

05

Change Management

- **Identifying Skill Gaps:** Competency frameworks help identify the new skills and knowledge employees need to navigate organisational changes effectively.
- **Personal Development Plans:** Development plans are created to help employees acquire the competencies required for new roles.
- **Tailored Training Programs:** Specific training programs are designed to equip employees with the competencies needed to adapt to and succeed in the changing environment.

Enhancing our Employee Value Proposition (EVP)

Our Employee Value Proposition (EVP) comprises a wide range of workplace and work-related benefits as well as rewards offered to employees. It encompasses various elements such as salary, benefits, career development opportunities, work-life balance, and the organisational culture. The Group is committed to offering a competetive EVP for attracting, engaging, and retaining best-in-class talent. To achieve this, we implemented several initiatives in 2024:

- **Remuneration survey**
  Remuneration surveys were undertaken across the countries to evaluate our market competetiveness.
- **Revised and enhanced staff medical benefits:**
  We enhanced the staff medical cover by expanding coverage limits for outpatient services and introducing wellness benefits package. The revisions aim to provide comprehensive healthcare solutions that cater to employees' diverse needs, improving overall well-being and job satisfaction.
- **Wellness Programs:**
  All subsidiaries have built momentum on employee wellness and vitality, creating more awareness amongst staff on high-risk aspects like mental health and proactively taking charge of their health through regular comprehensive checks while adopting wellness lifestyles. Physical, emotional, occupational, social, spiritual, intellectual, environmental and financial dimensions of the wellness wheel guided the various action plans across the subsidiaries.
- **More opportunities for Talent Mobility:**
  The Group created career growth and skill development opportunities by increasing internal mobility opportunities across subsidiaries. This includes short and long-term secondments and cross-functional/cross-geography projects, allowing employees to gain diverse international experience while contributing to critical business needs fulfilment.
- **Recognition and Spot Award Policy:**
  A formal Recognition and Spot Awards Policy has been designed to incentivise employees who perform above and beyond the normal call of duty through more creativity, innovative and high impact initiatives.
- **Employee Share Ownership Plan (ESOP):**
  The Shareholders of Equity Group Holdings approved an Employee Share Ownership Plan to incentivise employees, foster a high-performance culture, promote loyalty, and enhance talent retention. This initiative shall also provide a more competitive reward mix aligned with our Shared Prosperity Model.

HUMAN CAPITAL

Justice, Equality, Diversity, and Inclusion (JEDI)

The Group has made significant strides in implementing its Justice, Equality, Diversity, and Inclusion (JEDI) policy, aligning with global standards and UN conventions on human and workplace rights. A key milestone in this journey is the commitment to achieving 50% representation of women in management positions by 2030, reinforcing the Group's dedication to gender diversity and fostering an inclusive work environment.

The Equity Women (Equip) Book Club continued to empower and engage women through insightful discussions and learning opportunities. In EBKL, the club featured a review of *"Women and Money"* by Centonomy, impacting 2,000 women. Additionally, it hosted webinars on Personal Branding and Navigating Menopause, and a training on Human Capital and Personal Development in EBCDC, providing valuable guidance for personal and professional growth. The club also commemorated key milestones, including International Women's Day (IWD) and Mother's Day across the subsidiaries, further fostering a sense of community and support among women

The Equity Men (Mandate) Book Club, through its Mentor-Mentee pillar *'Mentality,'* featured a review of *"The Leader Who Had No Title by Robin Sharma"* fostering leadership and personal development among members. The club also actively participated in Men's Health Month, *'Movember,'* by hosting awareness sessions, including a Prostate Cancer Awareness session that reached 2,018 attendees. This was complemented by health screenings for prostate cancer, blood pressure, and blood sugar, benefiting 135 participants. To recognise and appreciate the men in the Group, the Bank issued appreciation ties. Additionally, the club commemorated International Men's Day, reinforcing its commitment to mens' well-being and professional growth.

The Group is actively participating in the Kenya2Equal Program, a three-year initiative led by the International Finance Corporation (IFC) in collaboration with the Federation of Kenya Employers (FKE). This program is designed to promote gender equality and bridge the gender gap in the private sector through a peer-to-peer platform that facilitates knowledge-sharing and best practices among selected private sector companies. Participating organisations make measurable commitments to advancing gender equality, with progress tracked through baseline, midline, and end-line evaluations. The program's key objectives include attracting, recruiting, retaining, and promoting women; strengthening the business case for women's employment and leadership; and creating quality employment opportunities that support women's professional growth and success

Diversity in leadership

Our Management bench reflects a dynamic blend of experience, skills, nationalities, and expertise, positioning us as a truly global brand. With leaders from 24 nationalities and diverse professional backgrounds—spanning finance, healthcare, technology, manufacturing, education, social impact, and international development—we crowded into our workforce and workplace a wealth of cross-industry knowledge that drives strategic growth and innovation. This diversity in nationality and cultural perspectives enriches our decision-making, ensuring a well-rounded, inclusive, and globally competitive leadership team.

	Nationality	Count of Staff (Management Level and Above)
1	Kenyan	1962
2	Ugandan	401
3	Rwandan	294
4	Congolese	244
5	Tanzanian	201
6	Nigerian	12
7	South Sudanese	12
8	Chinese	6
9	American	5
12	South African	5
11	Zimbabwean	5
12	Ghanaian	4

	Nationality	Count of Staff (Management Level and Above)
13	Indian	3
14	Ivoirian	3
15	Zambian	3
16	Cameroonian	2
17	British	1
18	Canadian	1
19	French	1
20	German	2
21	Mauritians	1
22	Filipino	1
23	Sri Lankan	1
24	Portuguese	1
25	Ethiopian	1

HUMAN CAPITAL

Learning and development

Equity Group has recently embarked on a comprehensive Competency Development and Assessment program which will amongst other things define the competency gaps of individuals and teams, and in turn inform the training needs as well as learning interventions required. The competency framework covers Functional, Technical, Generic and Leadership competencies. During the year, the Group provided an average of 46 learning hours per employee and the overall training spend amounted to Shillings 846.6 million.

Succession Planning

Our investment in building a future-ready workforce for the evolving world of work gained notable traction in 2024. A key milestone was the rollout of the Talent Management Framework, with succession planning being part of the pillars of this framework, ensuring we have a strong and prepared pipeline for critical roles across the organisation.

Notably, all our subsidiaries have submitted their respective succession plans in line with the requirements of their regulators and boards. This marks significant progress, and we aim to build further momentum in 2025 by deepening implementation and follow-through on development actions for identified successors.

A section of Delegates, Equity Group and EquityBCDC leadership led by EquityBCDC Ag. Managing Director Willy Mulamba (Front Row Centre) and Equity Group Director of Trade Relations AQ Hamza (Back Row Centre), during the Democratic Republic of Congo (DRC) Trade Mission facilitated by Equity Group. The trade mission brought together over 250 delegates from Kenya, Uganda, Tanzania, and the host country, DRC. This pivotal mission, is a key component of the Africa Recovery and Resilience Plan (ARRP), which aims to create sustainable opportunities for businesses across the region while fostering social and economic transformation.

MANUFACTURED AND INTELLECTUAL CAPITAL

Manufactured capital encompasses the tangible assets that the Group provides for use by both customers and employees. This includes equipment, physical facilities, and digital channels such as ATMs, applications, and operational systems. These assets are essential for the smooth functioning of the Group and play a crucial role in delivering services and products to customers efficiently.

Intellectual capital, on the other hand, refers to the Bank's intangible assets. It can be broadly defined as the collection of all informational resources at the Group's disposal. These resources are invaluable for creating value, attracting new customers, developing new products, and enhancing overall business operations. Intellectual capital includes proprietary procedures, intellectual property, knowledge, policies, vision, mission, purpose, and the value of the Group's positioning, brand, and reputation.

By leveraging both manufactured and intellectual capital, the Group can ensure a seamless and effective delivery of services, foster innovation, and maintain a competitive edge in the market. These capitals are integral to the Group's strategy for long-term value creation and sustainability

MANUFACTURED CAPITAL

Branches	ATMs	Agents	POS
399	**899**	**85,080**	**40,045**
2023: 392	2023: 781	2023: 74,953	2023: 37,003

Physical and digital channels are essential for delivering products and services to our customers. While there has been a significant shift towards digital channels and an increasing preference for self-service options, our physical contact points continue to be a crucial pillar for service delivery. Our comprehensive network includes physical branches, which provide personalised customer service and support.

In addition to these branches, we offer a variety of digital options to cater to the diverse needs of our customers. These digital channels include Mobile Banking, Agency Banking, PayPal, Online Banking, Pay with Equity, Visa Direct, Equity Cash Back, our self-service portal, and Equitel. This blend of physical and digital channels ensures that we can provide convenient, accessible, and efficient banking services to all our customers, regardless of their preferences or location.

Transformation through digitisation

Enhanced digitisation of the Group has become a critical imperative as we position ourselves for future growth, scale, and impact in line with the aspirations of the Africa Recovery and Resilience Plan (ARRP). This strategic shift aims to increase value for stakeholders, primarily employees and customers, by reducing costs for customers and enhancing convenience and accessibility. We recognise the need to be more agile to achieve the ARRP as we transition from merely delivering products to providing comprehensive solutions for customers. Our investments in this area are therefore necessary to enable us to scale up in terms of customer numbers and regional expansion.

Internally, we are digitising the way we operate and deliver value. In 2024, we worked on 854 processes and successfully deployed 238 of them. The remaining processes are at various stages of the software lifecycle and will be deployed upon completion. This digitisation effort spans a wide variety of functions within the bank, including branch services automation, reconciliation master applications, customer relationship management, internal dashboards, performance management systems, and electronic document and warehouse management, among several other aspects. Our ultimate goal is to fully digitise the Group, ensuring that we operate efficiently and effectively in the digital age.

We have taken the approach of developing Minimum Viable Products (MVPs) by providing improved or new products or services that include only the essential features needed to meet the primary needs of customers. The goal of these MVPs is to quickly launch the product with minimal resources, gather user feedback, and validate the product's viability in the market. By focusing on core functionalities, we are able to efficiently test and refine our offerings, ensuring that they address customer pain points and deliver value before investing in full-scale development. In 2024, we launched 25 MVPs in the market.

MANUFACTURED AND INTELLECTUAL CAPITAL

Digital banking

Leveraging on technology, the Group provides digital offerings to local and diaspora customers. These include cards, payment services and money transfer services for personal, SME, corporate, groups and diaspora customers.

Shs 6bn
revenue through mobile and internet offerings

150m
transactions conducted through mobile and internet channels

EQUITY
AGENT

Agency banking

Agency banking brings banking services closer to our customers. It enables financial inclusion by offering services in areas where banking services are unavailable or not easily accessible. It creates business opportunities for service providers allowing them to diversify their revenue.

85,080
Number of agents

Shs 170bn
Monthly value of transactions

Card and merchant

We have a widely recognised range of card-based payment products, including debit cards, credit cards and pre-paid cards, as well as cash-free payment solutions. Our debit and credit cards are also enabled for online e-commerce transactions. We have a total of 1.1 million merchants.

Shs 130bn
Merchant turnover (annual)

Shs 200bn
Merchant commission (annual)

Shs 456bn
Pay with Equity value

242m
Pay with Equity transactions

EQUITY ⇄ PayPal

Diaspora banking

Diaspora banking offers a wide range of services to suit the banking needs of our target clientele that ranges from banking services for individuals and groups, payment cards, mobile and online banking, credit facilities, investment solutions and insurance products.

Shs 390bn
Transaction volumes

Shs 2.5bn
Diaspora Commissions

INTELLECTUAL CAPITAL

Highlights

In 2024, Equity focused on ensuring resilience in its technology and cyber footprint. This was in light of increased transaction volumes, which grew from 8 million to 20 million daily transactions, with over 95% fulfilled through digital channels. This increase in digital ecosystems and rising global cyber threats prompted Equity to revise its Enterprise Architecture. The revision aimed to ensure that Information Technology (IT) investments supported current and future business models, enabled seamless collaboration between business units and IT, and facilitated alignment with strategic initiatives.

Further, Equity continued with the massive digital expansion and modernisation started in 2023. The company accelerated the deployment of a cloud-ready infrastructure in its data centers, modernised legacy platforms, and initiated a data platform modernisation to embed Artificial Intelligence (AI) across core operations. This modernisation replaced outdated, siloed systems with modular, scalable platforms such as microservices and APIs, reducing technical debt and allowing for faster delivery and innovation.

The Group improved its cybersecurity and risk posture maturity by embedding stronger and more mature architecture principles in line with Zero Trust. Technical security capabilities were enhanced, including monitoring and endpoint protection, to increase visibility into the technology footprint and enable rapid detection and response to security incidents. Additionally, stronger Anti Distributed Denial of Services (DDOS) protection and AI-based insider threat detection capabilities were enforced, ensuring a more secure posture, safe integration of third-party ecosystems, and regulatory compliance. No high-priority cyber incidents were reported for the year.

The Aspire Information Security program, a multi-year information security transformation initiative, made significant progress, finishing the year at 82% overall completion. Furthermore, 92% of business projects and changes were approved to proceed to production environments, demonstrating improvements in the 'Secure by Design' approach to products and services.

Key challenges faced

1. In 2024, dependency on third-party services emerged as a significant bottleneck, with service disruptions and latency issues occasionally impairing the availability and reliability of digital transactions. These external dependencies in limited cases negatively impacted customer experience, especially during high-demand periods and challenged seamless digital service delivery.
2. Talent retention challenges in 2024 led to knowledge gaps and disruptions in critical IT and digital transformation projects, particularly where experienced architects, cybersecurity professionals, or developers exited mid-stream. This attrition contributed to project delays, increased onboarding time for replacements, and reduced continuity in delivering complex, high-impact initiatives.
3. Equity, like other leading players in the financial sector, saw a marked rise in fraud attempts leveraging social engineering tactics targeting unsuspecting customers. These attacks exploited human vulnerabilities, bypassing technical controls and increasing the need for continuous awareness training and adaptive fraud detection systems.
4. The Group is faced by an evolving regulatory landscape including the introduction of new data protection regulations and updates to existing laws, e.g., Uganda in-country data centre, Rwanda in-country Security Operations Centre (SOC), Kenya data protection regulations.
5. The fast-paced evolving threat landscape, particularly, nation-state actors who intensified cyberattacks targeting critical infrastructure and financial institutions. Sophisticated campaigns like deepfake-enabled social engineering required the cybersecurity team to elevate threat intelligence, red teaming, and brand monitoring
6. Shifting customer expectations toward 24/7 digital engagement placed pressure on IT infrastructure and service teams to deliver always-on and seamless digital experiences with any glitch impacting noticeable number of failed customer transactions. This demand intensified the need for resilient systems, real-time support, and continuous innovation, making any downtime or latency a direct risk to customer satisfaction and retention.

INTELLECTUAL CAPITAL

Driving ESG through Information Technology

As part of ensuring energy-efficient data centres and responsible procurement, we automated the lighting in the data centres to introduce efficiencies and initiated a transition to solar integration for specific facilities to reduce dependence on generators. Additionally, investments in new infrastructure hardware actively support ESG initiatives by providing tools and services designed to enhance sustainability and reduce environmental impact. Platforms being used in the replacement of our legacy footprints are recorded to have achieved up to 50% reduction in infrastructure energy consumption and required 30% fewer servers for equivalent workloads. These platforms offer real-time analytics on energy usage, carbon emissions, and electricity costs across our IT environments

The Group's use of digital platforms to promote financial inclusion in underserved populations expands access to essential financial services such as digital lending and payments. This fostered economic empowerment, reduced inequality, and minimised the environmental footprint compared to physical infrastructure, subtly reinforcing the environmental dimension through reduced paper use and energy consumption.

Cybersecurity enables strong governance through supporting.

- Data Protection and Privacy by ensuring responsible handling of personal and sensitive data,
- Compliance with ESG-related data disclosure requirements by securing the systems and data used for reporting and
- Third-Party and Supply Chain Security enhancing transparency and resilience across sensitive supply chains, particularly in sustainable sourcing and digital ethics, although still in framework phase.

Metrics to monitor performance

- IT project delivery KPIs (on-time, within budget)
- Digital adoption rates (target: 85% usage of mobile/web platforms for all transactions) ⬆
- System uptime and availability (target:99.99%) ⬆
- Cyber incident detection time (goal: 1 hour) ⬇

Future Projections

Looking ahead, the bank's IT function is set to undergo significant transformation, prioritising insights driven decision-making and hyper personalisation of customer preferences through advanced data architecture and analytics. There will be an accelerated adoption of AI and machine learning to enhance operations and customer service, alongside automation and business process re-engineering to boost efficiency and agility.

The IT strategy will focus on expanding open APIs and ecosystem partnerships to unlock new online marketplaces, while modernising outstanding systems to cloud-native architectures for scalability and cost optimisation. A stronger risk posture will be maintained, particularly as digital banking extends to underserved markets.

Additionally, IT and business operations will become more tightly integrated, ensuring IT investments directly support ESG goals and inclusive growth objectives in emerging markets

Equity Leaders Program scholars from Uganda participate in an Innovation Hub training, exploring app development, addressing technology challenges, and exchanging innovative ideas.

SOCIAL AND RELATIONSHIP CAPITAL

Customers

Customers are at the heart of everything we do. With 21.6 million customers across the region we operate in , we are committed to serving their needs and meeting their expectations. As we pursue our ambitious goal of growing our customer base to 100 million by 2030, we have made concerted efforts to enhance our customer value proposition and reposition ourselves for a significant increase in customer numbers. Our Group has always maintained a culture of listening and caring for customers, engaging with them consistently to ensure their expectations and concerns are addressed. We empower their aspirations through our diverse range of products and services.

Over the years, we have grown by providing relevant products and services that meet the evolving needs of our customers. We intend to maintain this close connection with them, creating solutions that truly bring transformation to their lives. Our commitment to customer satisfaction is unwavering, and we continuously strive to improve our offerings and deliver exceptional experiences. As we move forward, we will continue to innovate and adapt, ensuring that our customers remain at the centre of our growth strategy and that we deliver value that enhances their lives.

Customer experience and protection

In 2024, we continued our efforts at enhancing customer experience with a focused emphasis on customer pain points. We are intentionally co-creating interventions ensuring that the customer perspective is incorporated in our customer experience design perspectives which are underpinned by human centered design approaches. Our three-year customer experience strategy has made significant progress as we advance along our maturity journey through four key pillars:

- **Digital-first Customer Experience:** We harness digital technologies to deliver efficient, streamlined interactions that enhance convenience for customers while optimising operational costs and resource utilisation.
- **Sustainable Customer Experience:** We design customer journeys with long-term viability in mind, balancing environmental responsibility with economic considerations to create enduring value for both customers and shareholders.
- **Inclusive Customer Experience:** We expand market reach by ensuring our products and services are accessible to diverse customer segments, driving growth while contributing to social development in our communities.
- **Lifestyle Customer Experience:** We integrate our offerings naturally into customers' daily routines, strengthening brand loyalty and creating long-term customer relationships that support stable revenue streams and business continuity.

We are creating seamless, sustainable, and personalised experiences for our diverse customer base. Key actions taken in the year to address customer experience included:

- **Reduction of customer pain points**
  The Group has made a concerted effort to identify and address areas causing discomfort to customers. A dedicated squad and war room have been established to tackle these issues, resulting in the closure of 70% of the 96 pain points identified. This initiative has significantly improved digital adoption through enhancements in digital touchpoints.
- **CRM system enhancement**
  Enhancement of the Customer Relationship Management (CRM) system has provided a centralised way of managing customers from a service perspective, enhancing customer stickiness. Our frontline teams have successfully adapted to the new system, leading to improved customer interactions.
- **Social Media management tool**
  The introduction of an automated social media management tool has streamlined the handling of customer interactions on social media platforms, in addressing customer issues with an improved resolution time.
- **Improved transaction success rate**
  Efforts to improve the transaction success rate have yielded positive results, contributing to a better overall customer experience.
- **Institutionalised customer journey management**
  The Group has institutionalised customer journey management, starting with key segment journeys in Kenya. This initiative involves collaboration across various departments, including retail, SME, corporate, operations, branches, products, and customer experience teams. The Group has successfully delivered 75% of the action plans and plans to roll out this initiative to other subsidiaries in 2025.
- **Design Thinking Perspective**
  The Group has capacitated project managers, product heads, and IT teams with design thinking skills, adopting an outside-in approach to develop innovative solutions.

SOCIAL AND RELATIONSHIP CAPITAL

Challenges

- **Fraud and customer safety perspective**
  Customer safety remains a foundational block for customer experience. The Group has faced challenges related to fraud and social engineering with customers raising concerns, necessitating prompt responses and action to continously enhance customer protection.
- **Issue Resolution**
  The Group has accelerated issue resolution processes to enhance customer satisfaction. Efforts to improve the stability and accessibility of channels have led to more positive customer sentiments particularly at the latter part of 2024.

Overall, the Group is committed to enhancing customer experience and protection, with a strong focus on treating customers fairly, data protection, and fraud prevention. Customer retention and loyalty are crucial for the growth of share of wallet, cross-selling, and up-selling. Despite our growing digital customer base, we maintain proactive engagement strategies even without face-to-face meetings. Our customer engagement framework prioritises connecting with all customers, including those who show limited interaction with our services. We are also dedicated to enhancing the service culture among employees. This includes holding a weekly customer experience day to discuss customer-related aspects and drive product and service awareness among employees. In 2024, our customer experience metrics were as follows:

Service Indicators	2022	2023	2024
Net Promotor Score (NPS)	38	41	**40**
Customer Satisfaction Score (CSAT)	77%	77%	**75%**
Customer Effort Score	NR	63%	**76%**
Contact Center Answer Rate	50%	63%	**76%**
Transaction Success Rate	97.4%	97.6%	**97.2%**
Complaints Rate	N/A	6%	**2%**

Net Promoter Score (NPS) by geography							
Year	**Tanzania**	**South Sudan**	**DRC**	**Kenya**	**Rwanda**	**Uganda**	**Group subsidiaries' average**
2024	**52**	**39.25**	**21.94**	**59**	**38**	**32**	**40**
2023	40.3	45.9	-4.7	44.9	86.9	41	42.3
2022	53	38	-8	65	85	47	47
Customer Satisfaction Score							
2024	**87%**	**79%**	**70%**	**82%**	**80%**	**73%**	**75%**
2023	81%	82.5%	63%	81%	82%	70%	77%
2022	80%	74%	63%	90%	89%	66%	77%

Customer protection program

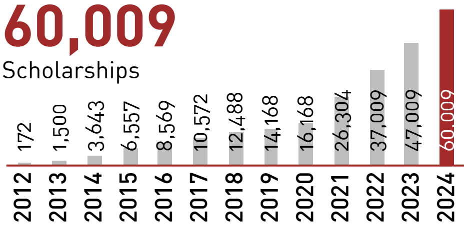
The customer protection program is a key strategic initiative that positions Equity Group at the forefront of customer-centric innovation, going beyond regulatory compliance to proactively safeguard customer interests. With the rise in digital transactions, increasing incidents of customer-related fraud, and the rapid amplification of such issues through social media, customer protection has become both a business necessity and a competitive differentiator. Customer expectations around privacy, security, and fairness continue to rise, and as a market leader, Equity Group recognises the need for a comprehensive and forward-looking approach to consumer protection. The Group's customer protection program is delivered through four pillars:

Pillars	Digital Trust & Safety	Privacy & Data Control	Fair Treatment	Customer Enablement
CX Focus	***Security Experience***	***Privacy Experience***	***Service Experience***	***Education & Empowerment***
Key Deliverables	Express Fraud Routes	Privacy Hub	Treating Customers Fairly	Self-Protection Tools
	Instant Reversals	Data Transparency	Service Recovery	Financial Wellness
	Social Engineering Prevention	Consent Management	Proactive Updates	Education Hub
	Trust Dashboard	Data Control Centre	Vulnerable Care	Security Training
	Security Status	Privacy Settings		Money Management

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

60,009
Scholarships



2023 Wings to Fly Graduates
- 97% secondaty school completion
- 82% attended university entry grades

Equity Leaders Program + TVET
- 23,825 University Scholars
- 970 Global Scholars
- 8,878 Paid Internships
- 3,979 TVET Scholars

3.8M
Farmers impacted

383,902
Small and Medium Sized Farmers reached

2,477,358
Women and Youth Trained in Financial Education

5.79M
Individuals Reached with Social Protection Programs

Shs 164.2bn
isbursed through cash transfers

35 Million
Trees planted

466,975
Clean energy products distributed

634,059
MSMEs Trained in Entrepreneurship

Shs 340.8bn
Disbursed to 323,303MSMEs under the Young Africa Works Program

USD 693,052,626
Total Funds Raised for Programs

132
OutpatientMedical Centers

3,343,889
Cumulative Patient Visits to Equity Afya Clinics

The Equity Group Foundation (EGF), founded in 2008, is dedicated to transforming the lives of individuals and communities by providing access to essential educational, health, and economic opportunities. By leveraging the Group's infrastructure, including digital platforms and a vast network of bank branches and personnel, EGF connects women, farmers, small-business owners, and youth to tools and technologies that promote personal progress and wealth creation despite the challenges of poverty.

EGF's mission is further advanced through strategic partnerships with local and international development organisations, government, and the private sector. Headquartered in Nairobi, Kenya, with a fundraising and partnerships operation in the United States, EGF currently runs programs in Kenya, Uganda, Rwanda, South Sudan, Tanzania, and the DRC. Over the past 17 years, EGF's initiatives have benefited 46.2 million people. In alignment with the ARRP, the goal is to impact 100 million people by 2030. From a programming perspective, EGF is anchored on seven program areas as follows:

1. Education and Leadership Development
2. Food and Agriculture
3. Health
4. Enterprise Development and Financial Inclusion
5. Energy, Environment, and Climate Change
6. Innovation and Technology
7. Social Protection

The Foundation also has administrative and operational functions including a finance & programmes management office, as well as monitoring, evaluation, reporting and learning (MERL) and advocacy functions. A detailed evaluation of the performance of EGF is available in the Social Impact Investment Report, which forms part of the suite of reports published along with the Integrated Report each year.

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Our 2024 performance

EGF's performance indicators provide a focus for measuring and reporting Creating Shared Value. This section provides a performance summary of our strategic program pillars.

Pillar	Program	2024	Cumulative
Education and Leadership Development	Secondary School Scholarships – Wings to Fly and Elimu	4,426	60,009
	Wings to Fly and Elimu scholars qualified to join university	5,090	23,825
	Equity Leaders Program Global Scholars	113	970
	Equity Leaders Program Interns	773	8,878
	Technical and Vocational Education Training (TVET) Scholars	525	3,979
Food and Agriculture	Medium Sized farmers	91,540	383,902
Health	Equity Afia out-patient clinics	34	132
	Clients reached through Equity Afia	1,200,544	3,343,889
	Number of Hospitals supported with PPE	84	121
Enterprise Development and Financial Inclusion	Micro, small and Medium Enterprises trained	116,812	634,059
	Micro, small and Medium Enterprises mentored	95,700	289,311
	Financial Inclusion	26,903	2,477,358
Energy, Environment and Climate Change	Clean energy products distributed	44,732	466,975
	Trees planted	5,000,000	35,000,000
	Carbon credits	Reduced carbon emission by 549,000 metric tonnes	
Innovation and Technology	Number of alumni undertaking Tech courses	451	451
	Number of Job Placements	265	265
Social Protection	Number of individuals reached	390,000	5.8m
	Value of Disbursements via Cash Transfers (Shs)	25.8bn	164.2bn

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Pillar 1: Education and Leadership Development

EGF works to increase access to secondary and tertiary education, while providing leadership development and career skills to break the cycle of poverty and nurture the next generation of leaders. Equity Group Foundation remains steadfast in its mission to empower young leaders as catalysts for social transformation and economic development. Through strategic scholarship initiatives, the Foundation continues to bridge educational gaps, enabling disadvantaged youth to access quality education and leadership development opportunities that drive sustainable change in their communities, countries, and beyond.

Wings to Fly: This is a flagship scholarship program that supports deserving, high performing students from vulnerable and poor families to undertake secondary, university and vocational education by providing school fess, scholastic materials, mentorship, career guidance, leadership training and medical and psychosocial support. In 2024, Equity Group Foundation onboarded an additional 1,000 Wings to Fly scholars.

22,009
cumulative students

83%
qualify for university admission against a national average of 21%

97%
completion rate

3,979
enrolled to TVET

1 NO POVERTY
4 QUALITY EDUCATION
5 GENDER EQUALITY

Elimu Scholarship: This is a scholarship scheme that is funded by the Ministry of Education with support from the World Bank and administered by Equity Bank, to support needy and vulnerable students to acquire decent secondary education. In 2024, Equity Group Foundation onboarded an additional 3,426 Elimu scholars bringing cumulative total to 38,000 learners.

18,000
scholars completed secondary education

95%
completion rate

48%
secured university entry qualification

1 NO POVERTY
4 QUALITY EDUCATION
5 GENDER EQUALITY

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Equity Leaders Programme (ELP) is a rigorous leadership development program 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

2024

8,878 university interns

KENYA:	DRC:	UGANDA:	RWANDA:
508	126	103	36

23,825 cumulative ELP Scholars

970 Global University Scholars

47%: Female beneficiaries

In 2024, 113 students (44 female, 69 male) were awarded scholarships to prestigious universities worldwide, including 5 students of refugee status. Notably, 13 of the 2024 scholars secured placements at highly competitive Ivy League institutions.

Pillar 2: Food and Agriculture

EGF's contribution to the transformation of agriculture sector is seen in its effort of improving agriculture productivity and output. The Food and Agriculture Pillar of Equity Group Foundation (EGF) is dedicated to catalysing accelerated growth in agriculture through the commercialisation of smallholder farming and the transformation of agri-food systems. The approach emphasises efficiency, inclusivity, resilience, and sustainability, aiming to empower farmers and stakeholders across the entire agriculture value chain.

The pillar works with small and medium farmers in rural areas to improve their financial education, agribusiness and technical skills and link them directly to formal finance. For a well-functioning market system, the pillar supports micro, small and medium agricultural enterprises with customised trainings on eenterprise management, as well as knowledge on operational, planning, marketing, succession aspects and managing macro-environmental issues.. The adoption of these trainings improves their productivity, builds a saving culture, enables them to borrow and ultimately increases growth in their agribusinesses.

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Finalised digitisation of training content comprising of **12 value chains** both **online, MYLIFE** on Equitel STK and through **USSD (*372#)**. The USSD code has received **137,754** hits from Jan 2025 - Feb 12th 2025.

Shs 2.9 billion
disbursed to
179,975
farmers through e-voucher input subsidy under the KCEP-CRAL project.

383,902
Total cumulative number of Farmers and Micro, Small, Medium Agricultural Enterprises (MSMAEs) reached

30,527
Cumulative total of MSMAEs trained with
7,426
MSMAEs trained in 2024.

178,138
Cumulative total of farms geo-mapped

183,463
farmers linked to various agricultural markets.

90
model farms supported.

314
ecosystems and
8
partners onboarded in 2024.

308,577
Cumulative total of farmers trained out of which
72,559
farmers trained in 2024

12,182,370
weather messages successfully delivered by SMS to
203,000
farmers.

7,017,189
Financial Education and GAP messages/tips successfully delivered to
175,207
farmers.

Shs 502 million
disbursed to
20
irrigation schemes through Smallholder Irrigation Program Mount Kenya (SIPMK).

Pillar 3: Health

Equity Group Foundation works to expand access to affordable, high quality healthcare services and promote uptake of comprehensive health financing solutions for poor and middle-income families. The health pillar's interventions champion the expansion of health infrastructure through establishing a franchised network of outpatient health facilities as well as supporting to equip medical facilities at all levels, upskill healthcare workers and strengthen the capacity of health facilities to respond to emergent health situations.

Equity Afia: This is a flagship healthcare network of franchised medical out-patient center's run by qualified and experienced doctors with the aim of providing high quality, affordable and accessible healthcare. In 2024, the total number of clinics stood at 132, serving 3,343,889 cumulative out-patient visits from 893,335 individual customers.

Outlets	
2018	5
2019	11
2020	33
2021	51
2022	77
2023	98

132
2024

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Pillar 4: Enterprise Development and Financial Inclusion

Foundational to this pillar is entrepreneurship, financial and digital literacy training, and business development services for the Micro, Small and Medium Enterprise (MSME) sector to stimulate job-creation, promote financial inclusion for marginalised and excluded groups and migrate businesses into the digital space.

Young Africa Works: This is a five-year project in partnership with Mastercard Foundation that seeks to catalyse 810,000 jobs in Kenya by facilitating 150,000 MSMEs and 100,000 jobs in Uganda. At the close of 2024, a total of 340.8 billion shillings had been disbursed as loans to 323,303 MSME. 97,500 MSME's were mentored and coached in entrepreneurship education and digital literacy for a cumulative total of 289,311. Additionally, 2,477,358 women and youth have been trained on financial education and inclusion.

323,303
MSMEs supported

Shs 340.8bn
disbursed

1 NO POVERTY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Pillar 5: Energy, Environment, and Climate Change

Energy transition: Equity supports transition to clean energy that reduces reliance on wood fuel, charcoal, and fossils fuels like kerosene as a source of energy and offers the EcoMoto loan, which is available digitally, to avail financing for clean energy. Over Shs 15 billion has been disbursed for mitigation and adaptation in energy and agriculture.

Clean energy

100,000
cumulative beneficiairies

Shs 2bn
finance availed

Over **1.68 million**
individuals impacted

466,975
households reached

Shs 6.8bn
savings for households

Over **667,811**
trees saved through cooking energy transition

Climate impact

549,000
metric tons of CO_2 reduced

1 NO POVERTY
7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION

EGF promotes the use of Renewable Energy and Energy Efficiency aimed at transitioning households, institutions and industries from polluting technologies and fuels to more efficient technologies and fuels that are environmentally friendly and cost effective. EGF also promotes the conservation and smart use of natural resources by expanding forest cover through tree planting, improving water security as well as promoting climate smart agriculture.

These interventions are aimed to reverse environmental degradation, combat climate change through mitigation and adaptation, improve people's health outcomes and save costs. EGF undertakes this task through capacity building, innovative financing and linkage to technology providers. Equity's efforts are not only aimed at strengthening environmental sustainability and stewarding natural resources for future generations but also improving the lives and livelihoods of African people through resilience building.

SOCIAL AND RELATIONSHIP CAPITAL

SOCIETY

Programs

- EcoMoto, a digital loan to finance clean energy
- Energy efficiency solutions for households, industries, and institutions
- Support for clean biomass fuels production
- Distribution of clean energy products to households
- Water efficiency
- Tree planting

At the close of 2024, the Group had supported the planting of 35 million trees cumulatively.

Pillar 6: Innovation and Technology

The Innovation and Technology Pillar is the newest inclusion to the EGF programmatic approach. It aims to be the nucleus of Africa's tech evolution, a space where talent and startups not only thrive but also drive the digital transformation that will define the continent's social and economic future for generations to come.

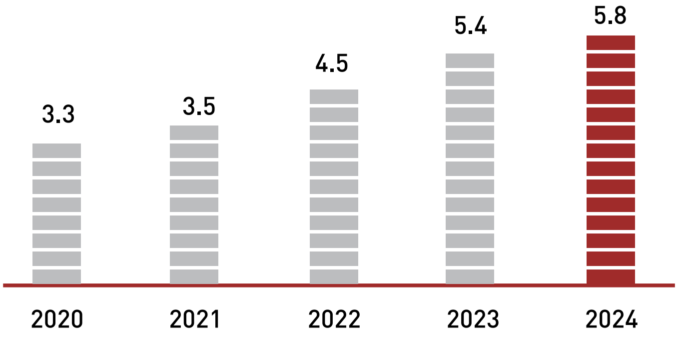
The Tech Apprenticeship Program emerged as the flagship initiative in 2023 and continued into 2024, achieving remarkable progress through a 6-month immersive project-based learning experience designed to cultivate a new generation of tech leaders. By close of year, 415 alumni have completed a one-year tech training with 265 absorbed into employment. The Alumni's have created 30 Minimum Viable Products and are in the process of developing more. Innovations focus on the following areas:

- Agtech solutions to boost farm productivity and sustainability.
- Healthtech platforms which expand access and improve healthcare.
- Insuretech systems that make insurance reachable and economical.
- SME automation tools to drive small business growth.

Pillar 7: Social Protection

In partnership with Governments, Humanitarian and Development agencies, Equity provides inclusive financial services to thousands of marginalised and vulnerable households living in Kenya, Uganda, Rwanda, and South Sudan through Cash Transfer Programs.

Cumulative benficiaries reached with social protection (millions)



The programs are delivered through Equity Bank's vast distribution network (Branches, Agents, Merchants, ATMs). The Bank leverages innovative delivery models to co-create enrolment and payment solutions for Elderly Persons, Orphans, Persons with Severe Disabilities, Persons living in ASALs, Internally Displaced Persons, Refugees, and other Vulnerable Persons.

5.8 million
individuals reached

Shs 164.2bn
disbursements via Cash Transfer

1 NO POVERTY
2 ZERO HUNGER

NATURAL CAPITAL

We are committed to having a positive impact on the natural environment. In this regard, we have expanded our internal capacity to handle environmental and social (E&S) aspects of our business. We have established a Sustainability Committee within the Group Board to provide oversight on the E&S aspects. Internally, we have established a substantive business function to manage Environmental, Social and Governance (ESG) risks and opportunities and recruited suitable experienced persons at Group and subsidiary levels.

In 2023, we signed up as early adopters of the Taskforce on Nature-related Financial Disclosures (TNFD). Pursuant to this commitment, the Group commenced pilot actions in alignment with TNFD-related disclosures and portfolio heatmaps for Agriculture and Mining sectors were developed.

Further, the Group has made significant progress in assessing environmental and climate aspects and impacts including those that result due to lending processes.

In terms of externally focused interventions, we are engaged with suppliers to encourage and support them to transition to greener practices and production methods. Key environmental outcomes in 2024 include:

- 35 million trees cumulatively planted to support ecosystem restoration
- Distribution of 466,975 clean energy products, including solar solutions and improved cookstoves
- Estimated 549,000 tonnes of CO2 equivalent emissions avoided

We also expanded supplier engagement to support greener practices and embedded E&S screening in procurement processes to align value chains with our environmental goals.:

Deepening sustainability

We have made marked strides in embedding ESG in the Group including the application of a standard ESG and Climate Risk Framework across the Group. At management level, the Group established a Sustainability Committee mirroring a similar committee which has been instrumental in oversighting implementation of nature-related processes across the Group. Other actions in the year include reviewing and updating Environmental and Social Risk management framework and related procedures to incorporate nature risks.

Further, nature-related considerations were incorporated as part of the Board sustainability committee charter and background work on development of a decarbonisation continued in the year.

In 2024, the Group actively participated and provided leadership in several regional and international engagements around nature and climate including:

- Conference of Parties (COP 29)
- UNGA, New York
- Building Bridges, Geneva
- AFSIC, investing in Africa held in London
- Sustainable Markets Initiative

For more details on our approach and outcomes associated with the management of environmental, social and governance risks in the business the reader is encouraged to read the 2024 Equity Group Holdings Sustainability Report.

TAX SUSTAINABILITY REPORT

1. Introduction

Taxation is the cornerstone of economic systems, influencing the operations of businesses, the functioning of governments, and the well-being of societies globally. It drives stability, fosters investment, and strengthens international trade competitiveness. As a leading financial institution, Equity Group Holdings Plc (Equity Group) understands its vital role in this ecosystem. For us, sustainability and ESG are core to our leadership strategy, ensuring that our tax practices align with responsible business conduct.

We acknowledge the various tax frameworks established by governments to support economic growth. In response, Equity Group adopts a socially responsible approach, integrating tax compliance into our broader commitment to sustainable development. Beyond meeting statutory obligations, we regard tax governance as a strategic enabler of long-term financial resilience and ethical business conduct. Our tax policy underpins this vision by prioritising financial integrity, transparency, and societal contribution. Through robust internal controls and ethical tax management, we reinforce trust with stakeholders, demonstrating our commitment to responsible corporate citizenship.

Our proactive tax strategy includes regular internal reviews, leveraging voluntary disclosure programs, continuous staff training, and open engagement with authorities and industry peers. This transparency strengthens stakeholder confidence and supports a fair and predictable tax environment across the jurisdictions we operate in. In line with this commitment, Equity Group remitted a total of Shs 40.1 billion in taxes for the financial year ending 31st December 2024—with Shs 30.73 billion in direct taxes and Shs 9.5 billion in indirect taxes. These contributions were processed through 864 tax returns, ensuring compliance across all our operational markets.

2. Scope and Approach

Modern tax governance transcends compliance; it is a critical pillar of corporate sustainability, shaping economies and societal well-being. Equity Group recognises its dual role as a tax-compliant business and a conduit for revenue generation in the countries we operate in. Our tax management approach is grounded in legal compliance, ethical responsibility, and economic prudence, ensuring alignment with our Group Tax Policy and the Global Reporting Initiative (GRI) Standards for Tax (GRI-207). We adhere to the following principles to reinforce tax transparency, accountability, and sustainability across the organisation:

- **Compliance:** We uphold full compliance with tax regulations, reporting requirements, and ethical tax practices in every jurisdiction we operate in. Regular engagement with regulators, transparent disclosures, and direct collaboration with tax authorities ensure accuracy and adherence to legal standards.
- **Transparency:** Beyond compliance, we embed tax transparency as a fundamental business principle. Openly sharing tax practices with stakeholders—including authorities, investors, and the public—fosters trust and ensures accountability. Our transfer pricing policies and country-by-country reporting align with legal requirements and industry's best practices, strengthening financial integrity.
- **Strategic Tax Planning:** Business behavior must reflect not only legal obligations but also evolving societal expectations. The Group evaluates the economic substance of all tax-related transactions to safeguard stakeholder interests and contribute to long-term financial stability.
- **Stakeholder Engagement:** Ongoing dialogue with tax authorities, policymakers, and industry peers ensures collaborative tax governance. For example, through the Kenya Bankers Association, we actively contribute to policy discussions, supporting the development of fair and effective tax frameworks.
- **Responsible Use of Tax Incentives:** We ethically leverage government-designed tax incentives to promote economic development and social value creation. Where appropriate, Equity Group strategically leverages available incentives to support sustainable development, ensuring alignment with ethical standards and ESG commitments.
- **Risk Management:** Annual tax audits, internal health checks, and continuous assessment of transfer pricing documentation mitigate risk exposure. By proactively monitoring its activities, the Group ensures compliance with evolving regulations across its operational footprint.

3. Conclusion

Equity Group Holdings Plc remains committed to responsible tax governance, prioritising transparency, accountability, and sustainable business practices. We recognise that tax compliance is not merely a financial obligation—it is a moral imperative that strengthens trust with regulators, investors, and society at large. As we continue advancing our tax strategy, we reaffirm our dedication to ethical tax management, reinforcing our role as a trusted corporate citizen committed to long-term economic growth and social impact.

PROTECTING AND PRESERVING VALUE

CORPORATE GOVERNANCE STATEMENT

Governance Framework

Corporate governance is the foundation of our sustained success and unwavering commitment to excellence. It is not merely a compliance obligation but a strategic enabler and fundamental driver of value creation, resilience, and trust. Our governance framework is built on global best practices, regulatory integrity, and a steadfast commitment to transparency, accountability, and ethical leadership.

The Board is committed to safeguarding shareholder interests, enhancing customer confidence, and reinforcing the Group's position as a market leader by embedding governance excellence at every level of our organisation. The Board recognises that maintaining high corporate governance standards is a continuous and dynamic process. It evolves in response to changes in the Company, its business environment, Board composition and broader governance developments.

The Group has developed a comprehensive Corporate Governance Framework that outlines a schedule of matters to promote effective governance across all entities and enhance the value of the common brand.

During the year, the Group complied with the Companies Act CAP 486, the Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 (the CMA Code), and is in the process of ensuring compliance with the Capital Markets (Public Offers, Listings and Disclosures) Regulations 2023 (POLD Regulations 2023), which came into effect on December 15, 2023. The Group continues to endeavour to comply with all relevant laws and regulations. In addition to complying with the Code, the Company has embedded internal rules of engagement to further strengthen its corporate governance framework.

The Board considers that this integrated report and notably this section provides shareholders with essential information needed to assess how the Group has applied the principles in the Code.

Governance Structure

Board of Directors

Our directors have extensive experience, and a diverse skill set, equipping the Board to offer well-informed counsel, robust oversight, and independent scrutiny in driving integrated thinking across the Group. The Board also plays a pivotal role in guiding the executive management in the formulation and execution of the Group's strategy. Our non-executive directors contribute independent and objective judgment, robust oversight and ensure that the executive management delivers the strategy effectively within the Board-approved governance framework and risk appetite.

Role of the Board

The Board plays a pivotal role in ensuring good governance and compliance. In acting in the best interests of the Group and stakeholders, the Board remains committed to fulfilling its role and responsibilities. The key responsibilities are highlighted below:

Strategic Oversight and Organisational Culture

Approving the Group's strategic direction, defining the organisation's vision, values, and purpose while shaping and overseeing the corporate culture

Leadership and People Management

Appointing and evaluating the Group Chief Executive Officer and Company Secretary and overseeing executive employment terms, succession planning, remuneration, and diversity.

Business, Operations, and Finance

Reviewing and endorsing major corporate initiatives, business plans and budgets, supervising the technology and architectural strategy, and monitoring subsidiary performance and operational efficiency

Financial Oversight and Performance

Approving annual financial statements, ensuring financial integrity and overseeing capital allocation, dividend policy, and financial sustainability.

Stakeholder Engagement and Sustainability

Fostering transparent communication with shareholders, regulators, and stakeholders and overseeing Environmental, Social, and Governance (ESG) compliance and sustainability initiatives.

Risk Oversight

Establishing a robust risk management framework and effective internal control systems, and assessing the risk culture, appetite and management strategy.

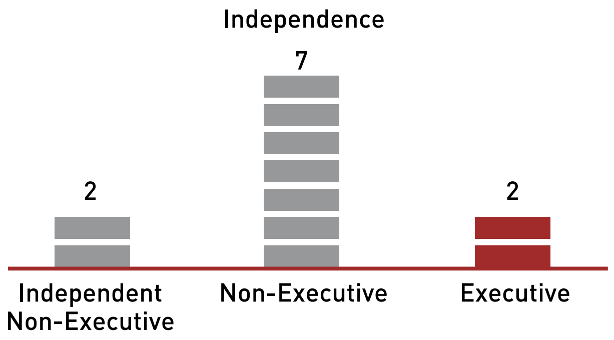
Board Composition and Structure

Board Size

The Articles of Association require the Board to be comprised of a minimum of seven directors, with the maximum set at twelve. The Board determines its size and composition, subject to the Company's Articles of Association, Board Charter and the relevant laws and regulations.

During the year, the Board was comprised of eleven directors, seven being non-executive directors and three executive directors inclusive of the Group Chief Executive Officer (GCEO). The executive directors form part of the senior leadership of the Group whose role is outlined below.

The Board assesses the independence of its members on an annual basis to mitigate the risks arising from potential conflicts of interest or undue influence from interested parties.



The Group is committed to compliance with the POLD Regulations 2023 to safeguard the independence of the Board and to ensure adequate representation of the minority shareholders.

The Group is committed to full compliance with the POLD by July 2025.

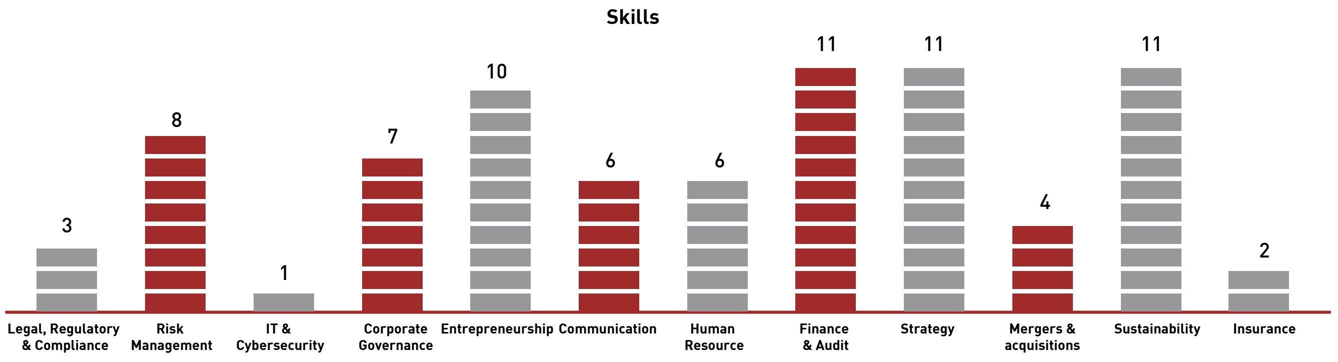
**Excludes Mrs. Mary Wamae who retired from the Board on 28th June 2024.*

Board Diversity

Skills

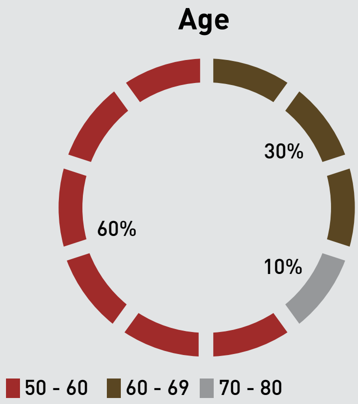
The Board acknowledges the value of diversity in enriching board discussions, fostering a broader range of perspectives into board debates and enhancing the ability to anticipate both the risks inherent in the business and the opportunities it seeks to pursue.

The Board is composed of individuals with the right mix of attributes, academic qualifications, skills, relevant industry knowledge, and technical experience, collectively possessing the competence to address current and emerging issues while effectively guiding Management to drive the Company's highest performance.

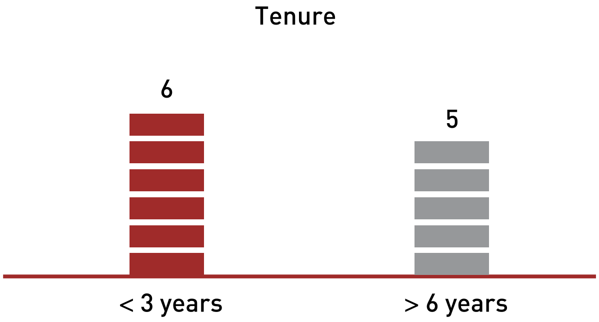


To ensure effectiveness of the Board, nationality, age, race and gender are also taken into consideration. The Board is comprised of ten males and one female out of whom nine are Kenyans, one is South African and one is Zimbabwean.

Board Diversity (continued)



The age limit for directors is set at seventy years. Any director who attains the age of seventy years shall resign at the following Annual General Meeting (AGM), with shareholders being duly informed of the resignation at each AGM. If any such director wishes to continue serving as a director, he/she must seek the approval of the shareholders at every AGM.



The tenure of an independent Board member shall not exceed a cumulative term of six years, to safeguard independence. However, upon reaching this limit, that member may continue to serve on the Board subject to re-designation as a non-independent member.

Separation of Duties of Chairman and the Group Chief Executive Officer

The Board, in accordance with the Board Charter, has distinguished roles reserved for the Board and those delegated to management. In addition, the Board Charter has separate functions from the Chairman and the GCEO and these functions are exercised by separate individuals.

To provide effective oversight, the Chairperson is not involved in the day-to-day running of the Group and acts as the liaison between the Board and executive management. The scope, limitations, and accountabilities of these delegations are clearly outlined in the Board Charter and Group's governance policies.

Chairman

- Leads the Board, ensuring the Board's effective operation by fostering a positive culture and ensuring that all decisions made well well-informed and sound.
- Represents the Group to stakeholders ensuring effective communication with all the stakeholders.

Group Chief Executive Officer

- Responsible for the day-to-day management of the Group's business and implements the Group's strategies and Board decisions.
- Offers leadership to the senior management who aid in the co-ordination of the operations of the Group by instilling a culture of integrity, collaboration, excellence, accountability and service

Company Secretary

The Company Secretary is a member in good standing of the Institute of Certified Secretaries (ICS). The Company Secretary serves as a key advisor to the Board, providing expert guidance on corporate governance, statutory obligations and regulatory compliance.

Company Secretary

- Provides guidance to directors on their duties and responsibilities in the company's best interests and oversees thier induction, training and development.
- Ensures seamless communication between the Board, its committees, senior management, including through timely distribution of board papers, minutes, and resolutions and ensuring follow-up on key decisions.
- Ensures compliance with governance and regulatory obligations, including filing required returns, updating statutory registers and Articles of Association, and meeting continuous listing requirements.

Senior Leadership Team

To support the effective execution of these responsibilities, the Group has established management committees to oversee critical functions, ensuring alignment with the Board's strategic direction and governance expectations. The management committees are comprised of senior leadership, led by the GCEO. For more on senior leadership, see page 38.

Senior Leadership Team

- Provides guidance to directors on their duties and responsibilities in the company's best interests and oversees thier induction, training and development.
- Ensures seamless communication between the Board, its committees, senior management, including through timely distribution of board papers, minutes, and resolutions and ensuring follow-up on key decisions.
- Ensures compliance with governance and regulatory obligations, including filing required returns, updating statutory registers and Articles of Association, and meeting continuous listing requirements.

Board Committees

In compliance with applicable laws and regulations, the Board has established Board Committees to assist it to effectively discharge its mandate. Each Committee has specific Terms of Reference as set out in the Committee Charter approved by the Board. The secretary to each Committee is the head of the relevant function within the Group and Subsidiary.

The Board ensures that the Committees established are appropriately constituted with members who have the necessary skills and expertise to handle the responsibilities allocated to them and may, from time to time, and upon recommendation by the Group Board Governance, Nominations and Compensation Committee (GNCC), rotate Board members, including the respective Chairpersons, between Committees.

The Group Board has 6 committees which support it in discharging its responsibilities. The Board also established Board committees in each of the subsidiaries. These Committees are governed by charters and specific terms of reference which are aligned to the Group's delivery of its vision and mission. The Committee held meetings on a quarterly basis in the months of March, May, August and November. In addition, to the scheduled meetings, ad hoc meetings were convened as necessary to address urgent matters.

Delegates participate at a site visit in Lumbubashi - DRC, during the 2024 Kenya - DRC Investors' Roadshow spearheaded by Equity Group.

Board Committees (continued)

A summary of the roles of the current Group Board committees, members, meetings attendance and key activities undertaken during the year 2024 are set out below:

Audit Committee

The Committee is composed of four members: one independent director and three non-executive directors. The Chairperson of the Committee is a non - executive director, a Certified Public Accountant (CPA) and a member in good standing of the Institute of Certified Public Accountants of Kenya (ICPAK).

Roles and Responsibilities	Membership	Attendance
The committee is responsible for providing independent oversight on: ■ The integrity of the financial statements of the Group. ■ The effectiveness of the Group's financial reporting, internal controls, and risk-management systems. ■ The effectiveness of the Group internal audit function. ■ External auditors' qualifications, independence and performance.	Dr. Edward Odundo - Chairperson	4/4
	Mr. Vijay Gidoomal	4/4
	Mr. Evanson Baiya	4/4
	Dr. Helen Gichohi	3/4

Key Focus Areas – FY 2024

- Reviewed and approved the Group Internal Audit Plan and External Audit Plan for the year ended 31st December 2024.
- Reviewed and recommended for Board approval, the unaudited and audited financial statements for year 2024.
- Reviewed internal audit reports for audits undertaken during the year in line with the approved audit plan.
- Reviewed the status of issues raised in management letters and regulatory onsite examination reports.
- Reviewed and approved the Group Internal Audit Policy and Quality Assurance and Improvement Program.
- Reviewed and recommended for Board approval the Board Audit Committee Charter.
- Met with the external auditors without members of Management being present.

Risk Committee

The Committee is composed of six members: one independent non-executive director, two non-executive directors and three executive directors. The Chairperson of the Committee is an independent non - executive director.

Roles and Responsibilities	Membership	Attendance
The committee is responsible for: ■ Assessing the quality, reliability, and integrity of risk management. ■ Overseeing effective Group risk management. ■ Optimising the Group's assets and liabilities. ■ Ensuring compliance with legal, regulatory, and policy requirements. ■ Conducting annual reviews of risk management effectiveness.	Mr. Evanson Baiya - Chairperson	4/4
	Dr. James Mwangi	4/4
	Mr. Vijay Gidoomal	4/4
	Mrs. Mary Wamae*	1/4
	Mr. Samwel Kirubi**	1/4
	Mr. Clifford Sacks**	1/4

**Retired from the Committee during the year 2024*
***Appointed to the Committee within the year 2024*

Key Focus Areas – FY 2024

- Reviewed the Group Business Continuity Plan (BCP) and Business Continuity Management (BCM) Strategy.
- Reviewed the leading risk issues as defined in the Group Risk Management Policy, Enterprise information, Risk and Security Framework.
- Reviewed global and regional macro-economic outlook.
- Received and considered reports on the level of compliance of the Group with AML/CFT regulatory requirements.
- Reviewed the Internal Capital Adequacy Assessment Process (ICAAP) for the Group to ensure all business risks were identified and that there was sufficient capital to cover the identified risks.

Governance, Nominations and Compensation Committee

The Committee is composed of six members: three non-executive directors and three executive directors. The Chairperson of the Committee is a non - executive director.

Roles and Responsibilities	Membership	Attendance
The committee's responsibilities include: ■ Recommend executive remuneration, including bonuses, incentives, pensions, and compensation, aligning with the Group's risk and appraisal framework. ■ Advice on staff remuneration and HR practices. ■ Periodically assess and enhance corporate governance policies. ■ Review Board composition, skills, and effectiveness, recommend new appointments for the Group and subsidiary Boards. ■ Undertake Board succession planning by ensuring that the Board is prepared for the succession management for the Chairman, Non-Executive Directors, Executive Directors and Senior Management ■ Monitor strategic human capital efficiency and productivity.	Mr. Jonas Mushosho - Chairperson Prof. Isaac Macharia Dr. James Mwangi Mrs. Mary Wamae* Mr. Samwel Kirubi** Mr. Samuel Mwale**	4/4 4/4 4/4 2/4 1/4 1/4

**Retired from the Committee during the year 2024*
***Appointed to the Committee within the year 2024*

Key Focus Areas – FY 2024

- Identified, nominated and recommended for Board approval the appointment of two new Board directors to fill casual vacancies.
- Reviewed and recommended for Board approval the reconstitution of the Board Committees to include the newly appointed directors.
- Ensured the conduct of the annual Board evaluation by an external consultant and monitored the implementation of the board evaluation recommendations.
- Oversaw the implementation of a new performance evaluation and monitoring tool across the Group and Subsidiaries.
- Recommended for Board approval the review of compensation and remuneration of the Group Board Chairman and the GCEO.

Equity Bank Rwanda Staff Choir

Strategy and Investment Committee

The Committee comprises eleven members: one independent non-executive director, seven non-executive directors and three executive directors. The Chairperson of the Committee is a non - executive director.

Roles and Responsibilities	Membership	Attendance
The committee's responsibilities include: ■ Evaluate strategic options and recommend long-term plans to the Board and oversee the execution of the Africa Recovery Resilience Plan (ARRP). ■ Regularly review and refine the Group's vision and mission. ■ Establish procedural guidelines for corporate and investment strategy development and implementation. ■ Oversee the Group's investments activities and establish appropriate processes to measure and assess investment performance. ■ Identify and assess key issues, risks, and opportunities affecting corporate and investment strategies. ■ Identifying, prioritising and evaluating identified investments opportunities including mergers or acquisition of companies, business or assets and Investments in new or existing projects, expansion projects, or other expansion in which the Group has an interest. ■ Integrate risk management into strategic planning, considering economic, environmental, ethical, financial, and operational and competitive factors.	Mr. Vijay Gidoomal - Chairperson Prof. Isaac Macharia Dr. James Mwangi Dr. Edward Odundo Mr. Jonas Mushosho Dr. Evanson Baiya Dr. Helen Gichohi Mrs. Mary Wamae* Mr. Samwel Kirubi** Mr. Clifford Sacks** Mr. Samuel Mwale**	4/4 4/4 4/4 4/4 4/4 4/4 3/4 2/4 1/4 1/4 1/4

**Retired from the Committee during the year 2024*
***Appointed to the Committee within the year 2024*

Key Focus Areas – FY 2024

- Considered and recommended to the Board proposals for expansion and investments.
- Evaluated the Group's funding needs and recommended for Board approval the strategic initiatives to be undertaken by the Group to address the identified funding needs.
- Evaluated and monitored the execution of the Africa Recovery and Resilience Plan (ARRP) strategy across the Group and Subsidiaries.

The Equity Group leadership led by Equity Group Foundation Executive Chairman, Dr. James Mwangi (centre) together with the Equity Leaders Program (ELP) scholars who joined 71 global universities in 22 Countries. 113 ELP scholars were commissioned for their studies in global universities through scholarships valued at Kshs. 2.79 billion (USD 21,497,646), for the 4-year duration of their studies.

Information Technology, Innovation and Cybersecurity Committee

The Committee is composed of nine members: 1 independent non-executive director, 5 non-executive directors and three executive directors. The Chairperson of the Committee is an independent non-executive director.

Roles and Responsibilities	Membership	Attendance
The committee's responsibilities include: ■ Guiding IT, Innovation and Cybersecurity strategy development and ensuring alignment with the Group's strategy. ■ Keep abreast of technological advancements and advise the Board on their impact on the Information Technology environment. ■ Overseeing IT, Innovation and Cybersecurity activities across the Group, including matters on strategy, investment and strategic risk. ■ Oversight for group-wide technology projects, funding allocation, resources, prioritisation, and dependencies within and between projects, programs, and portfolios. Following the completion of significant projects, review outcomes and benefits realised.	Dr. Evanson Baiya - Chairperson	6/6
	Prof. Isaac Macharia	6/6
	Dr. James Mwangi	6/6
	Dr. Edward Odundo	6/6
	Mr. Vijay Gidoomal	6/6
	Dr. Helen Gichohi	5/6
	Mrs. Mary Wamae*	2/6
	Mr. Samwel Kirubi**	1/6
	Mr. Clifford Sacks**	1/6

**Retired from the Committee during the year 2024*

***Appointed to the Committee within the year 2024*

Key Focus Areas – FY 2024

- Reviewed the Groupwide technology strategy for the year 2024.
- Reviewed the essential tech trends disrupting financial services and technology innovation landscape which informed the technology updates.
- Reviewed the IT projects updates for the year 2024.
- Reviewed the cyber security posture and security governance, risk and compliance of the Group.

Sustainability Committee

The Committee consists of 8 members, 5 of whom are non-executive directors. The Chairperson of the Committee is a non-executive director.

Roles and Responsibilities	Membership	Attendance
The committee's responsibilities include: ■ Review sustainability strategies, policies, and performance to ensure alignment with the Group's overall strategy and recommend improvements. ■ Establish and maintain governance frameworks for sustainability. ■ Assess sustainability risk management, ensuring effective policies and strategies. ■ Ensure compliance with legal, regulatory, and internal sustainability requirements.	Dr. Helen Gichohi - Chairperson	3/4
	Prof. Isaac Macharia	3/4
	Dr. James Mwangi	4/4
	Mr. Jonas Mushosho	4/4
	Mr. Vijay Gidoomal	4/4
	Mrs. Mary Wamae*	4/4
	Mr. Samwel Kirubi**	1/4
	Mr. Samuel Mwale**	1/4

**Retired from the Committee during the year 2024*

***Appointed to the Committee within the year 2024*

Key Focus Areas – FY 2024

- Considered and recommended the adoption of the tri-engine model from dual engine model to include sustainability focus.
- Reviewed the Group's Sustainability Framework.
- Reviewed the Sustainability Dashboard.
- Evaluated and monitored the Group's performance against the Group's Sustainability Performance and Targets.

Board Meetings

During the year, the Board maintained an interactive, in-person model of engagement while allowing for virtual attendance when necessary. The notice, agenda and comprehensive board papers are prepared and circulated to all directors in accordance with the Board Charter, ensuring due notice before each meeting. This provides the directors with sufficient time to review the board papers adequately, enabling full and effective discussions at the meetings. In cases where there are urgent and critical matters for discussion, the submission and notification period may be waived.

Where Directors are unable to attend a meeting, they are advised on the matters to be discussed and given the opportunity to make their views known to the Chairman or the GCEO prior to the meeting.

The members of the senior leadership team may be invited to attend the Board and/or Committee meetings if deemed necessary and as appropriate, to make presentations on their areas of responsibility. This serves as an opportunity to give the directors greater insight into their business areas.

The Board meets quarterly in March, May, August and November. In the financial year ended 2024, the Board held twelve Board meetings, out of which four were the quarterly scheduled meetings while six were ad hoc meetings.

Director	Designation/Role	Attendance
Prof. Isaac Macharia	Non-Executive Chairman	11/12
Dr. James Mwangi	Group Managing Director	12/12
Dr. Edward Odundo	Non-Executive Director	12/12
Dr. Helen Gichohi	Non-Executive Director	10/12
Mr. Vijay Gidoomal	Non-Executive Director	11/12
Mrs. Mary Wamae*	Executive Director	7/12
Mr. Jonas Mushosho	Non-Executive Director	11/12
Dr Evanson Baiya	Non-Executive Director	11/12
Mr. Clifford Sacks**	Non-Executive Director	7/12
Mr. Samuel Mwale**	Non-Executive Director	7/12
Mr. Samwel Kirubi**	Executive Director	7/12

**Retired from the Board on 28th June 2024*

***Appointed to the Board within the year 2024 to fill a casual vacancy subject to Shareholders approval*

Key Focus Areas – FY 2024

- Considered and approved the unaudited and audited financial statements for the year ended 31st December 2024.
- Discussed and resolved to make a recommendation to the shareholders on the approval of the final dividend for the year ended 31st December 2024 and which was approved at the 2024 Annual General Meeting.
- Reviewed and approved the Group's strategy and ensured that the necessary financial and human resources were in place to meet agreed objectives.
- Reviewed and approved the strategic initiatives and financial plans for the year 2024.
- Approved the FY24 budget and monitored performance against the approved budget.
- Discussed and improved the Board's understanding of key risks facing the business including cyber threats, changing regulations and the mitigations thereof.
- Received regular reports of the deliberations of Board Committees and provided strategic guidance on the same.

Board Appointments

Appointments to the Group Board are conducted in accordance with the Board Appointments Policy and Procedure, ensuring a structured, transparent and effective selection process. This model promotes diversity and balanced mix of proficient individuals. Such appointments consider size, diversity, demographics, academic qualifications, technical expertise, experience, nationality, age, gender, integrity and ethical standards. This enables the appointment of highly qualified individuals who strengthen the board's strategic oversight and governance.

The Group Board Governance, Nominations and Compensation Committee (GNCC) has the Board's delegated role for the identification, selection and recommendation of new nominees for appointment by the Board. The Group has a comprehensive Board Diversity Policy and Skills Matrix in place. Diversity is safeguarded during directors' appointments. Diversity applies to academic qualifications, technical expertise, relevant banking knowledge, experience, nationality, age and gender to ensure a balanced Board that fairly reflects the Group's shareholders and other stakeholders and provides a mechanism for the representation of minority shareholders. The Board as currently constituted reflects broad diversity through variation in directors' age, gender, professional qualifications, experience as well as nationality. Majority of the directors are members of professional bodies.

Between Annual General Meetings (AGMs), if a board vacancy arises, the Board can appoint a new director to serve until the next AGM. Such appointment is subject to regulatory approval, must be communicated to all the relevant regulators including the CMA and securities exchange, and must be published on the Group's website. Where the appointment is of an independent non-executive director, shareholders must be informed of the appointment through the AGM notice. Should the independent non-executive director wish to continue serving, they must undergo a formal re-election process by shareholders at the next AGM. This ensures transparency, regulatory compliance, and shareholder involvement in key governance decision.

A Board Succession Policy and Plan is also in place to facilitate structured and the seamless transition of Board members. This ensures there's continuity, stability and effective governance at the Board.

Board Induction

In its commitment to governance excellence and organisational success, the Group ensures that new directors are effectively integrated into the Board by providing them with a structured framework for understanding the organisation's vision, mission, values, strategic objectives, and governance practices as soon as they are appointed. This is done through an elaborate induction program that is anchored in the Board Induction and Development Policy. The induction process equips new directors with knowledge of their fiduciary duties, legal obligations, and regulatory environment, instilling a culture of accountability, transparency, and ethical decision-making. By equipping directors with knowledge of the organisation's operations, risks, financial performance, and compliance requirements, the policy fosters informed, strategic decision-making and strengthens governance excellence. It ensures that new directors are well prepared to contribute meaningfully to the Board's effectiveness and the organisation's long-term success.

Training and Continuous Skills Development

In fulfilling its commitment to empower Board members in maintaining, deepening, and updating their knowledge and skills for effective governance, the Group ensures that all directors undergo regular training in key areas, including legal reforms, corporate governance, the corporate environment, regulatory obligations, business and commercial risks and other relevant matters. This initiative is anchored in the Board Induction and Development Policy, which provides a comprehensive and structured approach to continuous learning and development. This aligns with the Group's commitment to corporate governance excellence, fostering a well-informed and dynamic Board that can navigate evolving challenges and opportunities in their roles.

Training and Continuous Skills Development (continued)

The trainings are integrated into the annual Board Work Plan and are conducted by industry experts and members of the Management team, ensuring relevance to the Company's operations.

The Trainings undertaken during the year 2024 are as follows:

- Risk management
  - Arise B.V. Webinar – Tackling Africa's Unique Fraud Challenges
  - Arise B.V. Webinar – Risk Culture Meets Strategy Execution
- Environmental, Social and Governance (ESG)
- Information Technology (IT) & Cybersecurity
- Compliance in:
  - Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT)
  - Business Continuity Management
- Credit

The cumulative trainings hours during the year was 23.5 hours.

Access to Information and Independent Advice

The Board and the Board committees are entitled to seek any information it requires from any Group employee or from any other source. It is entitled to meet with employees and third parties without the presence of management and may request employees and third parties to attend Board meetings. Procedures are in place, through the Chairman and the Company Secretary, that enable the Directors to have access, at reasonable times, to all relevant Company information and to executive management, to assist them in the discharge of their duties and responsibilities and to enable them to take informed decisions.

The Directors are also entitled to obtain independent legal, accounting or other professional advice at the Company's expense. The Board may conduct or direct an investigation to be conducted in order to fulfil its responsibilities and can retain, at the Company's expense, any legal, accounting or other services that it considers necessary from time to time in the fulfilment of its duties. A committee may consult with a professional adviser or expert at the cost of the company if the committee considers it necessary to carry out its responsibilities. There is also provision for direct access to committees by management and the external auditor. The Company Secretary provides advice on governance matters and support to the Board, Committees and Directors.

Board Tools

The Board employs tools for effective mandate fulfillment. Ethical standards are formalised in the Code of Conduct and Ethics, and the Board Charter outlines key values, principles, and operation mode. An annual Work Plan guides activities including a Board evaluation. To enhance effectiveness, an online paperless platform, eBoard, is used for performance assessment by an independent third-party consultant. The Board Charter, Committee Terms of Reference, Code of Conduct and Ethics among other corporate governance documents have been published on the Group's website.

Annual Board Evaluation

The Board undertook an independent annual evaluation of the performance of the Board, Board Committee, individual members, the GCEO, Group Executive Director and the Company Secretary. This was aimed at enabling the Board, the Committees and their respective members to gauge their performance and identify areas of improvement.

The evaluation was led by an independent consultant and the recommendations from all the evaluation exercises will continue to be implemented during the year 2025. As required by the regulations within their respective jurisdiction of operation, the reports were filed with the regulators.

Governance, Legal and Compliance Audit

In line with the CMA Code, a governance audit was conducted on the Company for the year ended 31 December 2023 by Calvin Nyachoti of TripleOKLaw Advocates LLP who issued an unqualified report. The audit confirmed that the Board has put in place a sound governance framework, which complies with the legal and regulatory framework and in line with global best governance practices in the interest of stakeholders. The next governance audit will be undertaken in December 2025.

Board Operations and Control

The Group adheres strictly to the various principles set out in the CMA Code of Corporate Governance and POLD Regulations 2023 regarding Board operations and control.

Rights of Shareholders

The Group is steadfast in its commitment to safeguarding the legitimate interests of all shareholders while maintaining accountability to them. Shareholders have the right to receive crucial information affecting their shareholding, participate in shareholder meetings, and engage in resolutions pertinent to their interests. Beyond basic voting rights, shareholders play a pivotal role in approving major strategic and corporate decisions with substantial impacts.

The Group relates openly with its shareholders by providing regular as well as ad hoc information on operating and financial performance and addressing any areas of concerns. During the year, this was achieved through the following:

- Quarterly investor briefing sessions held immediately after the announcement of interim and full year results.
- Quarterly publications of financial statements in national publications.
- Announcements to the Nairobi Securities Exchange (NSE) and media publications in accordance with the POLD Regulations, 2023.
- Our investor relations docket, led by the Group Chief Strategy Officer, which undertakes continuous engagement with the investment community.
- Group's website which has a specific webpage dedicated to the information requirements of the shareholders and investment analysts.
- Annual General Meeting (AGM) which provides an opportunity for shareholders to engage with us. Shareholders are invited to attend and participate the AGMs.
- Annual reports which are availed to shareholders at least 21 days before the date of the AGM who are free to raise questions to the during the meeting.
- Our appointed shares registrar where all shareholders' queries, application for registration of transfer of shares of the company, immobilisation of shares and dividend queries as well as the collection of share certificates and dividend are handled.

The Group is committed to providing shareholders with information that is timely, of high quality and relevant to their investment, and to listening to and responding to shareholder feedback.

For more on our shareholders, see page 115 - 116.

Stakeholder Relations

The Board acknowledges the Group's accountability to diverse stakeholders such as shareholders, employees, customers, depositors, suppliers, development partners, financiers, governments, regulators, and local communities. Emphasising the highest standards of conduct aligned with core values, the Group fosters effective relationships with stakeholders.

Committed to building mutually beneficial ties, the Group strives to achieve high levels of corporate governance by focusing on the following areas:

- Promoting fair, just and equitable employment policies.
- Promoting and is sensitive to the preservation and protection of the natural environment.
- Remaining sensitive to and conscious of gender interests and concerns.
- Promotes and protects the rights of children and other vulnerable groups.
- Enhancing and promoting the rights and participation of host communities; and
- Supporting staff and customer sensitisation.
- Continuing to implement the strategy for the long-term prosperity of the business.
- Ensuring compliance with relevant laws and upholding the highest levels of integrity in the Group's culture and practice.

The Group encourages feedback from all stakeholders via various channels including but not limited to general meetings, investor briefings, customer surveys, whistleblowing and feedback forms. This feedback in turn informs the Board on the issues that stakeholders are most concerned about, and these are considered when formulating the Group's strategy.

Compliance with Laws and Regulations

As a licensee of the Central Bank of Kenya (CBK) and listed on the Nairobi Securities Exchange (NSE), the Uganda Securities Exchange (USE) and the Rwanda Stock Exchange (RSE), the Group is bound by and complies with the following:

- Banking Act and all prudential guidelines and directions given by the CBK and other regional regulators
- Companies Act 2015, its regulations and amendments
- Capital Markets Act and all subsidiary legislation
- NSE's rules and guidelines issued by the capital markets authorities in the three markets where the Group is listed, together with any requirements, decisions, or directions given by these authorities and the exchanges; and
- All other applicable laws and regulations governing the various lines of businesses in which it is engaged.

GOVERNANCE POLICIES

Insider Dealings Trading

As a publicly listed entity, and in strict adherence to its continuing listing obligations, the Group prohibits insider trading to restrict anyone who has access to non-public information from potentially profiteering or avoiding loss unfairly. In this regard, the Group has in place an insider-trading and market-abuse policy which has been made available to all staff to ensure compliance.

Directors and staff are made aware that they ought not to trade in the Group's shares while in possession of any material insider information that is not available to the public or during a closed period. To ensure compliance with the Companies Act, 2015 the Company communicates 'open' and 'closed' periods for trading in its shares to its employees and Directors on an annual basis. To the best of the Company's knowledge, there was no insider dealing in the financial year under review.

Transparency and disclosure

We have consistently practiced balanced disclosure of all material information concerning the Group. We publish on our website important company information including, but not limited to, financial statements, investor briefings, particulars of shareholding, Group notices and AGM material, our Group Board Charter, our Group Corporate Governance Framework, Code of Ethics and key Group policies including the Group Transparency and Disclosure Policy.

Code of Ethics and Conduct

The Group is cognisant of the fact that it is in its best interests to operate within the mandate entrusted to it by society, and to remain socially responsible. For this reason, we undertake our business in a manner that does not harm, and is respectful to, our beneficiaries and customers. Our Code of Ethics and Conduct, which is disclosed on our website, sets the expectations for all our employees, executives and Board members to make conduct decisions that are lawful, ethical and respectful to deliver fair outcomes for customers, colleagues, partners and stakeholders.

The Code has been cascaded to all directors and employees to ensure that the highest ethical standards are achieved. To foster compliance with the code, ethical conduct is factored into the performance evaluation, weighted with respect to the significance of our values as a measure in the overall scorecard of each employee. In addition, every employee in the Company is provided with a copy of the Code and must commit to abide by its requirements as part of the employment contract with the Company.

Conflict of Interest

The Board has established a Conflict-of-Interest Policy to offer guidance on how to identify, effectively manage and monitor any actual, perceived or potential conflicts which may arise. The policy identifies the activities which may compete or conflict with the Group's interests and outlines the steps to manage any conflicts of interest, should they arise. The Policy is disclosed on the Group's website.

Whistleblowing Policy

To foster an environment and culture of information sharing, both positive and negative, without fear of retaliation, the Group has a Whistleblowing Policy which is disclosed on the Group's website. The Policy is designed to enable stakeholders to speak up on, among others, their experiences, observations, opinions on products, service delivery, expectations, challenges or any perceived act of impropriety based on knowledge of facts.

The reporting of any wrongdoing is confidential and anonymous through communication channels that are managed by an independent, accredited and external institution. There is zero tolerance for any actual or threatened act of reprisal against any whistle-blower and the Group takes reasonable steps to protect a person who makes disclosure of any inappropriate behavior including taking disciplinary action potentially resulting in dismissal for any person taking reprisal against a whistle-blower. The Board ensures that risks arising from any ethical issues are identified and managed in the risk management process.

Policy on Procurement

The Board has developed a Group Procurement Policy which promotes fair and transparent procurement processes that are aligned with best practices, sustainability, ethical standards, and the Group's commitment to long-term value creation. The policy ensures that suppliers of goods and services are subjected to a competitive tendering process in order to achieve quality, price competitiveness and reliability, all expenditure is in accordance with prior approved budget and procurement plans and in compliance with applicable regulations and legislations. The policy is disclosed on the Group's website.

Accountability, Risk Management and Internal Control

The Group's risk management function has established and oversees a Risk Management Framework that enables the identification, assessment, and control of risks within a Board-approved risk appetite. The Group has adopted the 'three lines of defense' model, which emphasises integrating risk management within business operations for effectiveness. The first line of defense consists of operational management, including business units and frontline staff, who own and manage risks directly by implementing controls, adhering to policies, and ensuring regulatory compliance. The second line of defense comprises risk management and compliance functions that provide oversight, frameworks, and monitoring to support the first line in identifying, assessing, and mitigating risks. The third line of defense is Internal Audit, which offers independent assurance on the effectiveness of risk management, internal controls, and governance, reporting directly to the Board or Audit Committee. This model enhances accountability, transparency, and regulatory adherence in Kenyan banks and model serves as the foundation for robust risk management across the Group.

In addition, the Group has adopted a risk- intelligent culture that is founded on the Group's core values, risk-based incentives, group risk governance structure, risk-management tools and framework and accountability. It outlines the Group's risk management framework, risk appetite setting framework, risk evaluation and reporting, and harmonises risk policies is outlined in the Group Integrated Risk Management Policy.

Assurance is guaranteed through the risk department, internal audit, compliance and enforcement teams, external audit, Central Bank inspection, CMA and NSE reviews and cross border supervisory colleges, as well as by credit rating agencies' reviews. The Group continues to leverage technology and innovation to review risks through a holistic approach, which is reported to our stakeholders.

The Group Board Risk Committee and Board Audit Committee assist the Board in the oversight of risk. At subsidiary level in Kenya, the Credit Committee of Equity Bank Kenya Limited reviews issues relating to credit risk appetite and credit risk management strategy. The following management committees also assist in relation to risk management:

- Executive Committee
- Operational Risk Committee
- Asset and Liability Management Committee

For more on risk management, see page 53 - 55.

Equity Group Managing Director and CEO Dr James Mwangi (seated left) and Florian Witt Head of ODDO BHF Corporate Banking (seated right) sign an MOU on the sidelines of the 5th German Africa Business Summit, for a collaboration that will serve as a bridge for European and Africa businesses to establish across the continental divide.

Particulars of Shareholding

We comply with the provisions of the Capital Markets Act and all its rules, regulations and guidelines. As required by law, we make monthly reports to the CMA and the NSE on the particulars of our shareholders.

Top 10 Largest Shareholders as at 31 December 2024

NAME	NO. OF SHARES	% SHAREHOLDING
ARISE B.V.	481,581,275	12.76
STANDARD CHARTERED NOMINEES NON RESD A/C KE11752	164,521,735	4.36
STANBIC NOMINEES LTD A/C NR3530153-1	154,177,955	4.09
MWANGI, JAMES	127,809,180	3.39
EQUITY BANK EMPLOYEE SHARE OWNERSHIP PLAN*	121,313,200	3.21
STANDARD CHARTERED KENYA NOMINEES LTD A/C KE004667	109,430,800	2.90
FORTRESS HIGHLANDS LIMITED	101,010,000	2.68
EQUITY NOMINEES A/C 00605	98,630,300	2.61
AIB NIMINEE A/C SOLIDUS HOLDINGS LTD	90,114,910	2.39
STANDARD CHARTERED KENYA NOMINEES LTD A/C KE005073	88,588,626	2.35
OTHER INVESTORS	2,236,497,821	59.27
TOTAL	**3,773,675,802**	**100**

* *The ESOP is not a Group-sponsored scheme*

Equity Group Holdings PLC Director Shareholding as at 31 December 2024

DIRECTOR	NO. OF SHARES	% SHARES HELD
Prof. Isaac Macharia	346,950	0.0092
Dr. James Mwangi[1]	127,809,180	3.39
Dr. Helen Gichohi	131,400	0.0035
Mrs. Mary Wamae *	Nil	Nil
Mr. Vijay Gidoomal	Nil	Nil
Dr. Edward Odundo	Nil	Nil
Dr. Evans Baiya	Nil	Nil
Mr Jonas Mushosho	Nil	Nil
Mr. Samwel Kirubi	Nil	Nil
Mr. Clifford Sacks	Nil	Nil
Mr. Samuel Mwale	Nil	Nil

** *By virtue of his units in the Employee Share Ownership Plan (ESOP), Dr. James Mwangi's total direct and indirect shareholding is 3.39%*

**Mrs. Mary Wamae retired on 28 June 2024*

SHAREHOLDING STRUCTURE AS OF 31 DECEMBER 2024

DISTRIBUTION OF SHAREHOLDERS

SHAREHOLDING	NO. OF SHAREHOLDERS	NO. OF SHARES	% SHARES HELD
1 to 500	12,038	2,779,651	0.07
501 - 5,000	11,768	21,559,017	0.57
5,001 - 10,000	1,785	13,661,685	0.36
10,001 - 100,000	2,344	68,706,897	1.82
100,001 - 1,000,000	500	175,453,644	4.65
1,000,001 and above	250	3,491,514,908	92.52
TOTAL	**28,685**	**3,773,675,802**	**100.00**

Our Largest Shareholders

Arise B.V

Arise is a leading African investment company that partners with sustainable, locally-owned Financial Services Providers (FSPs) in sub-Saharan Africa. The company was founded by four cornerstone investors – Rabobank, Norfund, NorFinance and FMO, is operational in nine countries, and manages assets in excess of USD950 million.

Their company's vision is to contribute to economic growth in Africa and the prosperity of its people by increasing financial inclusion and employment, strengthening rural development, and alleviating poverty.

Arise takes and manages minority stakes in sub-Saharan African FSPs with the core aim of building strong and stable institutions that will serve retail, SMEs, the rural sector, and clients who have not previously had access to financial services. The company supports the growth and development of FSPs by providing, among others, technical assistance, and management services in the field of banking development, governance, management, marketing, innovation, compliance and risk management. Arise aims to increase the availability of financial services to MSMEs and to provide a platform for people in sub-Saharan Africa to empower themselves by opening bank accounts, taking loans, and in turn building a better life for their families.

Rabobank

Rabobank is a Dutch cooperative bank founded by farmers in the late 19th century. In the Netherlands, where it serves in excess of 7.4 million clients, Rabobank is an all-finance bank with a strong local presence, providing a variety of products and services to individuals and companies.

Norfund

Norfund, Norwegian Investment Fund for Developing, was established by the Norwegian Parliament in 1997. Norfund's objective is to contribute to reducing global poverty by contributing to the growth of sustainable commercial enterprises in developing countries. It offers equity, venture capital and other loans to companies in selected countries and business areas where the private sector lacks sufficient capital to grow and develop viable businesses.

FMO

FMO is the Dutch development bank. As a leading impact investor, FMO supports sustainable private-sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. FMO believes that a strong private sector leads to economic and social development and has a proven track-record of empowering people to employ their skills and improve their quality of life.

IFC

IFC is the largest global development institution focused on the private sector in developing countries. IFC, a member of the World Bank Group, advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries. IFC applies its financial resources, technical expertise, global experience, and innovative thinking to help its partners overcome financial, operational, and other challenges. IFC achieves this by investing in impactful projects, mobilising other investors, and sharing expertise. In doing so, IFC creates jobs and raises living standards, especially for the poor and vulnerable. IFC's work supports the World Bank Group's twin goals of ending extreme poverty and boosting shared prosperity. IFC acquired shares in the Group through nominee accounts.

DIRECTORS' REMUNERATION REPORT

Introduction

The Board reviews, and recommends the remuneration structure of directors annually, subject to shareholders' approval. While directors' remuneration is linked to performance, it is competitively structured to attract and retain the best talent to effectively develop the Group's business.

As of the end of the financial year and throughout the reporting period, no arrangements were in place involving the Company that would allow Directors to acquire benefits through the acquisition of the Company's shares.

Remuneration for Executive Directors

The Executive Directors' remuneration package comprises core fixed elements (base salary, pension and other benefits). Executive directors are eligible to participate in the Group's bonus scheme, which is anchored on the achievement of KPIs, but they are not entitled to earn board fees or sitting allowances.

Remuneration for Non-Executive Directors

Non-executive directors are appointed for a renewable term of three years, subject to requisite regulatory and shareholder approval. They are obligated to act reasonably, in good faith and in the best interests of the Group and its shareholders. Non-executive directors are vested with the key responsibilities of:

- constructively challenging and contributing to the development of strategy, and extending the business of the Group
- monitoring the performance of management in meeting agreed goals and objectives, and the reporting of performance; and
- ensuring that financial information is accurate, and that financial controls and systems of risk management are robust, scalable and defensible.

Non-Executive Directors are entitled to sitting allowances for attending Board and committee meetings, as well as an out-of-station per diem for attending to Group business outside their usual place of business or residence. Non-executive directors do not earn a salary, and they do not participate in the Group's bonus schemes or the Group's pension plan. Upon retirement or termination, non-executive directors are entitled to any accrued but unpaid directors' fees or reasonably incurred expenses, but not to any other compensation.

Insurance

The Group provides Directors' and Officers' Liability Insurance for all directors during the entire duration of their tenure. Except in instances of negligence, the Group indemnifies its directors against all and any liabilities, losses and claims arising from their position as directors, including all legal and other professional expenses incurred in defending any civil or criminal action against themselves or the Group in connection with their bona fide conduct of its affairs. We have put in place a Directors and Officers Insurance Cover to cover the discharge of their obligations as directors.

Share Options

There are currently no share options issued by the Group to executive and the non-executive directors. Particulars on compensation of directors and key personnel are disclosed to the public in our audited financial statements in our remuneration report on page 125 - 127.

FINANCIAL STATEMENTS

The Equity Hawks face off against their opponents during the Women's Basketball League Africa (WBLA) 2024 Zone Five Qualifiers in Zanzibar

FINANCIAL STATEMENTS

Table of contents

Group and Company information 121 - 122

Directors' report 123 - 124

Directors' remuneration report 125 - 127

Statement of directors' responsibilities 128

Independent auditor's report 129 - 132

Financial statements:

Consolidated statement of profit or loss 133
Consolidated statement of other comprehensive income 134
Company statement of profit or loss and other comprehensive income 135
Consolidated statement of financial position 136
Company statement of financial position 137
Consolidated statement of changes in equity 138
Company statement of changes in equity 139
Consolidated statement of cash flows 140
Company statement of cash flows 141

Notes 142 - 258

Group and Company information

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Nairobi, Kenya

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P.O. Box 30333 - 00100
Nairobi, Kenya

ALP East Africa (South Sudan Advocates),
4th Floor Pyramid Continental Hotel
Juba, South Sudan

Dier & Co. Advocates
Concord House
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District Gombe, Kinshasa, Democratic Republic of Congo

The Professor Lukombe,
Law Firm Lukombe Ngenda,
N°4, Street Mongala
District Gombe, Kinshasa, Democratic Republic of Congo

Group and Company information

BANKERS

Central Bank of Kenya
P.O. Box 60000 - 00200
Nairobi, Kenya

National Bank of Rwanda
P.O. Box - 531
Kigali, Rwanda

Bank of South Sudan (BOSS)
P.O. Box - 136
Juba, South Sudan

Bank of Tanzania
P.O. Box - 2939
Dar es Salaam - Tanzania

Central Bank of Congo
P.O. Box - 2627
Kinshasa, Democratic Republic of Congo

Bank of Uganda
P.O. Box - 7120
Kampala, Uganda

AUDITOR

PricewaterhouseCoopers LLP
PwC Tower
Waiyaki Way/Chiromo Road, Westlands
P.O. Box 43963 - 00100
Nairobi, Kenya

COMPANY SECRETARY

Lydia Ndirangu
9th Floor, Equity Centre
P.O. Box 75104 - 00200
Nairobi, Kenya

Directors' report

The directors submit their report together with the audited financial statements of Equity Group Holdings PLC (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of Equity Group Holdings PLC are:

a) To carry on the business of a non-operating holding company as defined under the Banking Act;
b) To employ the funds of the Group in the development and expansion of the business of the Group and all or any of its subsidiaries; and
c) To co-ordinate the administration of and to provide advisory, administrative, management and other services in connection with the activities of its subsidiaries.

RESULTS AND RECOMMENDED DIVIDEND

Profit for the year of Shs 48,824 million (2023: Shs 43,737 million) has been added to retained earnings. The directors recommend payment of a final dividend of Shs 4.25 per share (2023: Shs 4 per share).

BUSINESS REVIEW

Equity Group Holdings remains resilient in its business model despite the economic headwinds. The Group's strategy has enabled it to further strengthen the balance sheet, providing a good platform for growth in the current macro-economic environment while maintaining cost discipline. The Group recorded a profit before tax of Shs 60,741 million (2023: Shs 51,879 million) representing a 17% year on year growth, with earnings per share increasing to Shs 12.34 up from Shs 11.12. Regional subsidiaries accounted for 56% of the profit before tax and 49% of total assets for the year.

The Group's total deposits grew to reach Shs 1,401 billion with the customer base growing to Shs 21.6 million, showcasing the scale and reach of the deposit franchise. The Group's liquidity position remains strong, with cash and cash equivalents rising by 19% to Shs 345 billion, while investment securities grew to Shs 512 billion, contributing to an overall liquidity ratio of 57%.

The Group demonstrated commitment to its shareholders by proposing a dividend of Shs 4.25 per share, a payout ratio of 34.5%, reinforcing its track record of delivering value to its shareholders. This is supported by a return on equity (ROE) of 21.5% and a return on assets (ROA) of 2.8%, both of which are well above industry averages.

This performance is coupled by strong capital buffers with core capital ratio of 17.3% (2023: 14.3%) and total capital ratio 19.0% (2023: 18.1%) versus regulatory threshold of 10.5% (2023: 10.5%) and 14.5% (2023: 14.5%) respectively.

As part of its ongoing transformation, Equity Group has continued to invest in technology, infrastructure, and diversification. The Group has modernised its digital channels, which now process 86% of all transactions, enabling customers to access a seamless, digital-first experience. Furthermore, ONE Equity, the Group's integrated digital platform, allows customers to access a wide range of products and services under a single umbrella, enhancing cross-selling and customer engagement.

The volume of business processed through Equity Mobile increased by 67% from Shs 1.895 trillion to Shs 3.174 trillion while Equity Online for business (EazzyBiz) increased by 21% from Shs 3.165 trillion to Shs 3.841 trillion and the interoperable Pay With Equity(PWE) for merchants increased by 14% from Shs 1.884 trillion to Shs 2.149 trillion, ATM increased by 21% from Shs 398.6 billion to Shs 481.4 billion as customers and Kenyans embraced the newly introduced Cash Deposit Machines which were rolled out last year to ease the pain for businesses looking to access their cash after banking hours. Branches are evolving to be more SME, large enterprises and corporates focused, transaction volume increased by 21% from Shs 4.176 trillion to Shs 5.046 trillion.

The Equity Leaders Program (ELP) continues to make a significant impact, with 113 scholars having received full scholarships to pursue university education in top global universities. The program has already produced over 970 global scholars on full scholarship distributed across various sectors, having attended 233 different universities in 37 countries and 6 continents, 204 scholars have attended the Ivy League universities, contributing to the region's human capital development. The ELP program recently admitted a new cohort of 750 scholars into the pre- university internship program, bringing the total number of ELP scholars supported by the Group to date to 23,825. Cumulatively, the program has facilitated 9,700 paid internships and provided opportunities for 3,979 TVET scholars.

The Group remains a leader in climate action, having planted over 35 million trees and extended more than USD 200 million in climate finance to support climate resilience initiatives. In promoting clean energy transitions, Equity Group Foundation has championed the distribution of 466,975 clean energy products to households and institutions. Equity's commitment to sustainability is further highlighted by its focus on nature restoration and its adoption of the Taskforce for Nature Finance Disclosure (TNFD) framework.

In promoting economic empowerment, 2,477,358 women and youth received training in financial education with 634,059 MSMEs receiving capacity building in entrepreneurship. Under the Young Africa Works Program, Shs 340.8 billion has been disbursed to 323,303 MSMEs.

The Group's social protection programs have reached 5.79 million individuals, with Shs 164.2 billion disbursed via cash transfers. In health, the Equity Afya Clinics have cumulatively recorded 3,343,889 patient visits across 132 outpatient medical centers. This holistic approach underscores Equity Group's commitment to fostering sustainable development and improving livelihoods across the region

Directors' report (continued)

DIRECTOR

The directors who served during the year and to the date of this report were:

Prof. Isaac Macharia	Chairperson
Dr. James Mwangi*	Group Chief Executive Officer & Managing Director
Mr. Samwel Kirubi*	
Mrs. Mary Wamae*	(Retired June 2024)
Dr. Helen Gichohi	
Mr. Vijay Gidoomal	
Dr. Edward Odundo	
Dr. Evans Baiya	
Mr. Jonas Mushosho**	
Mr. Samuel Mwale	(Appointed June 2024)
Mr. Clifford Sacks***	(Appointed August 2024)

* Executive Directors
** Zimbabwean
*** South African

STATEMENT AS TO DISCLOSURE TO THE GROUP'S AUDITOR

With respect to each director at the time this report was approved:

a) there is, so far as the director is aware, no relevant audit information of which the Group's auditor is unaware; and

b) the director has taken all the steps that the director ought to have taken as a Director so as to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

PricewaterhouseCoopers LLP continues in office in accordance with the Company's Articles of Association and Section 719 of the Companies Act, 2015.

The directors monitor the effectiveness, objectivity, and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

By order of the Board

Lydia Ndirangu

Secretary

26 March 2025

Directors' remuneration report

Information not subject to audit

The Board reviews and recommends the remuneration structure of Directors annually, subject to Shareholder's approval. Directors' remuneration is linked to performance and is competitively structured to attract and retain the best talent to effectively develop the Group's business.

Executive Directors

The Executive Directors remuneration package comprises core fixed elements (base salary, pension and other benefits). Executive Directors are eligible to participate in the Group's bonus scheme which is anchored on achievement of key business performance indicators but are not entitled to earn fees or other allowances.

Non-Executive Directors

Non-Executive Directors are appointed for a renewable term of 3 years, subject to regulatory approval and shareholder ratification. They are obligated to act reasonably, in good faith and in the best interests of the Group and its shareholders. Non-Executive Directors are vested with the following key responsibilities:

a) to constructively challenge and contribute to the development of strategy and extend the business of the Group;

b) to monitor the performance of management in meeting agreed goals and objectives, and monitor the reporting of performance; and

c) to ensure that the financial information is accurate, and that financial controls and systems of risk management are robust and defensible.

Non-Executive Directors are entitled to fees for attending Board and Committee meetings, as well as an out of station per diem for attending to Group's business outside their usual place of business. Non-Executive Directors do not earn a salary and they do not participate in the Group's bonus schemes nor the Group's pension plan.

Upon retirement or termination, Non-Executive Directors are entitled to any accrued but unpaid Director's fees or reasonably incurred expenses but not to any other compensation.

Insurance

The Group provides Directors' and Officers' Liability insurance for all Directors of the Group during the entire duration of their tenure.

Share Options

There are currently no share options issued by the Group to the Executive and the Non-Executive Directors. Particulars of compensation of Directors and key personnel are disclosed in Note 32.

Directors' remuneration report

Audited information

The following table shows a single figure remuneration for the Chairman, Non-Executive Directors (NEDs) and Executive Directors in respect of qualifying services for the year ended 31 December 2024 together with the comparative figures for 2023. The aggregate Directors' emoluments are shown on Note 32 (e).

Year ended 31 December 2024	Salary Shs' 000	Fees Shs' 000	Pension Shs' 000	Bonus Shs' 000	Other allowances Shs' 000	Gratuity Shs' 000	Leave pay Shs' 000	Estimated value for non-cash benefits Shs' 000	Total Shs' 000
Dr. James Mwangi*	152,362	-	25		9,198	-	-	4,702	166,287
Mr. Samwel Kirubi*	54,012	-	3,245	-	-	-	-	-	57,257
Mrs. Mary Wamae*	28,408	-	1,765	-	-	-	-	-	30,173
Prof. Isaac Macharia	-	30,965	-	-	-	-	-	-	30,965
Dr. Helen Gichohi	-	5,134	-	-	-	-	-	-	5,134
Mr. Vijay Gidoomal	-	5,762	-	-	-	-	-	-	5,762
Dr. Edward Odundo	-	6,212	-	-	-	-	-	-	6,212
Mr. Jonas Mushosho	-	6,587	-	-	-	-	-	-	6,587
Dr. Evans Baiya	-	5,877	-	-	-	-	-	-	5,877
Mr. Samuel Mwale	-	5,534	-	-	-	-	-	-	5,534
Mr. Clifford Sacks	-	9,132	-	-	-	-	-	-	9,132
	234,782	**75,203**	**5,035**	**-**	**9,198**	**-**	**-**	**4,702**	**328,920**

*Executive Directors: Executive Directors are not entitled to receive fees or allowances for attending meetings of the Company's Board and those of any subsidiary company of which they may be a director.

Directors' remuneration report (continued)

Audited information (continued)

The following table shows a single figure remuneration for the Chairman, Non-Executive Directors (NEDs) and Executive Directors in respect of qualifying services for the year ended 31 December 2024 together with the comparative figures for 2023. The aggregate Directors' emoluments are shown on Note 32 (e).

Year ended 31 December 2023	Salary Shs' 000	Fees Shs' 000	Pension Shs' 000	Bonus Shs' 000	Other allowances Shs' 000	Gratuity (1) Shs' 000	Leave pay Shs' 000	Estimated value for non-cash benefits Shs' 000	Total Shs' 000
Dr. James Mwangi*	106,080	-	12	-	9,198	31,824	7,032	4,702	158,848
Mrs. Mary Wamae*	52,800	-	5,286	5,500	-	-	5,459	-	69,045
Prof. Isaac Macharia	-	17,717	-	-	-	-	-	-	17,717
Mrs. Evelyn Rutagwenda	-	11,791	-	-	-	-	-	-	11,791
Dr. Helen Gichohi	-	6,010	-	-	-	-	-	-	6,010
Mr. Vijay Gidoomal	-	5,801	-	-	-	-	-	-	5,801
Dr. Edward Odundo	-	4,915	-	-	-	-	-	-	4,915
Mr. Jonas Mushosho	-	4,837	-	-	-	-	-	-	4,837
Dr. Evans Baiya	-	40,405	-	-	-	-	-	-	40,405
	158,880	**91,476**	**5,298**	**5,500**	**9,198**	**31,824**	**12,491**	**4,702**	**319,369**

*Executive Directors: Executive Directors are not entitled to receive fees or allowances for attending meetings of the Company's Board and those of any subsidiary company of which they may be a director.

(1) Gratuity paid in lieu of pension contribution over the past 2 years of service.

On behalf of the Board

Dr. James Mwangi
Director

Statement of directors' responsibilities

The Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Group and Company as at the end of the financial year and of their profit or loss for that year. The directors are responsible for ensuring that the Group and Company keep proper accounting records that are sufficient to show and explain the transactions of the Group and Company; disclose with reasonable accuracy at any time the financial position of the Group and Company; and that enables them to prepare financial statements of the Group and Company that comply with prescribed financial reporting standards and the requirements of the Companies Act, 2015. They are also responsible for safeguarding the assets of the Group and Company, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2015. They also accept responsibility for:

i. designing, implementing and maintaining such internal controls as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;

ii. selecting suitable accounting policies and applying them consistently; and

iii. making accounting estimates and judgements that are reasonable in the circumstances.

Having assessed the Group's and Company's ability to continue as a going concern, the Directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Group's and Company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Board of directors on 26 March 2025 and signed on its behalf by:

Dr. James Mwangi
Director

Dr. Edward Odundo
Director

Independent auditor's report
To the shareholders of Equity Group Holdings PLC

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Equity Group Holdings PLC (the "Company") and its subsidiaries (together, the "Group") set out on pages 133 to 258, which comprise the consolidated statement of financial position at 31 December 2024 and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, together with the Company statement of financial position at 31 December 2024 and the Company statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section* of our report.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Expected credit losses on loans and advances at amortised cost Loans and advances to customers comprise a significant portion of the Group's total assets. The estimation of expected credit losses (ECL) on loans and advances requires management judgment in the assumptions that are applied in the models used to calculate ECL.	We obtained the Group's methodology for determining ECL, including enhancements in the year, and evaluated this against the requirements of IFRS 9.

Independent auditor's report
To the shareholders of Equity Group Holdings PLC (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
The policies for estimating ECL are explained in notes 2 (j), 3 (a) and 4 (b) of the financial statements. The key areas where significant judgement has been exercised and therefore, an increased level of audit focus applied, include: ■ the assumptions applied in deriving the probabilities of default (PDs), loss given default (LGD) and exposures at default (EAD) for the various segments; ■ the judgments made to determine the staging of facilities in line with IFRS 9. In particular, the identification of Significant Increase in Credit Risk ("SICR") and Default requires consideration of quantitative and qualitative criteria. This is a key area of judgement as this determines whether a 12-month or lifetime PD is used. Specific assumptions have been applied by management in determining the staging, PD and LGD for certain segments of the loan book; ■ the relevance of forward-looking information used in the models; and ■ for certain individually assessed loans and advances, judgement is exercised in the consideration of quantitative and qualitative factors, and the mapping of these loans to external ratings. Due to the significant impact of management judgments applied in calculating the ECL, we designated this as a key audit matter in our audit.	We tested how the banking subsidiaries extract 'days past due (DPD)' applied in classifying the loan book into the three stages required by IFRS 9. For a sample of loans, we recalculated the DPD applied in the model. In addition, we assessed the qualitative information applied by the Group in determining the appropriate staging. We obtained an understanding of the basis used to determine the probabilities of default. We tested the completeness and accuracy of the historical data used in derivation of PDs and LGDs, and re-calculated the same on a sample basis. We reviewed the approach used to estimate LGD at each point during the life of the exposure including time to realisation and the recovery rate calculations. In addition, for secured facilities, we agreed the collateral values used in the ECL model to external valuer reports. We tested, on a sample basis, the reasonableness of EAD for both on and off-balance sheet exposures. For forward-looking information, we assessed the appropriateness of the model, including assumptions applied; we corroborated the data using publicly available information; and assessed the reasonableness of the weightings applied to different scenarios to reflect the impact of current developments. For the loans whose PDs are derived from external ratings, we discussed with management and reviewed the appropriateness of their assessment and mapping to external ratings. We assessed whether the disclosures in the financial statements on the key judgements and assumptions were adequate.

Independent auditor's report
To the shareholders of Equity Group Holdings PLC (continued)

Other information

The other information comprises the Group and Company information, Directors' report, Directors' remuneration report and Statement of directors' responsibilities which we obtained prior to the date of this auditor's report, and the rest of the other information in the Integrated Report which are expected to be made available to us after that date, but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we have received prior to the date of this auditor's report we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the rest of the other information in the Integrated Report and we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent auditor's report
To the shareholders of Equity Group Holdings Plc (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other matters prescribed by the Companies Act, 2015

Report of the directors

In our opinion, the information given in the Directors' report on pages 123 to 124 is consistent with the financial statements.

Directors' remuneration report

In our opinion, the auditable part of the directors' remuneration report on pages 125 to 127 has been properly prepared in accordance with the Companies Act, 2015.

Bernice Kimacia

CPA Bernice Kimacia, Practicing Certificate Number 1457

Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP

Certified Public Accountants

Nairobi

26 March 2025

Consolidated statement of profit or loss

	Notes	2024 Shs' millions	2023 Shs' millions
Interest income	6	185,344	164,214
Interest expense	6	(61,575)	(51,191)
Net interest income		**123,769**	**113,023**
Fee and commission income	7 (a)	44,821	40,821
Fee and commission expense	7 (b)	(12,558)	(11,876)
Net fee and commission income		**32,263**	**28,945**
Insurance revenue	9	1,429	1,657
Insurance service expense	10	(813)	(1,134)
Insurance service result		**616**	**523**
Net foreign exchange income	8	12,587	17,356
Other operating income	11	12,554	8,347
Total net income		**181,789**	**168,194**
Fair value gain/ (loss) on loan notes at FVTPL	22 (d)	2,440	(783)
Credit impairment losses	13	(23,261)	(32,954)
Net operating income		**160,968**	**134,457**
Employee benefits	14	(33,364)	(32,011)
Depreciation and amortisation	12	(8,151)	(7,321)
General and administrative expenses	18	(52,930)	(43,246)
Loss on net monetary position	40	(5,782)	-
Operating expenses		**(100,227)**	**(82,578)**
Profit before income tax		**60,741**	**51,879**
Income tax expense	20	(11,917)	(8,142)
Profit for the year		**48,824**	**43,737**
Profit attributable to:			
Owners of the parent company		46,549	41,977
Non-controlling interest		2,275	1,760
		48,824	43,737
Earnings per share (basic and diluted) (Shs)	**34**	**12.34**	**11.12**

Consolidated statement of other comprehensive income

	Notes	2024 Shs' millions	2023 Shs' millions
Profit for the year		**48,824**	**43,737**
Other comprehensive income:			
Items that will be subsequently reclassified to profit or loss when specific conditions are met:			
Fair value gains/(losses) on investments in financial instruments measured at FVOCI	23	23,194	(14,553)
Income tax relating to these items	26	(6,959)	4,366
		16,235	(10,187)
Exchange differences on translation of foreign operations		(22,820)	17,547
Items that will not be subsequently reclassified to profit or loss:			
Re-measurement of defined benefit obligation	30	2,270	(185)
Income tax relating to these items	26	(681)	56
		1,589	(129)
		(4,996)	7,231
Total comprehensive income for the year, net of tax		**43,828**	**50,968**
Total comprehensive income attributable to:			
Owners of the parent		41,615	46,693
Non-controlling interest		2,213	4,275
		43,828	50,968

Company statement of profit or loss and other comprehensive income

	Notes	2024 Shs' millions	2023 Shs' millions
Interest income	6	1,389	782
Interest expense	6	(1,416)	(1,427)
Net Interest income		**(27)**	**(645)**
Dividend income	32 (h)	20,464	16,465
Other operating income / (expenses)	11	2,202	(2,908)
Operating income		**22,639**	**12,912**
Employee benefits	14	(87)	(26)
Depreciation and amortisation	16 (a)	(2)	(2)
General and administrative expenses	18	(1,067)	(923)
Operating expenses		**(1,156)**	**(951)**
Profit before income tax		**21,483**	**11,961**
Income tax credit	20	(1,171)	583
Profit for the year		**20,312**	**12,544**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**20,312**	**12,544**

Consolidated statement of financial position

	Notes	2024 Shs' millions	2023 Shs' millions
Assets			
Cash, deposits, and balances due from financial institutions	21(a)	344,609	289,253
Derivative financial assets	38	184	96
Investment securities	23	511,982	500,542
Due from related parties	32(f)	67	141
Current income tax	20	2,949	1,088
Loans and advances to customers	22	819,236	887,380
Other assets	24	30,546	38,233
Reinsurance contract assets	25(a)	1,655	1,623
Investment properties	16(d)	6,087	7,497
Property and equipment	16(a)	23,393	26,138
Right-of-use assets	16(b)	9,775	8,446
Intangible assets	17	18,646	19,168
Deferred income tax	26	35,497	41,830
Total assets		**1,804,626**	**1,821,435**
Liabilities			
Deposits from customers	27	1,401,387	1,358,228
Borrowed funds	29	72,533	150,595
Other liabilities	28	46,736	57,857
Employee benefit obligations	30	2,163	2,262
Lease liabilities	16(c)	11,131	9,591
Insurance contract liabilities	25(b)	19,894	16,903
Current income tax	20	619	5,036
Deferred income tax	26	3,295	2,828
Total liabilities		**1,557,758**	**1,603,300**
Equity			
Share capital	31(a)	1,887	1,887
Share premium		15,325	15,325
Retained earnings		248,872	216,393
FVOCI reserve		(23,985)	(40,220)
Statutory reserve		619	1,644
Foreign currency translation reserve		(8,729)	12,712
Other reserves		52	52
Equity attributable to owners of the Company		234,041	207,793
Non-controlling interests		12,827	10,342
Total equity		**246,868**	**218,135**
Total equity and liabilities		**1,804,626**	**1,821,435**

The financial statements on pages 133 to 258 were approved for issue by the Board of directors on 26 March 2025 and signed on its behalf by:

Dr. James Mwangi, CBS
Director

Dr. Edward Odundo
Director

Company statement of financial position

	Notes	2024 Shs' millions	2023 Shs' millions
Assets			
Cash, deposits and balances due from financial institutions	21(a)	22,148	20,335
Due from related parties	32(f)	903	905
Other assets	24	3,114	1,502
Current income tax	20	266	197
Property and equipment	16(a)	6	8
Investments in subsidiary companies	19(a)	101,632	100,586
Deferred income tax	26	-	964
Total assets		**128,069**	**124,497**
Liabilities			
Due to related parties	32(g)	15,158	13,986
Borrowed funds	29	13,225	16,111
Other liabilities	28	81	96
Deferred income tax	26	84	-
Total liabilities		**28,548**	**30,193**
Equity			
Share capital	31(a)	1,887	1,887
Share premium		15,325	15,325
Retained earnings		82,309	77,092
Total equity		**99,521**	**94,304**
Total equity and liabilities		**128,069**	**124,497**

The financial statements on pages 133 to 258 were approved for issue by the Board of directors on 26 March 2025 and signed on its behalf by:

Dr. James Mwangi, CBS
Director

Dr. Edward Odundo
Director

Consolidated statement of changes in equity

		Attributable to owners of the Parent									
Year ended 31 December 2024	**Notes**	**Share capital Shs' millions**	**Share premium Shs' millions**	**Retained earnings Shs' millions**	**Statutory reserve Shs' millions**	**FVOCI Reserve Shs' millions**	**Foreign currency translation reserve Shs' millions**	**Other Reserves Shs' millions**	**Total Shs' millions**	**Non-controlling interests Shs' millions**	**Total equity Shs' millions**
At start of year		1,887	15,325	216,393	1,644	(40,220)	12,712	52	207,793	10,342	218,135
Total comprehensive income:											
Profit for the year		-	-	46,549	-		-		46,549	2,275	48,824
Other comprehensive income		-	-	-	-	16,235	(21,441)	-	(5,206)	210	(4,996)
		-	-	46,549	-	16,235	(21,441)	-	41,343	2,485	43,828
Loan loss reserve transfers	31(d)	-	-	1,025	(1,025)	-	-	-	-	-	-
Dividends declared and paid	31(g)	-	-	(15,095)	-	-	-	-	(15,095)	-	(15,095)
At end of year		**1,887**	**15,325**	**248,872**	**619**	**(23,985)**	**(8,729)**	**52**	**234,041**	**12,827**	**246,868**

Year ended 31 December 2023	**Notes**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
At start of year		1,887	15,325	189,573	1,582	(30,033)	(2,191)	52	176,195	6,016	182,211
Non-controlling interests from business acquisition	19	-	-	-	-	-	-	-	-	51	51
		1,887	15,325	189,573	1,582	(30,033)	(2,191)	52	176,195	6,067	182,262
Total comprehensive income:											
Profit for the year		-	-	41,977	-	-	-	-	41,977	1,760	43,737
Other comprehensive income		-	-	-	-	(10,187)	14,903	-	4,716	2,515	(7,321)
		-	-	41,997	-	(10,187)	14,903	-	46,693	4,275	50,968
Loan loss reserve transfers	31(d)	-	-	(62)	62	-	-	-	-	-	-
Dividends declared and paid	31(g)	-	-	(15,095)	-	-	-	-	(15,095)	-	(15,095)
At end of year		**1,887**	**15,325**	**216,393**	**1,644**	**(40,220)**	**12,712**	**52**	**207,793**	**10,342**	**218,135**

Company statement of changes in equity

Year ended 31 December 2024	Note	Share capital Shs' millions	Share premium Shs' millions	Retained earnings Shs' millions	Total equity Shs' millions
At start of year		1,887	15,325	77,092	94,304
Total comprehensive income:					
Profit for the year		-	-	20,312	20,312
Dividends paid		-	-	(15,095)	(15,095)
At end of year		**1,887**	**15,325**	**82,309**	**99,521**

Year ended 31 December 2023				
At start of year	1,887	15,325	79,643	96,855
Total comprehensive income:				
Profit for the year	-	-	12,544	12,544
Dividends paid	-	-	(15,095)	(15,095)
At end of year	**1,887**	**15,325**	**77,092**	**94,304**

Consolidated statement of cash flows

	Notes	2024 Shs' millions	2023 Shs' millions
Cash flows from operating activities			
Cash generated from operations	33	185,834	238,263
Income taxes paid	20	(15,871)	(9,631)
Net cash flows from operating activities		**169,963**	**228,632**
Cash flows from investing activities			
Purchase of property and equipment	16(a)	(5,830)	(7,254)
Proceeds from sale of property and equipment		3,142	16
Purchase of investment properties	16(d)	-	(37)
Purchase of intangible assets	17(a)	(1,594)	(3,814)
Purchase of investment securities	23	(159,545)	(308,817)
Proceeds from sale / maturity of investment securities	23	133,137	199,038
Acquisition of subsidiary, net of cash acquired		-	919
Net cash flows used in investing activities		**(30,690)**	**(119,949)**
Cash flows from financing activities			
Dividends paid to ordinary shareholders	31(g)	(15,095)	(15,095)
Proceeds from borrowed funds	29	17,265	42,011
Repayment of borrowed funds	29	(85,011)	(57,137)
Interest paid on borrowed funds	29	(12,101)	(28,403)
Interest paid on leases	16(c)	(729)	(602)
Principal elements of lease payments	16(c)	(2,689)	(2,327)
Net cash flows used in financing activities		**(98,360)**	**(61,553)**
Net increase in cash and cash equivalents		**40,913**	**47,130**
Cash and cash equivalents at start of year		193,738	147,802
Effect of foreign exchange differences		12,150	(1,194)
Cash and cash equivalents at end of year	**21 (a)**	**246,801**	**193,738**

Company statement of cash flows

	Notes	2024 Shs' millions	2023 Shs' millions
Cash flows from operating activities			
Profit before income tax		21,483	11,961
Adjustments for:			
Depreciation on property and equipment	16 (a)	2	2
Interest expense on term borrowings	29	1,416	1,427
Dividends income		(20,464)	(16,465)
Foreign exchange differences on borrowings	29	(2,775)	3,355
Operating loss before changes in operating assets and liabilities		**(338)**	**280**
Movement in operating assets and liabilities			
Other assets		(1,612)	222
Due from related parties		2	(902)
Due to related parties		1,172	13,439
Other liabilities		(15)	82
Cash generated from operations		**(791)**	**13,121**
Income taxes paid	20	(192)	(112)
Net cash flows from operating activities		**(983)**	**13,009**
Cash flows from investing activities			
Investment in subsidiaries		(1,046)	(7,153)
Purchase of property and equipment	16 (a)	-	(1)
Dividends received		20,464	16,465
Net cash flows from investing activities		**19,418**	**9,311**
Cash flows from financing activities			
Interest paid on borrowed funds	29	(1,527)	(1,300)
Dividends paid	31(g)	(15,095)	(15,095)
Net cash flows used in financing activities		**(16,622)**	**(16,395)**
Net increase in cash and cash equivalents		**1,813**	**5,925**
Cash and cash equivalents at start of year		20,335	14,410
Cash and cash equivalents at end of year	21	22,148	20,335

Notes

1 Corporate information

Equity Group Holdings PLC (the "Company") is a limited liability company incorporated under the Companies Act, 2015 and is domiciled in Kenya. The Company is licensed under the Kenyan Banking Act (Chapter 488).

The Company has subsidiaries in Kenya, Uganda, South Sudan, Rwanda, Tanzania and the Democratic Republic of Congo. It also has a representative office in Ethiopia. The Company shares are listed on the Nairobi Securities Exchange, Uganda Securities Exchange and Rwanda Securities Exchange.

2 Material accounting policies

The material accounting policies applied in the presentation of the Group's and Company's annual financial statements are set out below. The accounting policy elections below apply to the Group and Company, and are applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The Group's and Company's financial statements have been prepared in accordance with IFRS Accounting Standards. The measurement basis applied is the historical cost basis, except for fair value through other comprehensive income investments, derivatives and loan notes at fair value through profit or loss which have been measured at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Changes in accounting policy and disclosures

(i) New standards, amendments and interpretations by the Group and Company

The following standards and amendments have been applied by the Group for the first time for the financial year beginning 1 January 2024:

Amendments to IAS 1 - classification of liabilities as current or non-current

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments did not have an impact on the Group's and Company's statement of financial position, which is presented in order of liquidity.

Amendments to IAS 1 - Non-current Liabilities with covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(i) New standards, amendments and interpretations by the Group and Company (continued)

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.

This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments did not have an impact on the Group's and Company's statement of financial position, which is presented in order of liquidity.

Amendments to IFRS 16 – Leases - Lease liability in a sale and leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

Amendments to IAS 7 - Statement of cash flows and IFRS 7 - Financial instruments: Disclosures titled Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(ii) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Key requirements	Effective date
Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7	On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include: ■ A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date ■ Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed ■ Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments ■ The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI) The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Group is currently not intending to early adopt the Amendments. With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Bank is currently performing an assessment of all material electronic payment systems utilised in the various jurisdictions it operates, in order to assess whether the amendments will result in a material change with respect to current practices and whether it meets the conditions to apply the accounting policy option to derecognise such financial liabilities before the settlement date. Moreover, the Bank is reviewing all its other payment systems (such as cheques, credit cards, debit cards) to ensure that the corresponding financial assets are derecognised when the right to cash flows are extinguished and that the corresponding financial liabilities are derecognised on settlement date. In addition, the Bank is assessing the impact of the Amendments on its financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, as well as on non-recourse financing and contractually linked instruments. Based on the initial assessment performed, the amendments in these areas are not expected to have a material impact on the financial statements, however, the assessment is yet to be concluded.	1 January 2026

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(ii) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Key requirements	Effective date
IFRS 18 Presentation and Disclosure in Financial Statements	In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. There are specific presentation requirements and options for entities, such as financial institutions, that have specified main business activities (either providing finance to customers or investing in specific type of assets, or both). It also requires disclosure of newly defined management-defined performance measures, which are subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.	1 January 2027

(iii) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Key requirements	Effective date
Lack of exchangeability – Amendments to IAS 21	In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the Group's financial statements.	1 January 2025

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(iii) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Key requirements	Effective date
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the non- monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. ** In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.	**n/a

(iv) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Effective date	Key requirements
IFRS S1	Annual periods beginning on or after 1 January 2024 (Published June 2023) . Earlier application permitted as long as IFRS S2 Climate-related Disclosures is also applied.	The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity. IFRS S1 requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects'). IFRS S1 prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources to the entity.

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(iv) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group and Company

Title	Effective date	Key requirements
IFRS S1	Annual periods beginning on or after 1 January 2024 (Published June 2023) . Earlier application permitted as long as IFRS S2 Climate-related Disclosures is also applied.	IFRS S1 sets out the requirements for disclosing information about an entity's sustainability-related risks and opportunities. In particular, an entity is required to provide disclosures about: a. the governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities; b. the entity's strategy for managing sustainability-related risks and opportunities; c. the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities; and d. the entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation.

(v) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group

Title	Effective date	Key requirements
IFRS S2	Annual periods beginning on or after 1 January 2024 (Published June 2023) . Earlier application permitted as long as IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information is also applied.	IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects'). IFRS S2 applies to: a. climate-related risks to which the entity is exposed, which are: b. climate-related physical risks; and c. climate-related transition risks; and d. climate-related opportunities available to the entity. IFRS S2 sets out the requirements for disclosing information about an entity's climate-related risks and opportunities. In particular, IFRS S2 requires an entity to disclose information that enables users of general purpose financial reports to understand: a. the governance processes, controls and procedures the entity uses to monitor, manage and oversee climate-related risks and opportunities; b. the entity's strategy for managing climate-related risks and opportunities. c. the processes the entity uses to identify, assess, priorities and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and d. the entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.

Notes

2 Material accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(v) Standards, interpretations and amendments issued but not effective and have not been early adopted by the Group

IFRS S1 and S2 are effective for periods beginning on or after 1 January 2024 but are subject to adoption by the local regulatory authorities. As at 31 December 2024, the Kenyan authorities had not indicated the effective date of adoption and hence these standards have not been adopted by the group.

(c) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over fair value of the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

In the Company's financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

If the purchase consideration paid is less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total face value of shares issued) is adjusted against the capital reserve. Any cost directly attributable to the combination is recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

Notes

2 Material accounting policies (continued)

(d) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "Functional Currency"). The consolidated financial statements are presented in Kenya Shillings rounded off to the nearest million Shillings (Shs 'million), which is the Company's Functional and Presentation currency.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the group entities at their respective Functional Currency prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the Functional Currency at the spot rate of exchange at the reporting date. All differences arising from non-trading activities are taken to other operating income in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the spot exchange rates as at the dates of recognition.

(ii) Group companies

On consolidation, the assets and liabilities in foreign operations whose functional currencies are not the currency of a hyperinflationary currency are translated into Kenya Shillings at the spot rate of exchange prevailing at the reporting date and their statements of profit or loss and other comprehensive income are translated at average rates. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(iii) Hyperinflationary economies

The Group considers an economy to be hyperinflationary if the cumulative inflation rate over three years is approaching, or exceeds, 100%. The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated from historical cost into the measuring unit current at the end of the reporting period by applying a general price index.

The corresponding figures for the previous period and any information in respect of earlier periods is also stated in terms of the measuring unit current at the end of the reporting period. The restatement is based on conversion factors derived from Consumer Price Indices (CPI) (refer to Note 40).

For the purpose of consolidation, the results and financial position of a subsidiary whose functional currency is the currency of a hyperinflationary economy are translated into Kenya Shillings at the spot rate of exchange prevailing at the reporting date. However, the comparative amounts are those that were presented in the prior year financial statements.

(e) Recognition of interest income, dividend and interest expense

Revenue is recognised as control is passed, either over time or at a point in time. The Group recognises revenue over time after each performance obligation is fulfilled.

Interest income and expense are recognised in profit or loss on the Effective Interest Rate (EIR) method. Interest income and expense presented in the statement of profit or loss include:

- Interest on financial assets and liabilities measured at amortised cost and debt instruments classified as FVOCI, calculated using the effective interest rate (EIR). The calculation takes into account all of the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses. When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.
- Dividend income is recognised when the Company's right to receive that payment is established.

Notes

2 Material accounting policies (continued)

(f) Fee and commission income and expense

Fees and commissions charged for services provided or received by the Group are recognised as the services are provided or received, for example on completion of an underlying transaction.

(g) Net foreign exchange income

Net foreign exchange income arises from both the sale and purchase of investment securities, margins which are achieved through market-making and customer business and from changes in fair value caused by movements in interest and exchange rates and other market variables.

Gains or losses on assets or liabilities are included in profit or loss under net foreign exchange income.

(h) Leases

(i) Determination

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(ii) Group as a lessee

The Group leases various offices and are typically made for fixed periods of 6 months to 10 years but may have extension options. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. For leases of real estate for which the group is a lessee, it has elected to separate lease and non-lease components and instead accounted for them as separate component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes

2 Material accounting policies (continued)

(h) Leases (continued)

(ii) Group as a lessee

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(iii) Group as lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before income tax expense), which reflects a constant periodic rate of return. Payments received under operating lease are charged to profit or loss on a straight-line basis over the period of the lease.

(i) Income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes

2 Material accounting policies (continued)

(i) Income tax (continued)

(i) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(j) Financial assets and liabilities

(i) Classification and subsequent measurement

Financial assets

Except for trade receivables that do not have a significant financing component, at initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Trade receivables that do not have a significant financing component are measured at their transaction price.

The Group classifies its financial assets into three principal classification categories based on the cash flow characteristics of the asset and the business model assessment:

- Measured at amortised cost;
- FVOCI; and
- FVTPL.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Group recognises cash, deposits and balances due from financial institutions including items in the course of collection, amounts due from related parties, loans and advances to customers, certain investment securities, and other assets at amortised cost.

The carrying amount of these assets is measured at amortised cost using the effective interest rate method and is adjusted by any expected credit loss allowance. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (continued)

Financial Assets (continued)

Fair Value through Other Comprehensive Income (FVOCI) – Debt

A financial asset which is a debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group classifies certain investments it has in government securities at FVOCI.

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

Fair Value through Other Comprehensive Income (FVOCI) – Equity

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by investment basis. The Group currently has no equity investments held at FVOCI.

Fair Value through Profit or Loss (FVTPL)

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group classifies derivative financial assets and loan notes at FVTPL.

A financial asset is classified into one of these categories on initial recognition. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9 are not separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises. Interest income and credit related income from these financial assets is included in "interest income" using the effective interest rate method.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

To determine whether a financial asset should be classified as measured at amortised cost or FVOCI, an entity assesses whether the cash flows from the financial asset represent, on specified dates, solely payments of principal and interest on the principal amount outstanding - i.e. the SPPI criterion. A financial asset that does not meet the SPPI criterion is always measured at FVTPL, unless it is an equity instrument for which an entity may apply the OCI election.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (continued)

Financial Assets (continued)

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI) (continued)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. The definition of principal reflects the economics of the financial asset from the perspective of the current holder. This means that an entity assesses the asset's contractual cash flow characteristics by comparing the contractual cash flows to the amount that it actually invested.

'Interest' is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considered the contractual terms of its financial assets. The Group, through the Credit, Finance and Treasury departments will from time to time review the contractual terms of existing instruments and also review contractual terms of new products the Group develops or invests in going forward. This includes assessing whether the financial asset contained a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group shall consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets – e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

Contractual features that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, give rise to contractual cash flows that do not meet the SPPI criterion.

The prevailing rates are generally based on a regulator's rate and include a discretionary spread (Margin). In these cases, the Group will assess whether the discretionary feature is consistent with the SPPI criterion by considering a number of factors, including whether:

- the borrowers are able to prepay the loans without significant penalties;
- the market competition ensures that interest rates are consistent between banks; and
- any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

Interest rate on loans made by other banking subsidiaries within the Group are based on the prevailing market rates depending on the specific country of operation.

Some of the Group's loans may contain prepayment features. A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is treated as consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual par amount, the prepayment amount substantially represents the contractual par amount plus accrued (but another asset) contractual interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is insignificant on initial recognition.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (continued)

Financial Assets (continued)

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI) (continued)

De minimis

A contractual cash flow characteristic may not affect the classification of a financial asset if it could have only a de minimis effect on the financial asset's contractual cash flows. To make this determination, the Group considers the possible effect of the contractual cash flow characteristic in each reporting period and cumulatively over the life of the financial asset.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis will be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The table below summarises the key features of each type of business model and the resultant measurement category:

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities

(i) Classification and subsequent measurement (continued)

Financial assets (continued)

Business model assessment (continued)

BUSINESS MODEL	KEY FEATURES	CATEGORY
Held to collect	The objective of the business model is to hold assets to collect contractual cash flows. ■ Sales are incidental to the objective of the model. ■ This model typically involves the lowest level of sales in comparison with other business models (in frequency and volume).	Amortised cost (1)
Both held to collect and for sale	Both collecting contractual cash flows and sales are integral to achieving the objective of the business model. This model typically has more sales (in frequency and volume) than the held-to-collect business model.	FVOCI (1)
Other business models, including: ■ Trading, managing assets on a fair value basis and maximising cash flows through sale	■ The business model is neither held-to-collect nor held to collect and for sale. ■ The collection of contractual cash flows is incidental to the objective of the model.	FVTPL (2)

Notes

1. Subject to meeting the SPPI criterion.
2. The SPPI criterion is irrelevant - i.e. assets in all business models are measured at FVTPL.

Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value. Deposits from customers, borrowed funds and other liabilities are also classified at amortised cost.

Reclassification

The Group only reclassifies financial assets when management changes the business model for managing the financial assets. In that instance all affected financial assets are reclassified. Such changes are expected to be very infrequent, and are determined by the Group's senior management as a result of external or internal changes.

Derecognition and contract modification

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability. However, when the modification of a financial instrument not measured at FVTPL does not result in derecognition, the Group has recalculated the gross carrying amount of the financial asset (or the amortised cost of the financial liability) by discounting the modified contractual cash flows at the original effective interest rate and recognise any resulting adjustment as a modification gain or loss in profit or loss.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (continued)

Derecognition and contract modification (continued)

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the statement of financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

Write-off

The Group writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include:

- Ceasing enforcement activity; and
- Where the Group's recovery method is foreclosing on collateral and the value of the collateral is such there is no reasonable expectation of recovering in full.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

Interest income recognition

According to IFRS 9 paragraph 5.4.1 interest revenue shall be calculated by using the effective interest method. This shall be calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- Purchased or originated credit-impaired financial assets. For those financial assets, the entity shall apply the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition; and
- Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the entity shall apply the effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

According to IFRS 9 paragraph 5.4.2 an entity that, in a reporting period, calculates interest revenue by applying the effective interest method to the amortised cost of a financial asset in accordance with paragraph 5.4.1(b) (see (b) above), shall, in subsequent reporting periods, calculate the interest revenue by applying the effective interest rate to the gross carrying amount if the credit risk on the financial instrument improves so that the financial asset is no longer credit-impaired and the improvement can be related objectively to an event occurring after the requirements in paragraph 5.4.1(b) were applied (such as an improvement in the borrower's credit rating). In the context of the Central Bank regulations, credit impaired accounts would refer to the substandard, doubtful and loss risk classifications, and interest on these accounts is calculated on the gross carrying amount and not recognised in profit or loss but rather suspended in the statement of financial position.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (continued)

Assets that are credit-impaired on initial recognition

According to IFRS 9 (7A.8.340) Purchased or Originated Credit Impaired (POCI) assets are assets that are credit-impaired on initial recognition. An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset. The following are examples of such events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract - e.g. a default or past-due event
- A lender having granted a concession to the borrower - for economic or contractual reasons relating to the borrower's financial difficulty - that the lender would not otherwise consider;
- It becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event that caused the asset to be credit-impaired. Instead, the combined effect of several events may cause financial assets to become credit-impaired.

Measurement on initial recognition

On initial recognition, POCI assets do not carry an impairment allowance. Instead, lifetime ECLs are incorporated into the calculation of the effective interest rate.

Subsequent measurement

The expected credit losses (ECLs) for POCI assets are always measured at an amount equal to lifetime ECLs. However, the amount recognised as a loss allowance for these assets is not the total amount of lifetime ECLs, but instead the changes in lifetime ECLs since initial recognition of the asset. Favourable changes in lifetime ECLs are recognised as an impairment gain, even if the favourable changes are more than the amount, if any, previously recognised in profit or loss as impairment losses.

Modifications

When the contractual cash flows of a POCI asset are modified and the modification does not result in derecognition, the calculation of the modification gain or loss is the difference between:

- the gross carrying amount of the asset before the modification; and
- the recalculated gross carrying amount.

The recalculated gross carrying amount is the present value of the estimated future cash payments or receipts through the expected life of the modified financial asset discounted using the credit-adjusted effective interest rate before the modification.

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

Assets that are credit-impaired on initial recognition (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts

The impairment model applies to the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments – this applies to the Group's loans and advances to customers, Investment in Government securities measured at amortised cost and FVOCI, balances due to group companies and other assets;
- lease and trade receivables – this applies to the Group's finance lease and trade receivables; and
- loan commitments and financial guarantee contracts issued (previously, impairment was measured under IAS 37 Provisions, Contingent Liabilities and Contingent Assets) - this applies to the Group's off balance sheet exposures where credit intervention is not required for the counterparty to access the credit facility.

No impairment loss is recognised on equity investments and financial assets measured at FVPL.

The Group recognises loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The Group has recognised loss allowances at an amount equal to lifetime ECLs, except in the following cases, for which the amount recognised will be 12-month ECLs:

- debt investment securities that are determined to have low credit risk at the reporting date. The Group has considered a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment-grade' and investments in Government securities; and
- other financial instruments (other than trade and lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade and lease receivables will always be measured at an amount equal to lifetime ECLs. The impairment requirements of IFRS 9 are complex and require management judgement, estimates and assumptions, particularly in the following areas, which are discussed in detail below:

- assessing whether the credit risk of an instrument has increased significantly since initial recognition; and
- incorporating forward-looking information into the measurement of ECLs.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses and have been measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls – i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the present value of the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Measurement of expected credit losses (continued)

An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset. The following are examples of such events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract - e.g. a default or past-due event;
- a lender having granted a concession to the borrower - for economic or contractual reasons relating to the borrower's financial difficulty - that the lender would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

For purposes of IFRS 9 there will generally be no difference between credit impaired and non-performing financial loans as defined by the regulator.

Expected credit losses

Expected credit losses are computed as a product of the Probability of Default (PD), Loss Given Default (LGD) and the Exposure at Default (EAD).

ECL = PD x LGD x EAD

In applying the IFRS 9 impairment requirements, an entity needs to follow one of the approaches below:

- The general approach
- The simplified approach

The simplified approach is applied for trade receivables or contract assets resulting from transactions in the scope of IFRS 15 Revenue from customer contracts or lease receivables resulting from transactions in the scope of IFRS 16 Leases. The Group has therefore applied the general approach.

The General Approach

Under the general approach, at each reporting date, an entity recognises a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition.

The changes in the loss allowance balance are recognised in profit or loss as an impairment gain or loss. Essentially, an entity must make the following assessment at each reporting date:

Stage 1 - For credit exposures where there have not been significant increases in credit risk since initial recognition, an entity is required to provide for 12-month ECLs, i.e., the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12-months after the reporting date (12-month ECL as per formula below).

ECL12m = PD12m x LGD12m x EAD12m x D12m

Stage 2 - For credit exposures where there have been significant increases in credit risk since initial recognition on an individual or collective basis, a loss allowance is required for lifetime (LT) ECLs, i.e., ECLs that result from all possible default events over the expected life of a financial instrument (ECL LT as per formula below).

ECL LT = LT∑T=1 PDt x LGDt x EADt x Dt

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

The General Approach (continued)

Stage 3 – For credit exposures that are credit impaired and in default. Similar to stage 2 assets a loss allowance is required for lifetime ECLs. However, the probability of default for these assets is presumed to be 100% less any determined recovery and cure rate.

Where: **D** – discounting factor and t - time

The table below shows the link between the regulator risk classifications, internal grading and the IFRS 9 stage allocation for assets for banking subsidiaries in the Group.

Central Banks Guidelines	Days past due	Internal grading	Stage allocation
Normal	0-30	1	1
Watch	31-90	2	2
Substandard	91-180	3	3
Doubtful	181 - 365	4	3
Loss	Over 365 or considered uncollectible	5	3

Definition of default

The Group will consider a financial asset to be in default when:

- the borrower is unlikely to pay their credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Group. This will be consistent with the rebuttable criteria set out by IFRS 9 and existing practice of the Group; or
- if it meets the definition of the local regulator of default, if in the future the local regulator prescribe the criteria of default for IFRS 9 purposes.

This definition is largely consistent with the regulator definition that will be used for regulatory purposes. In assessing whether a borrower is in default, the Group will consider indicators that are:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract - e.g. a default or past-due event;
- a lender having granted a concession to the borrower - for economic or contractual reasons relating to the borrower’s financial difficulty - that the lender would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The Group has not rebutted the 90 Days Past Due (DPD) rule for identifying defaults.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Significant increase in credit risk (SICR)

The Group in determining whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition considered reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Group's historical experience, expert credit assessment and forward-looking information.

The Group identifies a significant increase in credit risk where

- exposures have a regulatory risk rating of 'WATCH';
- an exposure is greater than 30 days past due – this is in line with the IFRS 9 30 DPD rebuttable presumption;
- an exposure has been restructured in the past due to credit risk related factors or which was NPL and is now regular (subject to the regulatory cooling off period); or
- by comparing an exposures:
  - credit risk quality at the date of reporting; with
  - the credit risk quality on initial recognition of the exposure.

The Group has not followed an overall blanket approach to the ECL impact of COVID-19 (where COVID-19 is seen as a significant increase in credit risk (SICR) trigger that will result in the entire portfolio of advances moving into their respective next staging bucket). The Group incorporated qualitative factors to assess significant increase in credit risk on these loans as below:

- All loans whose business activity, in our assessment, was significantly lower than the pre-COVID period as at 31 December 2021, was considered to have a significant increase in credit risk and downgraded to Stage 2.
- Loans in high risk industry segments (see the section "Restructuring" below) were assessed for significant increase in credit risk.

The assessment of significant deterioration is key in establishing the point of switching between the requirement to measure an allowance based on 12-month expected credit losses and one that is based on lifetime expected credit losses.

Credit risk classification

The Group allocates each exposure to a credit risk classification based on the regulatory requirements of the regulator which requires the prediction of the risk of default and applying experienced credit judgement. The Group shall use these classifications in identifying significant increases in credit risk under IFRS 9. The risk classifications are defined using the regulator's guidance, days past due, management assessment, qualitative and quantitative factors that are indicative of the risk of default.

These factors may vary depending on the nature of the exposure and the type of borrower. The Group shall undertake a thorough credit appraisal process and determine the credit quality of each exposure on initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk classification.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Determining whether credit risk has increased significantly

The Group has established a framework that incorporates both quantitative and qualitative information to determine whether the credit risk on a particular financial instrument has increased significantly since initial recognition. The framework has been aligned with the Group's internal credit risk management process. The criteria for determining whether credit risk has increased significantly varies by portfolio and will include a backstop based on delinquency (30 DPD presumption).

Quantitative factors

The Group deems the credit risk of a particular exposure to have increased significantly since initial recognition based on a loan being in arrears for a period of 31 to 90 days in accordance with IFRS 9 paragraph 5.5.11. The Group has developed an internal rating model going forward and movement in rating grades between the reporting period and initial recognition date/ the date of initial application of IFRS 9 of the loan will form the basis of significant increase in credit risk

Qualitative factors

In certain instances, using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk if particular qualitative factors indicate so and those indicators may not be fully captured by its quantitative analysis on a timely basis. The management view and judgement has included the following assessments:

- Classification of exposures by any other Banks and Financial institutions or local Credit Reference Bureau (CRB).
- Unavailable/inadequate financial information/financial statements;
- Qualified report by external auditors;
- Significant contingent liabilities;
- Loss of key staff in the organisation;
- Increase in operational risk and higher occurrence of fraudulent activities;
- Continued delay and non-cooperation by the borrower in providing key relevant documentation; and
- Deterioration in credit worthiness due to factors other than those listed above.

As a backstop, and as required by IFRS 9, the Group will presumptively consider that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. The Group will determine days past due by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

Backward transitions

Backward transitions define the criteria for moving a financial asset back from Stage 2 to Stage 1 or Stage 3 to Stage 2. The Group applies the considerations of the Central Bank prudential guidelines to determine whether a financial asset should be upgraded from Stage 3 to Stage 2 and then Stage 1. Where an account in Stage 3 is regularised (i.e. all past due principal and interest is repaid in full) it may be upgraded to Stage 2 subject to observation of the cooling off period as defined by prudential guidelines. A facility which meets the above condition and has been classified as Stage 2 may be reclassified to Stage 1 if a sustained record of performance is maintained for a period of six (6) months.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value. Under IFRS 9, when the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of the borrower's initial credit risk assessment and the current assessment at the point of modification.

Restructuring

The Group renegotiates loans to customers in financial difficulties (referred to as 'restructuring') to maximise collection opportunities and minimise the risk of default. Under the Group's restructuring policy, loan restructuring is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. The Group's Credit Committee regularly reviews reports on restructuring activities.

Generally, restructuring is a qualitative indicator of default and credit impairment and expectations of restructuring are relevant to assessing whether there is a significant increase in credit risk. Following restructuring, a customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be in default/credit-impaired or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECLs.

However, on the onset of the COVID-19 pandemic, the impact of the containment measures on the economy made it imperative for the Group to support its customers. The Group's view was that the economic impacts of the pandemic will be felt for a period of three to five years before there is full recovery. The Group therefore accommodated its customers to cushion them from the economic downturn by rescheduling their loan facilities for a period of 6 months to 36 months. The length of the period of accommodation depended on the impact of the pandemic on the industry in which the customer operates. The Group segregated the loan book into low risk, medium risk and high risk based on the industry. For example, Agriculture was rated as low risk, Mining as medium risk and Tourism and Hospitality and Real Estate as High Risk. The Group then accommodated for different periods depending on the level of risk.

The accommodation given to customers was given due to a macro economic issue that was facing customers in impacted industries. This was not an issue of an individual customer exhibiting significant increase in credit risk or default. These accommodations were therefore exempted from the general policy of a restructure being necessarily an indicator of significant increase in credit risk or default. This is fully compliant with the requirements of IFRS 9 and the Central Bank prudential guidelines. These loans are however monitored under a more stringent credit risk framework and judgmental factors are considered in the IFRS 9 provision methodology for these loans.

The Group applies the requirements of the Central Bank prudential guidelines where an account in Doubtful or Sub-standard category (Stage 3) will be upgraded to Watch if principal and interest payments are fully regularised at the point of restructure, the account is re-classified to Watch (Stage 2) and observed for six (6) months. Where the account continues to perform appropriately for an additional six (6) months the account is upgraded to normal and the Group reverts to measuring 12-month ECLs.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Restructuring (continued)

Where the account is restructured with the customer having not regularised overdue principal and interest, the account shall remain in Substandard for six (6) months or if in Doubtful category, twelve (12) months for observation. If the restructured account performs as per the new contract during the observation period, the account can be then upgraded to Watch (stage 2) and observed for another six (6) months where it can be further upgraded to Normal (stage 1) if good performance is sustained.

The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original EIR.

ECL model

Segmentation

In order to determine the ECL by modelling the PD, LGD and EAD for different loan accounts, the Group has segmented the loan book into twelve industries namely Building & Construction, Energy & Water, Financial Services, Food and Agriculture, ICT and Telecommunications, Manufacturing, Mining and Quarrying, Personal Household, Real Estate, Tourism and Hospitality, Trade and Transport & logistics. The PDs are determined at industry level, LGD at customer or industry level (based on collateral and collections respectively) and EAD at account level. Where a borrower has been in several industries historically the Group uses the borrower's current segmentation.

In addition to the on-balance sheet facilities, the Group considered treasury products (investment securities and placements with other banking institutions) and the off balance sheet facilities offered by the Group such as guarantees, letters of credit, overdrafts and credit cards where an exposure is present. The EAD for these facilities is based on whether there is a commitment by the Group to fund a customer and the rate of conversion of such facilities (Credit Conversion Factor – CCF).

Risk parameters in measurement of ECLs

The key inputs into the measurement of ECLs are likely to be the term structures of the following variables:

- PD;
- Loss Given Default (LGD); and
- Exposure at Default (EAD).

These parameters has been derived from internally developed statistical models and other historical data that leverage regulatory models. They have been adjusted to reflect forward-looking information as described below.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Probability of default

Probability of Default ("PD") refers to the likelihood of a default occurring and is a measure of the risk of default. In order to calculate IFRS 9 PD, there is a need to develop a PD term structure for calculating ECL (forward looking and lifetime PDs). PD estimates for loans and advances are estimates at a certain date, which has been calculated based on statistical migration matrices that model the chance of an exposure transitioning to default over time and has been assessed at portfolio level for portfolios of assets that have similar characteristics. PDs have been estimated based on the theory of Markov Chain process. The method requires information regarding transitions among credit states. Credit states are defined by rating classes. The Group reviews and updates the portfolio PDs on a semi-annual basis.

The Group has drawn yearly transition matrix of ratings to compute a value or transaction-based PD over the one year horizon for the past 3-5 years. The Group has built data to 5 years and update every year thereafter for new data. The PDs are approved by the relevant Board committees for them to take effect. Transition probabilities are determined from the actually observed number of transitions over the observed period of time. These PDs have been classified as per stage 1 and 2 which is driven by the central bank risk classifications, management view and DPD. This rating migration captures the movement of obligors into default at yearly intervals.

An average default rate of 5 years is used. Based on the transitions of counterparties within the stages in value terms, the default estimation is done by the transition matrix.

PD estimates for other exposures are estimates at a certain date, which will be calculated based on statistical rating tools and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data has also been used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between ratings classes, then this will lead to a change in the estimate of the associated PD. Lifetime PDs will be estimated considering the contractual maturities of exposures and estimated prepayment rates. Lifetime PDs are calculated using the Matrix Multiplication method utilising the Markov Chain method.

LGD

LGD is the forecast of the magnitude of the likely loss if there is a default. The Group has estimated LGD parameters based on collateral available for secured debt instruments against exposures and the history of recovery rates of claims against defaulted counterparties for unsecured portfolios.

LGD by collateral

The LGD models have considered the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. The Group will consider the eligibility of collateral. Collateral is eligible if the following can be demonstrated:

- Legal certainty and enforceability; and
- History of enforceability and recovery

LGD estimates have been calibrated for different collateral types. To reflect possible changes in property prices, the forced sale value (FSV) shall be considered for all collateral types.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

The collateral values to consider have been calculated on a discounted cash flow basis using the effective interest. The table below highlights the Group's acceptable collateral types;

No	Collateral Type
1	Cash Under Lien
2	Corporate Guarantees
3	Debenture/Land
4	Government Guarantee
5	Hire Purchase Agreement

No	Collateral Type
6	Land & Buildings-Commercial
7	Land & Buildings-Residential
8	Logbooks
9	Shares
10	Treasury Bonds/Bills

LGD by Collections

For the purpose of LGD estimation on its non-collateralised portfolio, the Group shall compute LGD based on actual recoveries on its defaulted portfolio over a period of at least 3- 5 years prior to the assessment date. To determine this recovery rate, the Group has identified the point in time when accounts first go into default in half year periods, filter out any non-performing loan (NPL) accounts that cure and for the remaining accounts obtain data on amounts collected. The difference between the value of the NPL accounts that do not cure and the collections from these accounts as a percentage of the original NPL accounts (NPL accounts that cured and did not cure) is determined as the LGD. For individually assessed unsecured accounts, the LGD is assessed based on the circumstances of the facility.

Exposure at default (EAD)

EAD represents the expected exposure in the event of a default. The Group has derived the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortisation, and prepayments. The EAD of a financial asset is measured as:

EAD = Outstanding exposure + (CCF*Undrawn portion)

For lending commitments and financial guarantees, the EAD has considered the amount drawn, as well as potential future amounts that may be drawn or repaid under the contract, which will be estimated based on behavioural study of historical patterns and forward-looking forecasts.

For revolving off-balance sheet positions, the CCF to be applied to the undrawn commitments have been derived from a behavioural study of historical patterns. In the case of undrawn commitments (i.e. undrawn portions of the Group's commitments for off-balance sheet items), if the terms of the contract clearly state that the commitment is unconditionally cancellable for any reason, the committed amounts for such arrangements has not be considered as EAD.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(ii) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Term of loan in calculating Lifetime ECL and determining the EAD

As described previously in this document, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group will measure ECLs considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Group will consider a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee. For overdrafts, guarantee facilities and other revolving facilities that include both a loan and an undrawn commitment component, the Group will measure ECLs over a period of one year unless the expected life of the exposure can be reasonably determined.

Forward-looking information

Under IFRS 9, the Group has incorporated forward-looking information in its measurement of ECLs. The Group has formulated a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on advice from the Group's Executive Risk Committees (ALCO & CORC) and economic experts and consideration of a variety of external actual and forecast information. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information may include economic data and forecasts published by governmental bodies and monetary authorities in East Africa, supranational organisations such as the World Bank and the International Monetary Fund and selected private sector and academic forecasters. The base case represents a most-likely outcome and be aligned with information used by the Group for other purposes, such as strategic planning and budgeting. The other scenarios will represent more optimistic and more pessimistic outcomes. Noting the wide range of possible scenarios and macroeconomic outcomes, and the relative uncertainty of the social and economic consequences of COVID-19, these scenarios represent reasonable and supportable forward-looking views as at the reporting date.

The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. These key drivers include, among others, inflation rates, GDP forecasts, balance of trade, unemployment rates and interest rates. Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets shall be developed based on analysing historical data over the previous 5 years. The economic scenarios used have been approved by the Group's Credit and Risk Committees.

(iii) Fair value measurement

The Group measures financial instruments such as derivatives, loan notes at FVTPL and FVOCI investment securities at fair value at each reporting date. Fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(iii) Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets at the reporting date without any deduction for transaction costs.

Gains or losses on valuation of FVOCI are recognised in other comprehensive income.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist, options pricing models, credit models and other relevant valuation models.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. The table below shows the various asset classes.

Notes

2 Material accounting policies (continued)

(j) Financial assets and liabilities (continued)

(iii) Fair value measurement (continued)

	Class (as determined by the Group)	Subclasses
Financial assets		
Financial assets at fair value through profit or loss (FVTPL)	Financial assets held for trading	Derivative financial assets
	Financial assets designated at fair value through profit or loss	Loan notes at FVTPL
		Investment securities designated at FVTPL
		Policy holders assets
		Insurance contract liabilities
Amortised cost	Deposits and balances due from financial institutions	
	Due from group companies	
	Loans and advances to customers	Term loans
		Mobile loans
		Credit cards
		Mortgages
		Overdrafts
		Others
	Settlement and clearing accounts	
	Cash balances with central banks	
	Other assets	
	Investment securities	
Financial assets at fair value through other comprehensive income (FVOCI)	Investment securities	
	Employee benefit obligations	
Financial liabilities		
Financial liabilities at amortised cost	Deposits due to other financial institutions	
	Deposits from customers	
	Other liabilities	
	Borrowed funds	
	Lease liabilities	
	Due to group companies	
Off-balance sheet financial instruments		
Loan commitments		
Guarantees, acceptances and other financial liabilities		

Fair-value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed, are summarised in Note 5 to the financial statements.

2 Material accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand and bank balances held with central banks in the countries in which the Group operates and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are classified and carried at amortised cost in the statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash and balances with banks, unrestricted balances with central banks in the countries in which the Group operates and money market placements.

(l) Property and equipment

(i) Recognition and measurement

Items of property and equipment are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost includes any other costs directly attributable to bringing the asset to a working condition for its intended use and the present value of the estimated costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. After initial recognition, property and equipment are measured at cost less accumulated depreciation and impairment losses.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as they are incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment in order to write down the carrying amount over its useful life to its residual value. Freehold land is not depreciated

The annual rates of depreciation (2.5% - 33.3%) in use are as follows:	
Buildings	2.5%
Motor vehicles and Village cell banking vans	25%
Office equipment, furniture and fittings	12.5%
Computer hardware	33.3%
ATM machines, core banking hardware	20%

Leasehold improvements are written off over their estimated useful lives or the lease period, whichever is shorter. The assets' residual values, useful lives and methods of depreciation are reassessed at each financial year-end and adjusted prospectively, as a change in an estimate, if appropriate. Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in profit or loss in the year the asset is derecognised.

2 Material accounting policies (continued)

(m) Intangible assets

The Group's intangible assets include the value of computer software. Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be finite or indefinite. Intangible assets with finite lives are amortised over the useful lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset. The intangible assets have a maximum useful life of ten years.

Acquired intangible assets

The customer relationship and core deposit intangible asset (''acquired intangible assets'') were acquired as part of a business combination (Note 15 (a)). They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives. Separately 'acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. The Group amortises intangible assets with a limited useful life, using the straight-line method over 1 period of 3 years. For brand name, this is not amortised since it has an indefinite useful life but assessed for impairment on an annual basis.

(n) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication that an asset may be impaired. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used. Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

Notes

2 Material accounting policies (continued)

(n) Impairment of non-financial assets (continued)

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, or the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

(o) Provisions

Provisions are recognised when the Group and Company have a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss net of any reimbursement.

(p) Employee benefits

(i) Defined contribution schemes

The Group contributes to statutory defined contribution pension schemes (the National Social Security Fund (NSSF)), for Kenya, Tanzania, Uganda and Democratic Republic of Congo employees. The Group also contributes to the Rwanda Social Security Fund for Rwanda employees and to a private pension fund for employees in South Sudan.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The assets of the schemes are held in a separate trustee administered funds, which are funded by contributions from both the Group and employees.

(ii) Defined benefit plan

The Group has an unfunded defined benefit scheme for employees in DRC. The benefits provided by the defined benefit scheme are based on a formula taking into account years of service and remuneration levels, whilst the benefits provided by the defined contribution scheme are determined by accumulated contributions and returns on investments.

For the defined benefit plan, the liability recognised in the statement of financial position is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected credit unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using an interest rate equal to the yield on government securities that have a term to maturity approximating to the term of the related pension liability.

Actuarial gains and losses that arise are recognised in shareholders' equity and presented in the statement of other comprehensive income in the period they arise. The Group determines the net interest expense on the net defined liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in the income statement. When the defined benefit calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. The Group contributions to both schemes are charged to the statement of comprehensive income in the year to which they relate.

Notes

2 Material accounting policies (continued)

(p) Employee benefits (continued)

(ii) Defined benefit plan (continued)

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to the plan. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement (Note 29).

(iii)Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus and leave if the group has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(q) Segmental reporting

Operating sgments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing the performance of the operating segments has been identified as the Group Strategy and Investment Committee that makes strategic decisions.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses directly associated with each segment are included in determining business segment performance.

(r) Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

(s) Dividends

Dividends are recognised as a liability and deducted from equity in the year in which they are declared when they are approved by the Company' Shareholders. Proposed dividends are disclosed as part of Note 30 (g).

(t) Deposits from customers

Deposits from customers are recognised and accounted for on receipt basis as liabilities. Interest expense is accrued on the deposits on a daily basis.

(u) Work in progress

Work-in-progress includes assets paid for but are not yet ready for the intended use and include software, computers and equipment. These are not depreciated and are capitalised when they get in the location and condition necessary for them to be capable of operating in the manner intended by management.

Notes

2 Material accounting policies (continued)

(v) Fiduciary assets

The Group entities provide trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients. Assets held in a fiduciary capacity, unless recognition criteria are met, are not reported in the financial statements, as they are not assets of the Group (Note 37).

(w) Derivative financial assets and liabilities

The Group enters into derivatives (currency forwards and swaps) for trading purposes. At their inception, derivatives often involve only a mutual exchange of promises with little or no transfer of consideration. The Group may take positions with the expectation of profiting from favourable movement in prices, rates or indices. The Group's exposure under derivative contracts is closely monitored as part of the overall management of its market risk. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net trading income.

The Group uses the following derivative instruments:

Currency forwards - Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the over–the–counter market. The Group has credit exposure to the counterparties of forward contracts. Forward contracts are settled gross and result in market risk exposure.

Currency swaps - Swaps are contractual agreements between two parties to exchange streams of payments over time based on specified notional amounts, in relation to movements in a specified underlying index such as a foreign currency rate. In a currency swap, the Group pays a specified amount in one currency and receives a specified amount in another currency.

Currency spots - Spot contracts are contractual agreements between two parties to exchange streams with immediate settlement (payment and delivery) on the spot date, which is normally two business days after the trade date.

(x) Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions, and others on behalf of customers to secure loans, overdrafts, and other banking facilities. Financial guarantees contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of loss allowance and;
- The premium received on initial recognition less recognition in accordance with the principles of IFRS 15

Loan commitments provided by the Group are measured as the amount of the loss allowance. The Group has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

(y) Investment properties

Buildings, or part of a building, (freehold or held under a finance lease) and land (freehold or held under an operating lease) held for long term rental yields and /or capital appreciation and are not occupied by the Group are classified as investment property and are non-current assets. Investment property is carried at fair value, representing open market value determined every three years by external valuers. Properties under construction and development sites with projected use as investment properties are valued at projected fair values considering current market conditions. Changes in fair values are included in investment income in the income statement.

Notes

2 Material accounting policies (continued)

(z) Insurance contracts

A contract is classified as an insurance contract where the Group accepts significant insurance risk from another party by agreeing to compensate that party if it is adversely affected by a specified uncertain future event. An insurance contract may also transfer financial risk, but is accounted for as an insurance contract if the insurance risk is significant. In addition, the Group issues investment contracts that transfer financial risk with no significant insurance risk, which are also accounted under IFRS 17 'Insurance Contracts'.

i) Recognition, measurement, and presentation of insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the company's estimates of the present value of future cash flows that are expected to arise as the company fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the company expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash lows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

Insurance finance income and expenses, disaggregated between profit or loss and other comprehensive income (OCI) for life risk and life savings contracts, are presented separately from insurance revenue and insurance service expenses. The company applies the premium allocation approach (PAA) to simplify the measurement of contracts in the non-life segment, except for groups of acquired contracts that do not qualify for the PAA. When measuring liabilities for remaining coverage, the PAA is similar to the company's previous accounting treatment. However, when measuring liabilities for incurred claims, the company now discounts the future cash flows unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts ('deferred acquisition costs') until those costs were included in profit or loss. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised under insurance contract liabilities and are tested for recoverability. These deferred acquisition costs are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

ii) Transition

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach to the extent practicable. Under the full retrospective approach, at 1 January 2022 the company:

identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;

- Identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied;
- derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, insurance receivables and payables, and provisions for levies that are attributable to existing insurance contracts. Under IFRS 17, they are included in the measurement of the insurance contracts; and
- recognised any resulting net difference in equity.

The company having commenced business in January 2022 only has transition impact effective 1 January 2022.

Notes

2 Material accounting policies (continued)

(z) Insurance contracts (continued)

iii) Classification

Contracts under which the company accepts significant insurance risk are classified as insurance contracts. Contracts held by the company under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the company to financial risk.

Insurance contracts may be issued, and reinsurance contracts may be initiated by the company, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by the company, unless otherwise stated.

Some contracts entered into by the company have the legal form of insurance contracts but do not transfer significant insurance risk. These contracts are classified as financial liabilities and are referred to as 'investment contracts.

Insurance contracts are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA.

iv) Measurement

On initial recognition, the company measures a group of insurance contracts as the total of:

(a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and

(b) the CSM. The fulfilment cash flows of a group of insurance contracts do not reflect the company's non-performance risk.

The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The CSM of a group of insurance contracts represents the unearned profit that the company will recognise as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the company (including assets for insurance acquisition cash flows under (iii)) is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

For groups of contracts acquired in a transfer of contracts or a business combination, the consideration received for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date.

A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue

Notes

2 Material accounting policies (continued)

(z) Insurance contracts (continued)

(v) Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (iii)) are included in the carrying amount of the related portfolios of contracts.

The Company disaggregates amounts recognised in the statement of profit or loss and OCI into an insurance service result, comprising insurance revenue and insurance service expenses; and insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue – Contracts not measured under the PAA

The company recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The company allocates the expected premium receipts to each period on the following bases:

- certain property contracts;
- the expected timing of incurred insurance service expenses;
- and other contracts: the passage of time

Notes

3 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Measurement of expected credit loss allowance

The measurement of expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining the criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings for a forward-looking scenarios for each type of product / market and associated ECL;
- Establishing groups of similar assets for the purposes of measuring ECL; and
- Determining LGDs of individually assessed loan accounts.

The expected credit loss allowance on loans and advances is disclosed in more detail in Notes 13 and 22 (b).

(b) Uncertain tax positions

Significant judgment is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

(c) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

All financial instruments are initially recognised at fair value, which is normally the transaction price. Subsequent to initial recognition, some of the Group's financial instruments are carried at fair value. The fair values of quoted financial instruments in active markets are based on current prices with no subjective judgments. If the market for a financial instrument does not exist or is not active including for unlisted securities, the Group establishes fair value by using valuation techniques.

These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. Where representative prices are unreliable because of illiquid markets, the determination of fair value may require estimation of certain parameters, which are calibrated against industry standards and observable market data, or the use of valuation models that are based on observable market data.

The fair value for the majority of the Group's financial instruments is based on observable market prices or derived from observable market parameters. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes

3 Critical accounting estimates and assumptions (continued)

(d) Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax balances and deferred tax provisions in the period in which such determination is made.

(e) Retirement benefits

The cost of the defined benefit pension plan is determined using actuarial valuation. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty and a change in any of the assumptions will alter the carrying amount of pension obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions.

(f) Leases

The right of use is depreciated over the lease term considering the renewal option. The Group will renew the lease when it is reasonably certain that the lease location is still economically viable to conduct business. The Group will bear restoration costs upon relocation or end of lease where such is stipulated in the lease agreement.

4 Financial risk management

(a) Introduction and overview

The Group and Company have exposure to the following risks from its financial instruments:

- credit risk
- liquidity risk
- market risk
- capital risk

This note presents information about the Group's and Company's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. There were no changes in the risk and capital management policies during the current financial year.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The Board has established the Board Risk Management Committee, which is responsible for developing and monitoring Group risk management policies in their specified areas. All Board committees have both executive and non-executive members and report regularly to the Board of Directors on their activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Risk Management Committee is responsible for monitoring compliance with the Group's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Group. The Board Risk Management Committee is assisted in these functions by Risk Management Department. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board Risk Management Committee.

Notes

4 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's loans and advances to customers and other banks, and investment securities. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure.

Management of credit risk

The Board of Directors has delegated responsibility for the management of credit risk to Group management through the Chief Executive Officer. Management has delegated this responsibility to head office and branch credit committees as prescribed in the Group's credit charter.

A separate Group Credit Committee, reporting to the Chief Executive Officer, is responsible for oversight of the Group's credit risk, including: Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.

- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to head office and branch credit committees as stipulated in the Group's Credit Charter.
- Reviewing and assessing credit risk - The Group Credit Committee assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the branch concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances) and by issuer, credit rating band, market liquidity and country (for investment securities).
- Developing and maintaining the Group's risk grading in order to categorise exposures according to the degree of risk of financial loss faced and to focus management on the attendant risks. The risk grading system is used in determining where impairment provisions may be required against specific credit exposures. The current risk grading framework consists of five grades reflecting varying degrees of risk of default and the availability of collateral or other credit risk mitigation. The responsibility for setting risk grades lies with the final approving executive / committee as appropriate. Risk grades are subject to regular reviews by Group's credit risk department.
- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports are provided to Group Credit department on the credit quality of local portfolios and appropriate corrective action is taken.
- Providing advice, guidance and specialist skills to branches to promote best practice throughout the Group in the management of credit risk.

Each branch is required to implement Group credit policies and procedures, with credit approval authorities delegated from the Group Credit committee. Each branch has a credit risk manager who reports on all credit related matters to local management who report to Group management and the Group Credit Committee. Each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subject to central approval.

Regular audits of branches and Group credit processes are undertaken by internal audit.

Notes

4 Financial risk management (continued)

(b) Credit risk (continued)

The maximum exposure to credit risk for the components of the statement of financial position at 31 December is their carrying amount as illustrated in the tables below:

Group **Credit exposures**	**Note**	**2024** **Shs' millions**	**%**	**2023** **Shs' millions**	**%**
On – balance sheet items					
Balances and deposits due from financial institutions*	21	263,950	16%	219,825	13%
Derivative financial assets	38	184	0%	96	0%
Investment securities	23	511,982	32%	500,542	31%
Due from related parties	32(f)	67	0%	141	0%
Loans and advances to customers at amortised cost	22(a)	815,869	50%	885,066	54%
Loans and advances to customers at FVTPL	22(d)	3,367	0%	2,314	0%
Other assets**	24	26,885	2%	26,941	2%
		1,622,304		**1,634,925**	
Off-balance sheet items					
Guarantees and standby letters of credit	35	122,748		140,357	
Letters of credit, acceptances and other credits	35	50,152		113,133	
		172,900		253,490	
		1,795,204		**1,888,415**	
Company **Credit exposures**					
On – balance sheet items					
Balances and deposits due from financial institutions	21	22,150	84%	20,337	89%
Due from related parties	32 (f)	1,103	4%	905	4%
Other assets	24	3,114	12%	1,502	7%
		26,367		**22,744**	

*Balances and deposits due from financial institutions excludes cash at hand as disclosed under Note 21 (a) as this does not pose a credit risk. The credit risk on balances and deposits due from financial institutions, investment securities and derivative financial assets is limited as the counterparties are all recognised financial institutions with good reputation. None of the balances are past due or impaired and no collateral is held for these balances. ECL has been assessed using a 12 month ECL and is disclosed in Note 24.

Notes

4 Financial risk management (continued)

(b) Credit risk (continued)

**Other assets are made up of settlement and clearing accounts, refundable deposits and other receivable balances. Prepayments are excluded as they do not pose a credit risk. The balances are settled no more than 12 months after the reporting date. All the balances are non-interest bearing. None of the other assets and balances due from related parties are past due or impaired. No collateral is held for these assets. Management has established a related entity risk management framework including mandatory credit checks with counter parties. The arising ECL and remeasurement in the year is shown in Note 24.

Letters of credit, acceptances, guarantees and performance bonds are issued by the Group, on behalf of customers, to guarantee performance by customers to third parties. The Group will only be required to meet these obligations in the event of default by the customers. The off-balance sheet items have been assessed for impairment and resulting ECL booked as part of the total provisions held for loans and advances.

Exposure to credit risk – Loans and advances

	2024			
Amortised cost	**Stage 1 12 month ECL Shs' millions**	**Stage 2 Lifetime ECL Shs' millions**	**Stage 3 Lifetime ECL Shs' millions**	**Total Shs' millions**
Individually and collectively impaired				
Grade 3: Substandard	-	-	18,376	18,376
Grade 4: Doubtful	-	-	70,521	70,521
Grade 5: Loss	-	-	20,835	20,835
Gross amount	-	-	109,732	109,732
Provision for impairment losses	-	-	(60,674)	(60,674)
Carrying amount	**-**	**-**	**49,058**	**49,058**
Individually and collectively impaired				
Grade 1: Normal	713,820	-	-	713,820
Grade 2: Watch	-	67,105	-	67,105
Gross amount	713,820	67,105	-	780,925
Provision for impairment losses	(6,680)	(7,434)	-	(14,114)
Carrying amount	**707,140**	**59,671**	**-**	**766,811**
Total carrying amount				**815,869**
Fair value through profit or loss				
Loan note				6,463
Fair value loss				(3,096)
Carrying amount				**3,367**
Total carrying amount				**819,236**

Notes

4 Financial risk management (continued)

(b) Credit risk (continued)

Exposure to credit risk – Loans and advances (continued)

	2023			
Amortised cost	**Stage 1 12 month ECL Shs' millions**	**Stage 2 Lifetime ECL Shs' millions**	**Stage 3 Lifetime ECL Shs' millions**	**Total Shs' millions**
Individually and collectively impaired				
Grade 3: Substandard	-	-	24,301	24,301
Grade 4: Doubtful	-	-	56,398	56,398
Grade 5: Loss	-	-	26,419	26,419
Gross amount	-	-	107,118	107,118
Provision for impairment losses	-	-	(51,785)	(51,785)
Carrying amount	-	-	55,333	55,333
Individually and collectively impaired				
Grade 1: Normal	749,455	-	-	749,455
Grade 2: Watch	-	98,566	-	98,566
Gross amount	749,455	98,566	-	848,021
Provision for impairment losses	(8,854)	(9,434)	-	(18,288)
Carrying amount	**740,601**	**89,132**	**-**	**829,733**
Total carrying amount				**885,066**
Fair value through profit or loss				
Loan note				7,850
Fair value loss				(5,536)
Carrying amount				**2,314**
Total carrying amount				**887,380**

Grade 1 and grade 2 represent loans and advances that are not impaired. Grade 3, grade 4 and grade 5 refer to loans and advances that have been impaired in line with the Group's credit policy and internal model. These represent the loans and advances that the Group cannot collect according to contractual terms of the loan agreements.

Notes

4 Financial risk management (continued)

(b) Credit risk (continued)

Exposure to credit risk – Loans and advances (continued)

Impaired loans

Impaired loans are loans which the Group determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan agreements.

Past due but not impaired loans

These are loans where contractual interest or principal payments are past due but the Group believes that impairment is not appropriate on the basis of the stage of collection of amounts owed to the Group.

Allowances for impairment

The loss allowance recognised in the period is impacted by a variety of factors as follows:

- Transfers between Stages 1, 2 and 3 reflective of significant increases (or decreases) of credit risk or loans and advances becoming credit impaired in the period, and the consequent "step up" or "step down" between 12-month and lifetime ECL;
- Allowance for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions; and
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis.

Write-off policy

The Group writes off a loan balance when the credit department determines that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation or that proceeds from collateral have failed to cover the entire facility outstanding. For smaller balance standardised loans, write-off decisions are generally based on a product specific past due default history.

Collateral on loans and advances

The Group routinely obtains collateral and security to mitigate credit risk. The Group ensures that any collateral held is sufficiently liquid, legally effective, enforceable and regularly reassessed.

Before attaching value to collateral, the business holding approved collateral must ensure that they are legally perfected and devoid of any encumbrances. Security structures and legal covenants are subject to regular review, to ensure that they remain fit for purpose and remain consistent with accepted local market practice.

The principal collateral types held by the Group for loans and advances are:

- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities.

Valuation of collateral taken is within agreed parameters. The valuation is performed on origination, periodically in line with the Group policy and in the course of enforcement actions. Collateral for impaired loans is reviewed regularly to ensure that it is still enforceable and that the impairment allowance remains appropriate given the current valuation.

Notes

4 Financial risk management (continued)

(b) Credit risk (continued)

Collateral on loans and advances (continued)

The Group has considered all relevant factors, including local market conditions and practices, before any collateral is realised.

	Group	
	2024 Shs' millions	2023 Shs' millions
Property	1,153,293	638,106
Equities	226	184
Other*	250,767	113,466
Total	1,404,286	751,756

The collateral held by the Group against loans and advances is as below;

*Other includes log-books, cash cover, debentures and directors' guarantees.

The Group monitors concentration of credit risk by industry. An analysis of concentrations of credit risk at the reporting date is shown below:

	Group	
	2024 Shs' millions	2023 Shs' millions
Personal household	233,263	235,177
Trade	239,545	278,645
Real estate	65,807	116,986
Mining & Quarrying	34,474	33,978
Transport and logistics	72,629	56,174
Financial services	61,176	20,837
Agriculture	39,286	32,032
Energy and water	67,224	33,551
Manufacturing	41,534	44,482
Building and construction	16,736	34,255
Tourism and Hospitality	22,638	75,534
ICT and Telecommunication	2,808	1,338
Total	897,120	962,989

Exposure to credit risk – investment securities

Investment securities comprise treasury bills and bonds held with various governments in the Group. No collateral is held for these assets. None of the other financial assets are either past due or impaired. The balances have been assessed for impairment using a 12 month ECL and the arising ECL is shown in Note 23.

Notes

4 Financial risk management (continued)

(c) Liquidity risk

The definition of liquidity risk is the risk that the Group is unable to meet its obligations as they fall due as a result of a sudden, and potentially protracted, increase in net cash outflows. Such outflows would deplete available cash resources for customer lending, trading activities and investments. These outflows could be principally through customer withdrawals, wholesale counterparties removing financing, collateral posting requirements or loan draw-downs. This risk is inherent in all banking operations and can be affected by a range of Group-specific and market-wide events which can result in: – an inability to support normal business activity; and – a failure to meet liquidity regulatory requirements.

During periods of market dislocation, the Group's ability to manage liquidity requirements may be impacted by a reduction in the availability of wholesale term funding as well as an increase in the cost of raising wholesale funds. Asset sales, balance sheet reductions and the increasing costs of raising funding will affect the earnings of the Group. In illiquid markets, the Group may decide to hold assets rather than securitising, syndicating or disposing of them. This could affect the Group's ability to originate new loans or support other customer transactions as both capital and liquidity are consumed by existing or legacy assets.

The efficient management of liquidity is essential to the Group in retaining the confidence of the financial markets and ensuring that the business is sustainable. Liquidity risk is managed through the Liquidity Risk Framework, which is designed to meet the following objectives:

- maintain liquidity resources that are sufficient in amount and quality and a funding profile that is appropriate to meet the liquidity risk framework as expressed by the Board;
- maintain market confidence in the Group;
- set limits to control liquidity risk within and across lines of business;
- accurately price liquidity costs, benefits and risks and incorporate those into product pricing and performance measurement;
- set early warning indicators to identify immediately the emergence of increased liquidity risk or vulnerabilities including events that would impair access to liquidity resources;
- project fully over an appropriate set of time horizons cash flows arising from assets, liabilities and off-balance sheet items; and
- maintain a contingency funding plan ("CFP") that is comprehensive and proportionate to the nature, scale and complexity of the business and that is regularly tested to ensure that it is operationally robust.

Management of liquidity risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk.

This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required. The Group maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Group also has lines of credit that it can access to meet liquidity needs.

Notes

4 Financial risk management (continued)

(c) Liquidity risk (continued)

Management of liquidity risk (continued)

In accordance with the Group's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Group. Net liquid assets consist of cash, short–term bank deposits and liquid debt securities available for immediate sale, less deposit for banks and borrowings due to mature within the next month.

The Group stresses the importance of current accounts and savings accounts as sources of funds to finance lending to customers. They are monitored using the advances to deposit ratio, which compares loans and advances to customers as a percentage of core customer current and savings accounts, together with term funding with a remaining term to maturity in excess of one year.

Treasury maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Group as a whole. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by Board Risk Management Committee.

Exposure to liquidity risk

The key measure used by the Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers.

Details of the reported Group ratios of net liquid assets to deposits at the reporting date and during the reporting period were as follows:

At 31 December 2024	**Kenya**	**Uganda**	**South Sudan**	**Rwanda**	**Tanzania**	**DRC**
At 31 December	80%	37%	147%	336%	33%	134%
Average for the year	74%	31%	137%	323%	31%	134%
Maximum for the year	82%	37%	151%	520%	35%	138%
Minimum for the year	66%	20%	103%	201%	27%	130%
Minimum statutory requirement	20%	20%	20%	100%	20%	100%
At 31 December 2023						
At 31 December	67%	32%	138%	282%	34.3%	132%
Average for the year	58%	31%	135%	282%	33.7%	132%
Maximum for the year	67%	37%	157%	374%	38.5%	146%
Minimum for the year	45%	24%	102%	209%	29.3%	124%
Minimum statutory requirement	20%	20%	20%	100%	20%	100%

Notes

4 Financial risk management (continued)

(c) Liquidity risk (continued)

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 31 December.

Group 2024	Less than 3 months Shs' millions	3-6 months Shs' millions	6-12 months Shs' millions	1-5 years Shs' millions	More than 5 years Shs' millions	Totals Shs' millions
Financial assets						
Balances and deposits due from financial institutions	304,853	3,797	6,101	3,646	2,290	320,687
Loans and advances to customers	235,016	37,987	93,990	471,205	215,189	1,053,387
Investment securities	18,145	41,071	47,173	255,939	441,662	803,990
Derivative financial assets	184	-	-	-	-	184
Other assets	20,829	3,242	3,242	3,242	3,242	33,797
Due to related parties	67	-	-	-	-	67
Total financial assets	**579,094**	**86,097**	**150,506**	**734,032**	**662,383**	**2,212,112**
Financial liabilities						
Deposits from customers	631,440	116,910	164,824	477,112	71,968	1,462,254
Borrowed funds	17,375	1,620	4,443	49,238	5,520	78,196
Insurance contract liabilities	19,894	-	-	-	-	19,894
Lease liabilities	7,778	410	950	7,751	699	17,588
Other liabilities	13,732	7,094	7,502	15,004	6,685	50,017
Total financial liabilities	**690,219**	**126,034**	**177,719**	**549,105**	**84,872**	**1,627,949**
Liquidity gap at 31 December 2024	**(111,125)**	**(39,937)**	**(27,213)**	**184,927**	**577,511**	**584,163**
Off-balance sheet items						
Guarantees and standby letters of credit	16,717	7,165	21,132	24,390	16,717	86,121
Letters of credit, acceptances and other documentary credits	29,391	7,809	12,552	8,966	29,391	88,109
Capital commitments	28,716	12,095	3,020	102	28,716	72,649
Loans approved but not disbursed	30	51	1,944	278	30	2,333
Total commitments and guarantees	**74,854**	**27,120**	**38,648**	**33,736**	**74,854**	**249,212**

Notes

4 Financial risk management (continued)

(c) Liquidity risk (continued)

Group 2023	Less than 3 months Shs' millions	3-6 months Shs' millions	6-12 months Shs' millions	1-5 years Shs' millions	More than 5 years Shs' millions	Totals Shs' millions
Financial assets						
Balances and deposits due from financial institutions	284,605	-	-	-	-	284,605
Loans and advances to customers	173,562	54,008	129,896	464,785	264,756	1,087,007
Investment securities	11,286	31,318	35,408	264,764	552,559	895,335
Derivative financial assets	96	-	-	-	-	96
Other assets	16,334	3,554	3,597	3,642	4,466	31,593
Due to related parties	141	-	-	-	-	141
Total financial assets	**486,024**	**88,880**	**168,901**	**733,191**	**821,781**	**2,298,777**
Financial liabilities						
Deposits from customers	788,845	67,496	125,881	398,522	672	1,381,416
Borrowed funds	7,860	2,151	15,932	120,961	5,254	152,158
Insurance contract liabilities	16,903	-	-	-	-	16,903
Lease liabilities	8,558	596	1,507	9,980	2,183	22,824
Other liabilities	18,206	8,551	8,902	11,533	8,497	55,689
Total financial liabilities	**840,372**	**78,794**	**152,222**	**540,996**	**16,606**	**1,628,990**
Liquidity gap at 31 December 2023	**(354,348)**	**10,086**	**16,679**	**192,195**	**805,175**	**669,787**
Off-balance sheet items						
Guarantees and standby letters of credit	21,256	15,028	59,601	28,734	-	124,619
Letters of credit, acceptances and other documentary credits	84,821	19,621	6,242	193	-	110,877
Capital commitments	53	57	9,046	321	-	9,477
Loans approved but not disbursed	4,487	1,766	83	184	-	6,520
Total commitments and guarantees	**110,617**	**36,472**	**74,972**	**29,432**	**-**	**251,493**

The effect of discounting balances with maturity profile of 3 months or below is not material.

Notes

4 Financial risk management (continued)

(c) Liquidity risk (continued)

Company 2024	Less than 3 months Shs' millions	3-6 months Shs' millions	6-12 months Shs' millions	1-5 years Shs' millions	More than 5 years Shs' millions	Totals Shs' millions
Financial assets						
Balances and deposits due from financial institutions	22,148	-	-	-	-	22,148
Amounts due from related parties	903	-	-	-	-	903
Other assets	3,114	-	-	-	-	3,114
Total financial assets	**26,165**	**-**	**-**	**-**	**-**	**26,165**
Financial liabilities						
Amounts due to related parties	15,158	-	-	-	-	15,158
Borrowed funds	13,225	-	-	-	-	13,225
Other liabilities	81	-	-	-	-	81
Total financial liabilities	**28,464**	**-**	**-**	**-**	**-**	**28,464**
Liquidity gap at 31 December 2023	**(2,299)**	**-**	**-**	**-**	**-**	**(2,299)**
Company 2023						
Financial assets						
Balances and deposits due from financial institutions	20,335	-	-	-	-	20,335
Due from related party	905	-	-	-	-	905
Other assets	1,502	-	-	-	-	1,502
Total financial assets	**22,742**	**-**	**-**	**-**	**-**	**22,742**
Financial liabilities						
Due to related parties	13,986	-	-	-	-	13,986
Borrowed funds	-	403	805	19,494	-	20,702
Other liabilities	96	-	-	-	-	96
Total financial liabilities	**14,082**	**403**	**805**	**19,494**	**-**	**34,784**
Liquidity gap at 31 December 2023	**8,660**	**(403)**	**(805)**	**(19,494)**	**-**	**(12,042)**

Notes

4 Financial risk management (continued)

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk includes non-traded market risk which is the risk of the Group being exposed to interest rate risk arising from loans, deposits and similar instruments held for longer term strategic purposes rather than for the purpose of profiting from changes in interest rates. Non-trading portfolios also consist of foreign exchange and price risks arising from the Group's amortised and FVOCI financial assets.

Exposure to market risks – trading portfolios

Market Risk exposures arising from the trading book are managed by the Treasury department whilst those arising from the non-trading activities are managed through the ALM (Asset and Liability Management) and ICAAP processes.

Management of market risks

The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimising the return on risk. The Group's Treasury is responsible for the development of detailed market risk management policies and for day-to-day implementation of those policies.

Furthermore, it includes the protection and enhancement of the statement of financial position and statement of profit or loss and other comprehensive income and facilitating business growth within a controlled and transparent risk management framework.

All foreign exchange risk within the Group is managed by the Treasury department. Accordingly, the foreign exchange position is treated as part of the Group's trading portfolios for risk management purposes (refer to note 35).

Overall authority for market risk management is vested in the Board Risk Management Committee. The Finance and Treasury departments in collaboration with the Risk Management department are responsible for the development of detailed market risk management policies (subject to review and approval by Board Risk Management Committee) and for the day-to-day review of their implementation.

Market risk measurement techniques

(i) Value at risk

The Group applies a 'value at risk' (VAR) methodology to its foreign currency trading to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for each banking subsidiary, which are monitored on a daily basis by the Treasury department of each banking subsidiary.

VAR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the banking subsidiary might lose, but only to a certain level of confidence (95%). There is therefore a specified statistical probability (5%) that actual loss could be greater than the VAR estimate. The VAR model assumes a certain 'holding period' until positions can be closed (1 day). It also assumes that market moves occurring over this holding period will follow a similar pattern to those that have occurred over 1-day periods in the past. The Group's assessment of past movements is based on data for the past five years. The use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

As VAR constitutes an integral part of the Group's market risk control regime. VAR limits are established by the Board annually for all trading portfolio operations and allocated to business units. Actual exposure against limits is reviewed daily by the Treasury department of each banking subsidiary and centrally by Group Treasury. The result of the VAR testing in the year were within the acceptable thresholds.

Notes

4 Financial risk management (continued)

(d) Market risk (continued)

Market risk measurement techniques (continued)

(ii) Stress tests

The Group applies a 'stress test' methodology to its non-trading book. Interest rate risk in the non-trading book is measured through the use of interest rate repricing gap analysis. Stress tests provide an indication of the potential size of losses that could arise in extreme conditions. The results of the stress tests are reviewed by heads of business unit and by the Board. The stress testing is tailored to the business and typically uses scenario analysis. The Group's test results in the year were within the expected threshold. Management continue to monitor the stress levels especially in light of COVID-19 to ensure the Group's risk profile is robust.

Interest rate risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands. The Board Risk Management Committee is the monitoring body for compliance with these limits and is assisted by Treasury back office and Finance department in the day-to-day monitoring activities, while Risk Management department carries out regular reviews. A summary of the Group's interest rate gap position on non-trading portfolios is as follows:

31 December 2024	Carrying amount Shs' millions	Non-interest bearing Shs' millions	Less than 3 months Shs' millions	3-6 months Shs' millions	6-12 months Shs' millions	1-5 years Shs' millions	More than 5 years Shs' millions
Assets							
Balances and deposits due from financial institutions	344,609	164,038	151,940	15,138	1,032	12,461	-
Loans and advances to Customers	819,236	-	547,445	13,870	40,935	180,710	36,276
Investment securities	511,982	330	10,879	29,752	29,459	149,299	292,263
	1,675,827	**164,368**	**710,264**	**58,760**	**71,426**	**342,470**	**328,539**
Liabilities							
Deposits from customers	1,401,387	557,855	440,669	111,775	161,698	59,125	70,265
Borrowed funds	72,533	-	3,513	2,282	6,821	57,783	2,134
Lease Liabilities	11,131	-	733	773	1,676	7,949	-
Insurance liabilities	19,894	19,894	-	-	-	-	-
	1,504,945	**577,749**	**444,915**	**114,830**	**170,195**	**124,857**	**72,399**
Interest rate sensitivity gap	170,882	(413,381)	265,349	(56,070)	(98,769)	217,613	256,140

Notes

4 Financial risk management (continued)

(d) Market risk (continued)

Interest rate risk (continued)

31 December 2023	Carrying amount Shs' millions	Non-interest bearing Shs' millions	Less than 3 months Shs' millions	3-6 months Shs' millions	6-12 months Shs' millions	1-5 years Shs' millions	More than 5 years Shs' millions
Assets							
Balances and deposits due from financial institutions	289,253	6,949	282,304	-	-	-	-
Loans and advances to Customers	887,380	-	523,183	73,633	130,128	90,686	69,750
Investment securities	500,542	324	4,841	17,790	13,589	115,391	348,607
	1,677,175	7,273	810,328	91,423	143,717	206,077	418,357
Liabilities							
Deposits from customers	1,358,228	709,291	404,524	61,473	113,654	68,914	372
Borrowed funds	9,591	6,169	18	18	362	1,067	1,957
Lease Liabilities	150,595	-	2,431	2,649	14,566	128,237	2,712
Insurance liabilities	16,903	16,903	-	-	-	-	-
	1,535,317	732,363	406,973	64,140	128,582	198,218	5,041
Interest rate sensitivity gap	141,858	(725,090)	403,355	27,283	15,135	7,859	413,316

The Group closely monitors interest rate movements and seeks to limit its exposure by managing the interest rate and maturity structure of assets and liabilities carried on the statement of financial position. Assets and Liabilities Committee (ALCO) monitors compliance with the set interest rate gaps.

Company interest rate risk

31 December 2024	Carrying amount Shs' millions	Less than 3 Months Shs' millions	1 - 5 Years Shs' millions	More than 5 Years Shs' millions
Assets				
Cash and cash equivalents	22,148	22,148	-	-
Liabilities				
Borrowed funds	(13,225)	-	(13,225)	-
Interest rate sensitivity gap	8,923	22,148	(13,225)	-
31 December 2023				
Assets				
Cash and cash equivalents	20,335	20,335	-	-
Liabilities				
Borrowed funds	(16,111)	-	(16,111)	-
Interest rate sensitivity gap	4,224	20,335	(16,111)	-

Notes

4 Financial risk management (continued)

(d) Market risk (continued)

Interest rate risk (continued)

Company interest rate risk (continued)

During the year, a 5% increase / decrease (2023: 5%) of the annual interest rate would have the following effect on profit or loss and equity:

	Sensitivity	Group impact on profit or loss Shs' millions	Company impact on profit or loss Shs' millions	Group impact on equity Shs' millions	Company impact on equity Shs' millions
2024	+/-5%	+/- 3,037	+/- 1,074	+/- 1,368	+/- 261
2023	+/-5%	+/- 2,594	+/- 598	+/- 1,816	+/- 419

Exposure to other market risks – non-trading portfolios

Credit spread risk (not relating to changes in the obligor / issuer's credit standing) on debt securities held by Treasury and price risk is subject to regular monitoring by Board Risk Management Committee. Currently, the exposure to other market risks on non-trading portfolio is not significant in relation to the overall results and financial position of the Group.

Foreign currency exposure

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Board of directors has set limits on foreign currency positions. The foreign currency positions are monitored on daily basis and strategies used to ensure that positions are maintained within the established limits. The amounts below summarise the foreign currency exposure position as at 31 December.

4 Financial risk management (continued)

(d) Market risk (continued)

Foreign currency exposure (continued)

Group	US$	GBP	Euro	Others	Total
31 December 2024	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Cash and cash equivalents	368,518	754	8,372	82,885	460,529
Loans and advances to customers	398,454	41	901	41,203	440,599
Investment securities	159,769	-	-	35,615	195,384
Other assets	44,382	448	449	22,134	67,413
Total assets	**971,123**	**1,243**	**9,722**	**181,837**	**1,163,925**
Customer deposits	619,034	1,276	10,420	120,250	750,980
Borrowed funds	54,626	-	-	647	55,273
Other liabilities	103,693	31	336	18,546	122,606
Total liabilities	**777,353**	**1,307**	**10,756**	**139,443**	**928,859**
Net financial position	**193,770**	**(64)**	**(1034)**	**42,394**	**235,066**
31 December 2023					
Cash and cash equivalents	117,157	892	9,390	95,210	222,649
Loans and advances to customers	460,431	53	1,921	64,633	527,038
Investment securities	178,701	-	-	49,720	228,421
Other assets	52,226	699	728	14,619	68,272
Total assets	808,515	1,644	12,039	224,182	1,046,380
Customer deposits	547,977	881	10,995	52,951	612,804
Borrowed funds	155,717	452	199	88,951	245,319
Other liabilities	142,856	34	610	27,000	170,500
Total liabilities	846,550	1,367	11,804	168,902	1,028,623
Net financial position	(38,035)	277	235	55,280	17,757

	2024		**2023**	
	US$	**Total**	**US$**	**Total**
Company	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
Assets				
Cash and cash equivalents	372	372	2,159	2,159
Liabilities				
Borrowed funds	13,225	13,225	16,111	16,111
Net financial position	**(12,853)**	**(12,853)**	**(13,952)**	**(13,952)**

Notes

4 Financial risk management (continued)

(d) Market risk (continued)

Foreign currency exposure (continued)

Group		Effect on profit before income tax Shs' millions	Effect on equity Shs' millions
	Changes in EUR		
2024			
2023	+/-3%	+/-9.5	+/-6.4
	Changes in US$		
2024			
2023	+/-9%	+/-1,370	+/-1,440
	Changes in GBP		
2024			
2023	+/-3%	+/-5.2	+/-4.0
Company			
	Changes in US$		
2024			
2023	+/-9%	-/+1,981	-/+1,087

The analysis calculates the effect of a reasonably possible movement of the currency rate against other currencies profit or loss and equity. A negative amount in the table reflects a potential net reduction in profit or equity, while a positive amount reflects a net potential increase.

(e) Capital management

Capital risk is the risk that the Group is unable to maintain adequate levels of capital which could lead to an inability to support business activity or to meet regulatory requirements. Changes to credit ratings, could result in increased costs or reduced capacity to raise funding.

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. This is done by the Board of Directors. The Group Board manages its capital structure and makes adjustments according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group Board may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. Primary objectives and core practices are:

- Provide a viable and sustainable business offering by maintaining adequate capital to cover the Group's current and forecast business needs and associated risks;
- Meet minimum regulatory requirements;
- Ensure the Group maintains adequate capital to withstand the impact of the risks that may arise under the stressed conditions;
- Perform internal and regulatory stress tests;
- Maintain capital buffers over regulatory minimum;
- Develop contingency plans for severe (stress management actions) to support the Group's and Company's growth and strategic options; and
- Maintain a capital plan on a short-term and medium-term basis aligned with strategic objectives.

Notes

4 Financial risk management (continued)

(e) Capital management (continued)

We adopt a forward-looking, risk-based approach to capital risk management. Capital demand and supply is actively managed taking into account the regulatory, economic and commercial environment in which Group operates.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised, and the Group and the Company recognises the need to maintain a balance between the higher returns that might be possible with higher leverage and the advantages and security afforded by a sound capital position.

Insurance entities in Kenya are governed by the Insurance Act and as such are subject to insurance solvency regulations which specify the minimum amount and type of capital that must be held. The Company manages capital in accordance with these rules.

The Group insurance subsidiaries have complied with the regulatory risk-based capital requirements. Capital adequacy is monitored regularly by the Company's Management and submitted quarterly to the Insurance Regulatory Authority. The capital structure of the Company consists of issued capital, share premium and retained earnings.

The Group has complied with all externally imposed capital requirements throughout the year.

The regulatory capital position at 31 December was as follows:

	EBKL	Equity BCDC	EBTL	EBUL	EBRPLC	EBSSL
31 December 2024	**Shs 'millions**	**Shs 'millions**	**Shs 'millions**	**Shs 'millions**	**Shs 'millions**	**Shs 'millions**
Risk Weighted Assets	846,171	411,779	34,577	60,388	85,700	4,688
Core Capital	132,336	48,531	5,767	10,783	16,053	4,817
Total Capital	149,222	56,184	5,767	11,377	17,210	4,817
Deposits	841,547	542,164	44,370	98,270	92,683	12,023
Core capital / TRWA	15.64%	11.79%	16.68%	17.61%	18.73%	102.75%
Statutory minimum	10.50%	7.50%	12.50%	13.20%	10.00%	8.00%
Excess	5.14%	4.29%	4.18%	4.41%	8.73%	94.25%
Total capital / TRWA	17.63%	13.64%	16.68%	18.58%	20.08%	102.75%
Statutory minimum	14.50%	10.00%	14.50%	15.20%	15.00%	8.00%
Excess	3.13%	3.64%	2.18%	3.38%	5.08%	94.25%
Core capital / deposits	15.73%	8.95%	13.53%	11.21%	17.32%	40.07%
Statutory minimum	8.00%	8.00%	8.00%	10.00%	8.00%	12.00%
Excess	7.73%	0.95%	5.53%	1.21%	9.32%	32.07%
31 December 2023						
Risk Weighted Assets	892,999	398,690	36,855	95,280	88,458	4,298
Core Capital	127,817	44,032	5,994	17,741	16,363	5,047
Total Capital	168,690	49,952	5,994	18,620	17,365	5,047
Deposits	772,742	504,566	46,840	123,450	96,999	14,946
Core capital / TRWA	14.31%	11.04%	16.26%	18.62%	18.50%	117.43%
Statutory minimum	10.50%	7.50%	12.50%	10.00%	10.00%	8.00%
Excess	3.81%	3.54%	3.76%	8.62%	8.50%	109.43%
Total capital / TRWA	18.89%	12.53%	16.26%	19.54%	19.63%	117.43%
Statutory minimum	14.50%	10.00%	14.50%	12.00%	15.00%	8.00%
Excess	4.39%	2.53%	1.76%	7.54%	4.63%	109.43%
Core capital / deposits	16.54%	8.73%	12.80%	14.37%	16.87%	33.77%
Statutory minimum	8.00%	8.00%	8.00%	10.00%	8.00%	12.00%
Excess	8.54%	0.73%	4.80%	4.37%	8.87%	21.77%

Notes

4 Financial risk management (continued)

(e) Capital management (continued)

	ELAK	
	2024	**2023**
Capital Adequacy ratio	242.0%	182.0%
Minimum statutory requirement	100.0%	100.0%
Excess	142.0%	82.0%

	Group	
	2024 Shs' millions	**2023 Shs' millions**
Total risk-weighted assets	1,453,481	1,541,117
Capital ratios		
Total regulatory capital expressed as a percentage of total risk-weighted assets	19.0%	18.1%
Total tier 1 capital expressed as a percentage of risk-weighted assets	17.3%	14.3%

(f) Managing Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency of severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and number of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risk accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

(i) Frequency and severity of claims

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle, such as dietary, smoking, exercise habits resulting in earlier or more claims than expected. For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity.

These risks are monitored closely, and reinsurance arrangements are in place to protect the impact of severity of claims and frequency from one event. There is an underwriting policy in place which is strictly followed.

The underwriting strategy adopted is intended to ensure that the risks underwritten are well diversified in terms of type of risk and level of insured benefits. Medical selection is also included in underwriting procedures with premiums varied to reflect the health condition and family medical history of the insured. The Group has retention limit for standard risks (from a medical point of view). The Group has a reinsurance arrangement to cover risks above its retention limit. Insurance risk for contracts disclosed in this note is also affected by policyholder's right to pay reduced premiums or no future premiums or terminate the contract completely.

Notes

4 Financial risk management (continued)

(f) Managing Insurance risk (continued)

(ii) Sources of uncertainty in the estimation of future claim payments

Uncertainty in the estimation of future benefit payments and premium receipts for long term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

The Group uses appropriate base tables of standard mortality according to the type of contract being written.

The process and assumptions for long-term contracts to determine liabilities are decided by the appointed actuary and are contained in the Statutory Actuarial Valuation Report as at 31 December 2022. The actuarial method and basis used are those set out in the Insurance Act.

(iii) Reinsurance

Reinsurance is used to manage insurance risk. This does not however discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

5 Financial assets and liabilities

The fair value of financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. Non-performance risk refers to the risk that the obligation will not be fulfilled and affects the value at which the liability is transferred. The fair value of cash and cash equivalents, loans and advances, customer deposits and borrowed funds are evaluated by the Group based on parameters such as interest rates, specific country factors and individual creditworthiness of the customer. The valuation is performed on a discounted cash flow basis. Based on this evaluation, allowances are taken to account for the expected losses of the receivables.

Valuation methods and assumptions

The following methods and assumptions were used to estimate the fair values. The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair values of loans and advances, borrowed funds and other financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair values of remaining FVOCI financial assets are derived from quoted market prices in active markets. There have been no transfers between Level 1 and Level 2 during the year ended 31 December 2024 (2023: Nil).

Notes

5 Financial assets and liabilities (continued)

Valuation methods and assumptions (continued)

The table below shows certain financial assets and financial liabilities that have been measured at either fair value, or for which fair value has been disclosed in the financial statements, analysed by the level of valuation method.

Level 1	Valuation Technique	Significant observable input	Range (Weighted average) 2024	2023
Investment securities - FVOCI	Fair value at closing rate	Quoted yields	12% - 18%	12% - 18%
Investment securities - amortised cost	Fair value at closing rate	Quoted yields	10% - 14%	10% - 14%
Level 2				
Loan note at FVTPL	Fair value at closing rate and discounted cash flow	Quoted yields and expected cash flows	12% - 18%	12% - 18%
Level 3				
Currency swaps and forwards	Forward pricing model	Interest curve	2% - 5%	2% - 5%
Deposits from customers-fixed deposits	Discounted cash flow	Fixed rate and fixed time period	2.5% - 17%	2.5% - 17%
Borrowed funds	Discounted cash flow	Expected cashflows	4% - 11%	4% - 11%

* The Group holds a loan note that contains an embedded derivative and has therefore been measured at fair value through profit or loss. For this, the fair value is composed of two key cashflow components, being the interest receivable on the mandatorily convertible component of the loan note and valuation of the shares upon whose sale the principal debt amount will be realised. Any shortfall from the above cashflow streams is covered, albeit partially, by a government guarantee.

In valuing the hybrid instrument, management has only considered the Government guarantee and interest receivable as there is significant uncertainty in relation to the future recovery of amounts from sale of shares. In particular, the original borrower company is loss making, is in a significant shareholders' deficit position and has been significantly adversely.

Group	Level 1 Shs' millions	Level 2 Shs' millions	Level 3 Shs' millions	Total Shs' millions
At 31 December 2024				
Financial assets fair value disclosures:				
Investment securities – FVOCI (Note 23)	470,807	-	-	470,807
Loan note at FVTPL (Note 22 (a))	-	3,367	-	3,367
Derivative financial assets (Note 38)	-	184	-	184
Investment securities – FVTPL (Note 23)	25,902	-	-	25,902
Total financial assets at fair value	**496,709**	**3,551**	**-**	**500,260**
At 31 December 2023				
Financial assets fair value disclosures				
Investment securities – FVOCI (Note 23)	463,189	-	-	463,189
Loan note at FVTPL (Note 22 (a))	-	2,314	-	2,314
Derivative financial assets (Note 38)	-	96	-	96
Investment securities – FVTPL (Note 23)	12,570	-	-	12,570
Total financial assets at fair value	**475,759**	**2,410**	**-**	**478,169**

The movement in the loan note at FVTPL is attributable to exchange and fair value changes.

The following summarises the carrying amount of those assets and liabilities not held at fair value. Except for amortised cost investment securities, the carrying amount of assets and liabilities held at amortised cost is considered to approximate their fair value where they have short tenor or, for long term facilities, earn/accrue interest at market rate.

Notes

5 Financial assets and liabilities (continued)

Fair value measurement hierarchy

Group At 31 December 2024	Carrying amount Shs' millions	Fair value Shs' millions	Level 1 Shs' millions	Level 2 Shs' million	Level 3 Shs' millions
Cash balances and deposits in financial institutions (Note 21 (a))	339,428	339,428	-	-	339,428
Investment securities – amortised cost (Note 23)	15,586	8,722	-	8,722	-
Loans and advances at amortised cost (Note 22)	815,869	815,869	-	-	815,869
Due from related parties (Note 32)	67	67	-	-	67
Other assets (Note 24)	23,554	23,554		-	23,554
Total financial assets	**1,194,504**	**1,187,640**	**-**	**8,722**	**1,178,918**
Deposits from customers (Note 27)	1,396,206	1,396,206	-	-	1,396,206
Borrowed funds (Note 29)	72,533	72,533	-	-	72,533
Lease liabilities (Note 16(c))	11,131	11,131	-	-	11,131
Other liabilities (Note 28)	46,736	46,736	-	-	46,736
Total financial liabilities	**1,526,606**	**1,526,606**	**-**	**-**	**1,526,606**

Group At 31 December 2023	Carrying amount Shs' millions	Fair value Shs' millions	Level 1 Shs' millions	Level 2 Shs' million	Level 3 Shs' millions
Cash balances and deposits in financial institutions (Note 21 (a))	289,253	289,253	-	-	289,253
Investment securities – amortised cost (Note 23)	40,680	22,766	-	22,766	-
Due from related parties (Note 32)	885,066	885,621	-	-	885,621
Loans and advances at amortised cost (Note 22)	141	141	-	-	141
Other assets (Note 24)	24,429	24,429	-	-	24,429
Total financial assets	**1,239,569**	**1,222,210**	**-**	**22,766**	**1,199,444**
Deposits from customers (Note 27)	1,358,228	1,358,228	-	-	1,358,228
Borrowed funds (Note 29)	150,595	150,595	-	-	150,595
Lease Liabilities (Note 16(c))	9,591	9,591	-	-	9,591
Other liabilities (Note 28)	57,857	57,857	-	-	57,857
Total financial liabilities	**1,576,271**	**1,576,271**	**-**	**-**	**1,576,271**

Notes

5 Financial assets and liabilities (continued)

Fair value measurement hierarchy (continued)

Company At 31 December 2024	Carrying amount Shs' millions	Fair value Shs' millions	Level 1 Shs' millions	Level 2 Shs' million	Level 3 Shs' millions
Cash balances and deposits in financial institutions (Note 21 (a))	22,148	22,148	-	-	22,148
Due from related parties (Note 32)	1,103	1,103	-	-	1,103
Other assets (Note 24)	3,381	3,381	-	-	3,381
Total financial assets	**26,632**	**26,632**	**-**	**-**	**26,632**
Borrowed funds (Note 29)	13,225	13,225	-	-	13,225
Due to related parties (Note 32)	15,158	15,158	-	-	15,158
Other liabilities (Note 28)	81	81	-	-	81
Total financial liabilities	**28,465**	**28,465**	**-**	**-**	**28,465**

Company At 31 December 2023	Carrying amount Shs' millions	Fair value Shs' millions	Level 1 Shs' millions	Level 2 Shs' million	Level 3 Shs' millions
Cash balances and deposits in financial institutions (Note 21 (a))	20,335	20,335	-	-	20,335
Due from related parties (Note 32)	105	105	-	-	105
Other assets (Note 24)	1,502	1,502	-	-	1,502
Total financial assets	**21,942**	**21,942**	**-**	**-**	**21,942**
Borrowed funds (Note 29)	16,111	16,111	-	-	16,111
Due to related parties (Note 32)	13,986	13,986	-	-	13,986
Other liabilities (Note 28)	96	96	-	-	96
Total financial liabilities	**30,193**	**30,193**	**-**	**-**	**30,193**

6 Interest income

	Group		Company	
Interest income	**2024 Shs' millions**	**2023 Shs' millions**	**2024 Shs' millions**	**2023 Shs' millions**
Loans and advances to customers	112,549	102,263	-	-
Cash and cash equivalents	5,762	2,325	1,389	782
Credit related fees	10,559	8,222	-	-
Investment securities at amortised cost	42,599	12,351	-	-
Investment securities at FVOCI	13,875	39,053	-	-
	185,344	**164,214**	**1,389**	**782**
Interest expense				
Deposits from banks	(4,098)	(4,396)	-	-
Deposits from customers	(46,737)	(33,442)	-	-
Borrowed funds (Note 29)	(9,769)	(12,512)	(1,416)	(1,427)
Lease liabilities (Note 16)	(971)	(841)	-	-
	(61,575)	(51,191)	(1,416)	(1,427)
Net interest income	**123,769**	**113,023**	**(27)**	**(645)**

Included within the Group interest income is Shs 4,233 million (2023: Shs 3,507 million) in respect of credit -impaired financial assets.

Notes

7 Net fee and commission income

(a) Fee and commission income	**Group** **2024** **Shs' millions**	 **2023** **Shs' millions**
Recognised at a point in time		
Service fees and commission	44,503	40,590
Custodial fee income	318	231
	44,821	**40,821**
(b) Fee and commission expense		
Fee and commission expense	(12,558)	(11,876)
Net fee and commission income	**32,263**	**28,945**

The service fees largely relate to fees earned from transactions with customers and commissions earned on facilitation of remittances.

8 Net foreign exchange income

	Group **2024** **Shs' millions**	 **2023** **Shs' millions**
Net foreign exchange gain	**12,587**	**17,356**

9 Insurance revenue

	Group **2024** **Shs' millions**	 **2023** **Shs' millions**
Insurance revenue measured under PAA	**1,429**	**1,657**

10 Insurance service expense

	Group **2024** **Shs' millions**	 **2023** **Shs' millions**
Incurred claims	415	334
Other directly attributable expenses	196	309
Changes that relate to past service -adjustments to the liability for incurred claims	84	366
Amortisation of insurance acquisition cash flows	118	125
Insurance expenses measured under PAA	**813**	**1,134**

11 Other operating income (expenses)

	Group		**Company**	
	2024 **Shs' millions**	**2023** **Shs' millions**	**2024** **Shs' millions**	**2023** **Shs' millions**
Realised gain on investment securities	443	1,035	-	-
Profit on disposal of property and equipment	434	18	-	-
Rental income	367	375	-	-
Insurance brokerage income	-	45		-
Re-insurance commission	-	-	-	-
Other income/(expenses)*	11,310	6,874	2.202	(2,908)
	12,554	**8,347**	**2,202**	**(2,908)**

*Other income includes unrealised foreign exchange gain on monetary assets and liabilities as well as fee income from government social payments and other programmes.

Notes

12 Depreciation and amortisation

	Group	
	2024 Shs' millions	2023 Shs' millions
Depreciation on property and equipment (Note 16 (a))	3,869	3,491
Depreciation of right-of-use assets (Note 16 (b))	2,103	2,019
Amortisation of intangible assets - Software (Note 17 (a))	2,179	1,811
	8,151	**7,321**

13 Credit impairment losses

		Group	
	Notes	2024 Shs' millions	2023 Shs' millions
Movements during the year:			
Increase in other assets	24	383	8
Increase in money market	19 (a)	39	8
Increase in investment securities	23	238	222
Loans and advances:			
Increase in Stage 1	22 (b)	(2,174)	2,408
Increase (decrease) in Stage 2	22 (b)	(2,000)	1,914
Increase in Stage 3	22 (b)	31,181	31,030
Net increase in impairment losses		**27,667**	**35,590**
Loan recoveries		(4,406)	(2,636)
		23,261	**32,954**

14 Employee benefits

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Salaries and other staff costs	31,359	29,970	81	26
Defined contribution plans	1,789	1,779	-	-
Defined benefit plans (Note 30)	216	262	6	-
	33,364	**32,011**	**87**	**26**

The average number of permanent staff in the Group for the year was 13,083 (2023: 13,102).

15 Lease expenses

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
VAT & service charge	**756**	**332**	**-**	**-**

Lease expenses relate to VAT and service charge which are excluded in the assessment of lease liability and right-of-use asset.

Notes

16 (a) Property and equipment - Group

31 December 2024	Freehold land & buildings Shs' millions	Leasehold improvements Shs' millions	Motor vehicles Shs' millions	Equipment, furniture & fittings Shs' millions	Computers Shs' millions	Work-in-progress Shs' millions	Total Shs' millions
Cost							
At start of year	13,024	15,627	1,655	17,041	17,440	4,015	68,802
Translation differences	(1,639)	(1,667)	(190)	(1,772)	(744)	(1,198)	(7,210)
Additions	61	453	9	1,042	646	3,619	5,830
Transfers	(367)	416	-	1,370	2,939	(4,336)	22
Disposals	(2,805)	(118)	(110)	(171)	(394)	-	(3,598)
IAS 29 cost restatement	-	200	14	107	54	130	505
At end of year	**8,274**	**14,911**	**1,378**	**17,617**	**19,941**	**2,230**	**64,351**
Accumulated depreciation							
At start of year	2,283	12,320	1,287	10,562	13,521	-	39,973
Translation differences	138	(1,094)	(123)	(967)	(290)	-	(2,336)
Charge for the year	232	717	124	1,251	1,545	-	3,869
Transfers	-	39	-	5	2	(46)	-
Disposals	(385)	165	(110)	(192)	(368)	-	(890)
IAS 29 cost restatement	-	191	-	103	48	-	342
At end of year	**2,268**	**12,338**	**1,178**	**10,762**	**14,458**	**(46)**	**40,958**
Net book value at end of year	**6,006**	**2,573**	**200**	**6,855**	**5,483**	**2,276**	**23,393**

Notes

16 (a) Property and equipment - Group (continued)

31 December 2023	Freehold land & buildings Shs' millions	Leasehold improvements Shs' millions	Motor vehicles Shs' millions	Equipment, furniture & fittings Shs' millions	Computers Shs' millions	Work-in-progress Shs' millions	Total Shs' millions
Cost							
At start of year	7,473	13,749	1,191	12,500	14,548	3,537	2,998
Translation differences	494	(433)	(72)	1,855	(1,104)	171	911
Additions	751	920	160	1,120	1,727	2,576	,254
Transfers	-	-	156	1,629	689	2,474)	-
Disposals	-	(66)	(68)	(187)	(196)	-	(517)
At end of year	**8,718**	**14,170**	**1,367**	**16,917**	**15,664**	**3,810**	**60,646**
Accumulated depreciation							
At start of year	1,605	10,865	1,008	8,411	12,210	-	34,099
Translation differences	10	(318)	(111)	(1,384)	(753)	-	(2,556)
Charge for the year	229	969	140	1,134	1,019	-	3,491
Disposals	-	(65)	(68)	(188)	(205)	-	(526)
At end of year	**1,844**	**11,451**	**969**	**7,973**	**12,271**	**-**	**34,508**
Net book value at end of year	**6,874**	**2,719**	**398**	**8,944**	**3,393**	**3,810**	**26,138**

Property and equipment - Company	**2024 Shs' millions**	**2023 Shs' millions**
Cost		
At start of year	16	15
Additions	-	1
At end of year	**16**	**16**
Accumulated depreciation		
At start of year	8	6
Charge for the year	2	2
At end of year	**10**	**8**
Net book value at end of year	**6**	**8**

Notes

16 (b) Right-of-use assets – Group

	2024 Shs' millions	2023 Shs' millions
Cost		
At start of year	16,961	14,557
Remeasurements	5,083	1,427
Disposals	(696)	(394)
Translation differences	(2,408)	1,371
At end of year	**18,940**	**16,961**
Accumulated depreciation		
At start of year	8,515	6,383
Remeasurements	102	(67)
Charge for the year	2,103	2,019
Disposals	(310)	(326)
Translation differences	(1,245)	506
Net book value at end of year	**9,165**	**8,515**
	9,775	**8,446**

16 (c) Lease liabilities – Group

	2024 Shs' millions	2023 Shs' millions
Current	3,212	1,966
Non-current	7,919	7,625
	11,131	**9,591**
Movement during the year:		
At start of year	9,591	9,127
Disposals	(507)	(551)
Remeasurements	5,148	901
Interest expense	951	841
Interest paid	(729)	(602)
Principal elements of lease payments	(2,689)	(2,327)
Translation differences	(634)	2,202
	11,131	**9,591**
Amounts recognised in the statement of profit or loss:		
Depreciation charge of right-of-use assets – branches and ATMs	2,103	2,019
Interest expense	951	841
	3,054	**2,860**
Amounts recognised in the statement of cash flows:		
The total cash outflow for leases was as follows:		
Financing cash flows from leases	**3,418**	**2,929**

Notes

16 (d) Investment properties

(i) Measuring investment property at fair value

Investment properties, principally office buildings, are held for long-term rental yields and are not occupied by the Group. They are carried at fair value. Changes in fair values are presented in other income.

The Group's investment properties are held in Democratic Republic of Congo (DRC) .The valuation of the properties was carried out by an independent professional valuer.

(ii) Non-current assets - at fair value

	Group	
	2024 Shs' millions	2023 Shs' millions
At start of the year	7,497	6,115
Additions	-	37
Change in fair valuation	(1,433)	(317)
Translation differences	23	1,662
At 31 December	**6,087**	**7,497**

(iii) Amounts recognised in profit or loss for investment properties

	Group	
	2024 Shs' millions	2023 Shs' millions
Rental income from operating leases	265	370
Direct operating expenses from property that generated rental income	102	102

(iv) Fair value hierarchy

Investment Properties	Level 1 Shs' millions	Level 2 Shs' millions	Level 3 Shs' millions	Total Shs' millions
31 December 2024	**-**	**-**	**6,087**	**6,087**
31 December 2023	-	-	7,497	7,497

The table below summarises the significant unobservable inputs used in the fair value measurement.

- Average occupancy rate: 95% (2023: 90%)
- Weighted average rent of Shs 1,680 (2023: Shs 1,852) per square metre
- Risk-adjusted discount rates (Weighted average 4.0% (2023: 4.2%))
- Market rental growth (Weighted average of between 2.3% to 2.9% (2023: 2.3% to 2.7%)

Sensitivity analysis

Changes in the above assumptions could affect the reported fair value of investment properties for the period ending 31 December 2024. We have summarised in the table below the increases/decreases in fair value arising from a reasonable shift for each of the below factors while holding all other factors constant;

Notes

16 (d) Investment properties (continued)

(iv) Fair value hierarchy(continued)

2024	Base assumption Shs' 000	Increase Shs' 000	Decrease Shs' 000
Change in Average occupancy rate; +/-5%	6,087	480	(480)
Change in Weighted average rent; +/-5%	6,087	714	(714)
Change in Risk-adjusted discount rates: +/-5%	6,087	293	(293)
Change in Market rental growth: +/-5%	6,087	356	(356)

2023			
Change in Average occupancy rate; +/-5%	7,497	591	(591)
Change in Weighted average rent; +/-5%	7,497	880	(980)
Change in Risk-adjusted discount rates: +/-5%	7,497	(361)	360
Change in Market rental growth: +/-5%	7,497	438	(460)

17 Intangible assets – Group

	2024 Shs' millions	2023 Shs' millions
Software	15,321	15,446
Acquired intangible assets	276	552
Goodwill	3,049	3,170
	18,646	**19,168**

(a) Software & acquired intangible assets

Group 31 December 2024	Software Shs' millions	Acquired intangible asset Shs' millions	Work in progress Shs' millions	Total Shs' millions
Cost				
At start of year	21,581	2,434	5,689	29,704
Additions	525	-	1,069	1,594
Disposals	(827)	-	663	(164)
Transfers	917	-	(917)	-
Translation differences	(2,452)	-	(647)	(3,099)
At end of year	**19,744**	**2,434**	**5,857**	**28,035**
Amortisation				
At start of year	9,757	552	5,689	15,998
Amortisation	1,903	276	-	2,179
Disposals	(21)	-	-	(21)
Translation differences	(29)	-	-	(29)
At end of year	**11,610**	**828**	**-**	**12,438**
Net book value at end of year	**8,134**	**1,606**	**5,857**	**15,597**

Notes

17 Intangible assets – Group (continued)

(a) Software & acquired intangible assets (continued)

31 December 2023	Software Shs' millions	Acquired intangible asset Shs' millions	Work in progress Shs' millions	Total Shs' millions
Cost				
At start of year	17,376	1,882	5,195	24,453
Additions	527	552	4,101	5,180
Transfers	3,607	-	(3,607)	-
Translation differences	71	-	-	71
At end of year	**21,581**	**2,434**	**5,689**	**29,704**
Amortisation				
At start of year	10,780	1,145	-	11,925
Amortisation	1,074	737	-	1,811
Translation differences	(30)	-	-	(30)
At end of year	**11,824**	**1,882**	**-**	**13,706**
Net book value at end of year	**9,757**	**552**	**5,689**	**15,998**

The Group's intangible assets include the value of computer software.

The work-in-progress is composed of software in development. Costs directly attributable to the development of computer software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has the intention and ability to complete and use the software and the costs can be measured reliably. The transfers relate to projects completed in the course of the year.

Acquired intangibles assets relate to core deposits and customer relations arising from the acquisition of Equity BCDC (formerly BCDC) in 2020 and CogeBanque in 2023. Refer to Note 19 (b) on CogeBanque acquisition.

These were valued as follows;

Core deposits

The fair value of the core deposit intangible was determined using the cost savings method. It's calculated as the after-tax present values of; (i) net cost of funding and; (ii) net service fees earned on deposits. Net cost of funding is the difference between interest expense on acquired low cost saving and demand deposit and cost of alternative funding over the useful life of the deposit.

Customer relationships

The fair value of customer relationships was valued using replacement cost method. The value is calculated as the estimated cost of acquiring new customers multiplied by the unique number of customers acquired in the transaction. This is adjusted with the profit mark up and opportunity cost.

Notes

17 Intangible assets – Group (continued)

(b) Goodwill

Year ended 31 December 2024	Carrying amount at 1 January Shs' millions	Acquired in the year	Effect of exchange rate changes Shs' millions	Carrying amount at 31 December Shs' millions
Equity Bank Uganda Limited	731	-	(14)	717
Equity BCDC	1,572	-	(92)	1,480
CogeBanque	867	-	(15)	852
	3,170		**(121)**	**3,049**
Year ended 31 December 2023				
Equity Bank Uganda Limited	799	-	(68)	731
Equity BCDC	1,414	-	158	1,572
CogeBanque	-	867	-	867
	2,213	**867**	**90**	**3,170**

Equity Bank Uganda Limited

The goodwill arose from the acquisition of Equity Bank Uganda Limited (formerly Uganda Microfinance Limited) in April 2008, which was determined in accordance with IFRS 3. It represents the difference between the total purchase consideration (including acquisition costs) paid to acquire 100% stake in Equity Bank Uganda Limited and the fair value of the net tangible assets and the separable identifiable intangible assets.

Equity BCDC

The goodwill arose from the acquisition of 79% stake in Equity Bank Congo S.A (now merged with BCDC to form Equity BCDC) in September 2015, which was determined in accordance with IFRS 3.

CogeBanque

The goodwill arose from the acquisition of 99.1% stake in CogeBanque (now merged with Equity Bank Rwanda Limited) effective 31 December 2023, which was determined in accordance with IFRS 3. Refer to Note 19 (b) on CogeBanque acquisition.

The goodwill arising from acquisition consists largely of the synergies and economies of scale expected from combining the operations of Equity Group Holdings Plc and CogeBanque, Equity Bank Congo S.A, as well as Equity Bank Uganda Limited.

Management carried out an impairment assessment in respect of goodwill at year end. Since the goodwill arose on purchase of Equity Bank Uganda Limited and Equity Bank Congo S.A as subsidiaries, the whole amount is allocated to the

Notes

17 Intangible assets – Group (continued)

(b) Goodwill (continued)

	Equity Bank Uganda Limited		EquityBCDC	
	2024	**2023**	**2024**	**2023**
	Shs' millions	**Shs' millions**	**Shs' millions**	**Shs'millions**
Value in use	**93,703**	96,832	**286,117**	180,190
Net assets	**14,701**	17,845	**71,594**	69,879
Projected growth in net interest income – 2025/2024	**23%**	14%	**10%**	14%
Projected growth in net interest income – 2026/2025	**26%**	10%	**24%**	10%
Projected growth in non-interest income – 2025/2024	**23%**	22%	**28%**	37%
Projected growth in non-interest income – 2026/2025	**21%**	15%	**26%**	29%
Weighted average cost of capital	**17.8%**	18.3%	**16.3%**	20.0%
Long term average growth rate	**5.1%**	5.6%	**6.1%**	6.5%

subsidiaries which the Group considers as a cash generating unit (CGU). The table below shows the various variables used in management's impairment assessment:

Key assumptions used in value in use calculations and sensitivity to changes in assumptions:

- Budgeted PAT – Budgeted PAT has been based on values achieved in the past five years adjusted for efficiencies expected from implementation of Group initiatives.
- Long term growth rate is based on projected GDP growth rate for each subsidiary.
- Weighted average cost of capital is the pre-tax risk adjusted discount rate based on the risk-free rate of government securities in the respective country adjusted for a risk premium to reflect the increased risk of investing in equities and the systemic risk of the specific Group operating company.
- An assumed terminal value based on a historical performance of the CGUs and Pre-tax risk adjusted discount rate.

Sensitivity analysis

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of any CGU to exceed its recoverable amount.

18 General and administrative expenses

	Group		Company	
	2024 Shs' millions	**2023 Shs' millions**	**2024 Shs' millions**	**2023 Shs' millions**
Software licencing and other IT related costs	11,089	9,513	11	7
Consultancy, legal and professional fees	3,966	3,734	587	373
Electricity, water, repairs and maintenance	2,631	2,388	2	-
Travel and accommodation	4,820	3,440	99	26
Marketing, advertising and sponsorship	3,228	2,394	-	-
Publications, stationery and communications	1,919	2,225	1	2
Lease expenses	756	332	-	3
Deposit fund protection expenses	2,778	2,912	-	-
Auditors' remuneration	103	83	12	2
Other administrative expenses	21,640	16,225	355	510
	52,930	**43,246**	**1,067**	**923**

Notes

19 (a) Investment in subsidiary companies

	Country of incorporation	Shareholding 2024	Shareholding 2023	2024 Shs' millions	2023 Shs' millions
Banking					
Equity Bank (Kenya) Limited	Kenya	100%	100%	40,733	40,733
EquityBCDC	DRC	85.4%	85.4%	27,360	27,360
Equity Bank (South Sudan) Limited	South Sudan	100%	100%	5,712	5,712
Equity Bank Uganda Limited	Uganda	100%	100%	7,954	6,908
Equity Bank Tanzania Limited	Tanzania	100%	100%	7,377	7,377
Equity Bank Rwanda PLC	Rwanda	99.1%	99.1%	10,054	10,504
Telecommunication					
Finserve Africa Limited	Kenya	100%	100%	1,001	1,001
Investment banking					
Equity Investment Bank Limited	Kenya	100%	100%	420	420
Insurance					
Equity Group Insurance Holdings Limited	Kenya	100%	100%	600	600
Insurance brokerage					
Equity Bancassurance Intermediary Limited	Kenya	100%	100%	-	100%
Consultancy					
Equity Consulting Group Limited	Kenya	100%	100%	0.5	0.5
Equity Investment Services Limited	Kenya	100%	100%	420	420
Custodial services					
Equity Nominees Limited	Kenya	100%	100%	0.1	0.1
Total				**101,632**	**100,586**

In May 2023, Equity Bank Kenya Limited acquired 100% shareholding in Equity Bancassurance Intermediary Limited (EBIL) from Equity Group Holdings Limited (EGHL) for a consideration of Shs 100 million. The acquisition is in line with the Insurance (Bancassurance) Regulations,2020 which stipulates that a bancassurance intermediary must be wholly owned by a bank, microfinance or a licensed financial institution.

Following the acquisition, EBIL will operate as a wholly owned subsidiary of Equity Bank (Kenya) Limited, maintaining its current brand identity and continuing to provide the same high quality services to its clients.

Equity Bancassurance Intermediary Limited (EBIL) is still consolidated in Equity Group Holdings Limited in accordance with IFRS 10.

19 (b) Acquisition of CogeBanque

On 30 November 2023, the Group acquired 198,250 of the issued shares, representing 99.13% shareholding of CogeBanque in Rwanda for a total cash consideration of Shs 7.2 billion. On 31 December 2023 CogeBanque was amalgamated with Equity Bank Rwanda Limited Plc and will operate as Equity Bank Rwanda Limited Plc.

Notes

19 (b) Acquisition of CogeBanque (continued)

(i) Net acquired assets

An analysis of the fair value of net assets recognised as a result of the acquisition is as follows:

Cash balances and deposits due from other banks	8,166
Government securities and other investments	13,214
Loans and advances to customers	16,056
Property and equipment	1,589
Other assets	1,180
Intangible assets- core deposits	502
Intangible assets- customer relationships	50
Customers deposits	(25,887)
Due from other banks	(7,247)
Deferred tax liabilities	(83)
Other liabilities	(1,104)
Net identifiable assets acquired	6,436
Purchase consideration	7,247
Non-controlling assets	56
Total Equity	7,303
Goodwill	**867**

Purchase consideration - cash outflow	
Cash consideration	7,247
Less: Balances acquired	
Cash balances and deposits due from other banks	(8,166)
Net outflow of cash – investing activities	**(919)**

Acquisition-related costs

Acquisition-related costs

Acquisition-related costs of Shs 373 million that were not directly attributable to the issue of shares are included in administrative expenses in the statement of profit or loss and in operating cash flows in the statement of cash flows.

The acquired business contributed total operating income of Shs 3,621 million and net profit of Shs 351 to the Group for the period from 1 December to 31 December 2023.

If the acquisition had occurred on 1 January 2023, consolidated pro-forma operating income and profit for the year ended 31 December 2023 would have been Shs 42,278 and Shs 1,211 respectively.

Significant judgements in the estimation of intangible assets

Intangible assets arising from the acquisition are Core deposits of Shs 502 million and Customer relationships of Shs 50 million. The key considerations applied in the estimation of the fair value of these intangibles is as follows:

Customer relationships

The value of a customer relationship is mainly derived from the expectation of repeat business from the customer, which gives opportunity for cross selling various products and services. Customer relationships provide deposits that will be used to finance assets in the future and earn fees. The replacement cost method was used to determine the fair value of customer relationships. The value is calculated as the estimated cost of acquiring new customers (depositors) multiplied by the number of unique customers acquired from the transaction. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis based on the timing of the projected cashflows of the contracts over their estimated useful lives. The customer relationship value will be amortised to the profit or loss over a period of three years.

Notes

19 (b) Acquisition of CogeBanque (continued)

Core Deposits

The premise underlying the core deposit intangible asset is that a rational buyer would be willing to pay a premium to obtain a group of core deposit accounts that are less expensive than the buyer's marginal cost of funds. The stable deposit base provides a low-cost source of funding as banks can utilise the core deposit base as a low-cost source of finance. The alternative to replace these established, low-cost deposit accounts in a timely manner, would be to utilise higher cost funds at current market rates. The fair value of the core deposit intangible was determined using the cost savings method. It's calculated as the after-tax present values of; (i) net cost of funding and (ii) net service fees earned on deposits. Net cost of funding is the difference between interest expense on acquired low cost saving and demand deposit and cost of alternative funding over the useful life of the deposit. Amortisation for this asset is for two years.

19 (c) Non-controlling interests (NCI)

Set out below is the summarised financial information of Equity BCDC and Equity bank (Rwanda) Limited which has non-controlling interest that is material to the Group.

	Group	
	2024	2023
Summarised statement of financial position	Shs' millions	Shs' millions
Total assets	780,784	625,336
Total liabilities	690,517	554,230
Equity	90,267	71,106
Accumulated NCI	12,827	10,570
Summarised statement of comprehensive income		
Operating income	67,885	46,010
Profit for the period	27,839	13,671
Other comprehensive income	(272)	681
Total comprehensive income	27,567	14,352
Profit allocated to NCI	2,274	1,760
Summarised statement of cash flows		
Cash flows from operating activities	18,638	94,006
Cash flows to investing activities	(1,256)	(20,437)
Cash flows from financing activities	(12,202)	4,351
Net decrease / increase in cash and cash equivalents	**(5,180)**	**77,920**

19 (d) Interests in unconsolidated structured entity

Equity Group Holdings Plc does not consolidate the results of Equity Group Foundation (the "Foundation") which was incorporated on 12 February 2008 under the Companies Act (Cap 486) as a company limited by guarantee. It is a charitable organisation set up to provide a platform to development partners, government, the private sector as well as local and international organisations for the implementation of high impact development programs which include Wings to Fly Scholarship Program.

The programs of the Foundation are primarily funded by third party donors under donor agreements. The Group's contributions to the Foundation are both in monetary terms but mainly in-kind in the form of utilising the Group's extensive branch network and staff in driving the achievement of the goals/activities of the Foundation in communities. On the basis that the donors provide majority of the funding and direct the activities of the Foundation through the donor agreements, the Group does not control the Foundation. The table below summarises EGF's source of funding:

Notes

19 (d) Interests in unconsolidated structured entity (continued)

	Shs' millions 2024	Shs' millions 2023
Donors	5,324	5,211
Equity Group Holdings Plc	433	397
Total donations income	**5,757**	**5,608**
Program expenses	**5,757**	**5,608**
Surplus	**-**	**-**

The Group does not earn income from EGF and is not exposed to loss arising from its involvement with the Foundation.

Consistent with previous years, the Group will continue providing support to the Foundation primarily as regards the use of the Group's branch network and staff to carry out its program activities.

20 Income tax

Recognised in profit or loss

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Current income tax:				
Current year charge	11,404	14,796	-	62
Under provision of income tax in prior years	-	-	123	-
Deferred income tax (Note 26):				
Current year charge/ (credit)	513	(6,654)	1,048	(645)
Income tax expense/ credit)	**11,917**	**8,142**	**1,171**	**(583)**

Where there's uncertainty in the tax treatment, the Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. The Group did not have any significant area of uncertainty in the year.

The Group's tax related contingencies are disclosed in Note 26.

Notes

20 Income tax (continued)

Reconciliation of effective tax rate:

The tax on the Group's and Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Profit before income tax	60,741	51,879	21,483	11,961
Income tax using the enacted corporation tax rate	24,679	15,564	6,446	3,588
Income not subject to tax	(20,374)	(8,453)	(6,068)	(4,939)
Other differences	7,612	1,031	793	768
	11,917	**8,142**	**1,171**	**(583)**
Current income tax liability/ (asset)				
At start of year	3,948	102	(197)	(147)
Charge for the year	10,185	14,796	-	62
Translation differences	(592)	(1,319)	-	-
Under provision in the prior years	-	-	123	-
Paid during the year	(15,871)	(9,631)	(192)	(112)
At end of year	**(2,330)**	**3,948**	**(266)**	**(197)**
Made up of:				
Tax payable	619	5,036	-	-
Tax recoverable	(2,949)	(1,088)	(266)	(197)
	(2,330)	**3,948**	**(266)**	**(197)**

Notes

20 Income tax (continued)

Tax rates are as follows:

	Group	EGH Plc	EBKL	EBUL	Equity BCDC	EBRPLC	EBIL	EBTL	EBSSL	Others*
31 December 2024	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
Profit before tax	6,074	21,483	26,661	470	20,050	7,789	627	1,539	1,657	1,899
Enacted tax rate	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Income tax using the enacted corporation tax rate	18,222	6,445	7,998	141	6,015	2,337	188	462	497	570
31 December 2023										
Profit before tax	51,879	11,960	25,194	1,295	18,638	5,719	794	631	3,009	2,209
Enacted tax rate	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Income tax using the enacted corporation tax rate	15,564	3,588	7,558	389	5,591	1,716	238	189	903	663

EGH Plc – Equity Group Holdings Plc, EBKL – Equity Bank Kenya Limited, EBUL – Equity Bank Uganda Limited, EBRPLC – Equity Bank Rwanda PLC, EBIL – Equity Bancassurance Intermediary Limited, EBTL – Equity Bank Tanzania Limited, EBSSL – Equity Bank South Sudan Limited, EquityBCDC – Equity Banque Commerciale Du Congo.

Equity Bancassurance Intermediary Limited was transferred to Equity Bank Kenya Limited, a fully owned subsidiary of the Group in accordance with the IRA(Kenya) regulations.

*Others relate to Equity Investment Bank Limited, Finserve Africa Limited, Equity Nominees Limited, Equity Investment Services Limited and Equity Consulting Group Limited.

Notes

21 (a) Cash, deposits and balances due from financial institutions

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Cash in hand	80,659	69,428	-	-
Unrestricted balances with central banks	7,968	10,424	-	-
Money market placements	111,731	16,776	-	-
Cash balances with banks	46,637	97,699	22,150	20,337
	246,995	194,327	22,150	20,337
12-month ECL:				
At start of the year	(589)	(528)	(2)	(2)
Re-measurement during the year	395	8	-	-
Translation differences	-	(69)	-	-
At end of the year	(194)	(589)	(2)	(2)
Included in cash and cash equivalents	246,801	193,738	22,148	20,335
Restricted balances with central banks	97,808	95,515	-	-
Net carrying amount	344,609	289,253	22,148	20,335
Movement in restricted balances:				
At start of year	95,515	84,567	-	-
Movement during the year	2,293	10,948	-	-
At end of year	**97,808**	**95,515**	**-**	**-**

The restricted funds with the central banks in Kenya, Uganda, Tanzania, Rwanda, South Sudan and Democratic Republic of Congo are not interest earning and are based on the value of deposits as adjusted by central banks' requirements from time to time. These funds (restricted balances with central banks) are not available for use by the Group in its day-to-day operations.

21 (b) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Group	2024 Shs' millions	2023 Shs millions	2024 Shs' millions	2023 Shs millions
Cash and cash equivalents (Note 21(a))	241,633	193,738	22,148	20,335
Liquid investments:				
FVOCI and FVTPL investment securities (Note 23)	474,986	460,773	-	-
Borrowed funds - repayable within one year (Note 29)	(8,786)	(16,999)	-	-
Borrowed funds - repayable after one year (Note 29)	(94,040)	(127,483)	(13,225)	(16,111)
Lease liabilities (Note 16 (c))	(5,047)	(3,434)		
Net cash	**608,746**	**506,595**	**8,923**	**4,224**
Cash and liquid investments	716,619	654,511	22,148	20,335
Gross debt - fixed interest rates	(38,617)	(40,636)	-	-
Gross debt - variable interest rates	(69,256)	(107,280)	(13,225)	(16,111)
	608,746	**506,595**	**8,923**	**4,224**

Notes

22 Loans and advances to customers

Group	2024 Shs' millions	2023 Shs millions
Loans and advances at amortised cost	815,869	885,066
Loans and advances at fair value through profit or loss	3,367	2,314
	819,236	**887,380**

(a) Loans and advances at amortised cost

At 31 December 2024	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions
Gross loans and advances	713,820	67,105	109,732	890,657
Loss allowance	(6,680)	(7,434)	(60,674)	(74,788)
Net loans and advances	**707,140**	**59,671**	**49,058**	**815,869**
At 31 December 2023				
Gross loans and advances	749,455	98,566	107,118	955,139
Loss allowance	(8,854)	(9,434)	(51,785)	(70,073)
Net loans and advances	**740,601**	**89,132**	**55,333**	**885,066**

	Gross		Net	
	2024 Shs' millions	2023 Shs millions	2024 Shs' millions	2023 Shs millions
Current portion	479,484	510,494	437,858	238,970
Non-current portion	417,636	444,645	381,378	646,096
	897,120	**955,139**	**819,236**	**885,066**

(b) Impairment on financial assets

	2024			
	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total ECL Shs' millions
Loss allowance as at 1 January	8,854	9,434	51,785	70,073
Transfer to 12 months ECL	2,757	(2,229)	(528)	-
Transfer to lifetime ECL not credit impaired	(628)	1,453	(825)	-
Transfer to lifetime ECL credit impaired	(179)	(3,111)	3,290	-
Net remeasurement	(5,455)	(1,550)	26,101	19,096
New financial assets originated	4,227	5,512	13,854	23,593
Financial assets derecognised	(2,896)	(2,075)	(10,711)	(15,682)
Total	**(2,174)**	**(2,000)**	**31,181**	**27,007**
Write offs	-	-	(22,292)	(22,292)
Loss allowance as at 31 December	**6,680**	**7,434**	**60,674**	**74,788**

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

2023

	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total ECL Shs' millions
Loss allowance as at 1 January	6,446	7,519	36,225	50,190
Transfer to 12 months ECL	1,020	(599)	(421)	-
Transfer to lifetime ECL not credit impaired	(818)	1,239	(421)	-
Transfer to lifetime ECL credit impaired	(323)	(531)	854	-
Net remeasurement	4,995	3,757	25,825	34,577
New financial assets originated	4,536	1,441	9,394	15,371
Financial assets derecognised	(7,002)	(3,392)	(4,201)	(14,595)
Total	**2,408**	**1,915**	**31,031**	**35,353**
Write offs	-	-	(15,470)	(15,470)
Loss allowance as at 31 December	**8,854**	**9,434**	**51,785**	**70,073**

2024

	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs millions
Gross carrying amount as at 1 January	749,450	98,566	107,123	955,139
Movements during the year:				
Transfer to 12 months ECL	15,939	(14,405)	(1,534)	-
Transfer to lifetime ECL not credit impaired	(27,994)	29,686	(1,692)	-
Transfer to lifetime ECL credit impaired	(15,416)	(15,064)	30,480	-
Net remeasurement	(81,608)	(11,840)	3,065	(90,383)
Net financial assets originated	337,244	(16,369)	27,938	348,813
Financial assets derecognised	(263,795)	(3,469)	(55,648)	(322,912)
Gross carrying amount as at 31 December	**713,820**	**67,105**	**109,732**	**890,657**

2023

	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs millions
Gross carrying amount as at 1 January	599,576	97,118	58,665	755,359
Movements during the year:				
Transfer to 12 months ECL	14,813	(13,884)	(929)	-
Transfer to lifetime ECL not credit impaired	(34,984)	35,357	(373)	-
Transfer to lifetime ECL credit impaired	(12,588)	(9,848)	22,436	-
Net remeasurement	(29,243)	7,766	(4,188)	(25,665)
Net financial assets originated	342,730	3,293	48,457	394,480
Financial assets derecognised	(134,049)	(18,515)	(17,736)	(170,300)
Translation differences	3,195	(2,721)	791	1,265
Gross carrying amount as at 31 December	**749,450**	**98,566**	**107,123**	**955,139**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Building and construction				Energy and water				Financial services			
31 December 2024	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions
Gross carrying amount as at 1 January	14,242	4,750	5,560	**24,552**	51,057	448	14,823	**66,328**	63,045	4,490	1,467	**69,002**
Transfer to 12 months ECL	58	(58)	-	**-**	1,061	(1,061)	- -		-	-	-	**-**
Transfer to Lifetime ECL not credit impaired	(1,375)	1,397	(22)	**-**	(49)	49	-	**-**	(1)	4	(3)	**-**
Transfer to Lifetime ECL credit impaired	(1,455)	(451)	1,906	**-**	(205)	(2)	207	**-**	(2)	-	2	**-**
Net remeasurement	(1,884)	(297)	670	**(1,511)**	(2,835)	(8)	(413)	**(3,256)**	(5,685)	(1)	1,009	**(4,677)**
New financial assets originated	6,535	555	1,484	**8,574**	20,556	44	(46)	**20,554**	426	2	1	**429**
Financial assets derecognised	(11,070)	(1,677)	(2,132)	**(14,879)**	(17,137)	877	(142)	**(16,402)**	(685)	(2,242)	(652)	**(3,579)**
Gross carrying amount as at 31 December	**5,051**	**4,219**	**7,466**	**16,736**	**52,448**	**347**	**14,429**	**67,224**	**57,099**	**2,253**	**1,824**	**61,176**
Loss allowance as at 1 January	169	500	5,563	**6,232**	697	-	12,129	**12,826**	1,078	127	-	**1,205**
Transfer to 12 months ECL	5	(5)	-	**-**	-	-	- -		-	-	-	**-**
Transfer to Lifetime ECL not credit impaired	(12)	15	(3)	**-**	-	-	-	**-**	-	-	-	**-**
Transfer to Lifetime ECL credit impaired	(8)	(281)	289	**-**	-	(1)	1	**-**	-	-	-	**-**
Net remeasurement of loss allowance	(10)	(4)	2,818	**2,804**	(244)	-	(9,536)	**(9,780)**	(1,046)	-	1,323	**277**
Net financial assets originated	106	206	398	**710**	413	2	2,442	**2,857**	-	1	-	**1**
Financial assets derecognised	(97)	(175)	(2,013)	**(2,285)**	(295)	-	(509)	**(804)**	(8)	(127)	-	**(135)**
Write offs	-	-	(1)	**(1)**	-	-	(45)	**(45)**	-	-	(5)	**(5)**
Loss allowance as at 31 December	**153**	**256**	**7,051**	**7,460**	**571**	**1**	**4,482**	**5,054**	**24**	**1**	**1,318**	**1,343**
Net loans and advances	4,898	3,963	415	**9,276**	51,877	346	9,947	**62,170**	57,075	2,252	506	**59,833**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Food and agriculture				ICT and Telecommunication				Manufacturing			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
31 December 2024	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Gross carrying amount as at 1 January	24,715	4,067	4,046	**32,828**	1,598	26	10	**1,634**	24,538	23,527	3,977	**52,042**
Transfer to 12 months ECL	370	(361)	(9)	**-**	-	-	- -		86	-	(86)	**-**
Transfer to Lifetime ECL not credit impaired	(1,020)	1,039	(19)	**-**	(16)	16	-	**-**	(136)	139	(3)	**-**
Transfer to Lifetime ECL credit impaired	(1,159)	(729)	1,888	**-**	-	-	-	**-**	(160)	(275)	435	**-**
Net remeasurement	2,887	(206)	276	**2,957**	(286)	(2)	-	**(288)**	(2,392)	24	258	**(2,110)**
Net financial assets originated	22,391	1,115	1,390	**24,896**	1,569	10	1	**1,580**	5,341	4,331	2,322	**11,994**
Financial assets derecognised	(17,460)	(1,915)	(2,020)	**(21,395)**	(110)	(4)	(5)	**(119)**	(10,481)	(4,025)	(5,886)	**(20,392)**
Gross carrying amount as at 31 December	**30,724**	**3,010**	**5,552**	**39,286**	**2,755**	**46**	**6**	**2,807**	**16,796**	**23,721**	**1,017**	**41,534**
Loss allowance as at 1 January	658	266	3,076	**4,000**	5	-	3	**8**	316	2,516	-	**2,832**
Transfer to 12 months ECL	111	(74)	(37)	**-**	-	-	- -		3	(3)	-	**-**
Transfer to Lifetime ECL not credit impaired	(26)	88	(62)	**-**	-	-	-	**-**	(1)	1	-	**-**
Transfer to Lifetime ECL credit impaired	(21)	(50)	71	**-**	-	-	-	**-**	(1)	(1,884)	1,885	**-**
Net remeasurement of loss allowance	(236)	(31)	683	**416**	(3)	-	-	**(3)**	(28)	2	3,318	**3,292**
Net financial assets originated	453	267	406	**1,126**	1	-	-	**1**	41	2,155	2,773	**4,969**
Financial assets derecognised	(361)	(87)	(1,147)	**(1,595)**	(2)	-	-	**(2)**	(219)	(629)	(7,973)	**(8,821)**
Write offs			(1,768)	**(1,768)**				**-**			(3)	**(3)**
Loss allowance as at 31 December	**578**	**379**	**1,222**	**2,179**	**1**	**-**	**3**	**4**	**111**	**2,158**	**-**	**2,269**
Net loans and advances	**30,146**	**2,631**	**4,330**	**37,107**	**2,754**	**46**	**3**	**2,803**	**16,685**	**21,563**	**1,017**	**39,265**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	**Mining and quarrying**				**Personal household**				**Real estate**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**		**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**		**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	
31 December 2024	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
Gross carrying amount as at 1 January	31,109	4,626	5,765	**41,500**	215,124	7,183	12,214	**234,521**	66,919	38,107	10,917	**115,943**
Transfer to 12 months ECL	765	(765)	-	-	2,244	(1,218)	(1,026)	-	1,746	(1,662)	(84)	-
Transfer to Lifetime ECL not credit impaired	(2)	2	-	-	(5,383)	6,320	(937)	-	(9,153)	9,488	(335)	-
Transfer to Lifetime ECL credit impaired	-	(3)	3	-	(3,704)	(1,166)	4,870	-	(922)	(1,859)	2,781	-
Net remeasurement	(11,505)	-	(156)	**(11,661)**	(30,567)	(777)	(151)	**(31,495)**	(8,526)	(1,731)	1,562	**(8,695)**
Net financial assets originated	14,077	4	-	**14,081**	140,143	4,310	3,099	**147,552**	10,315	(34,559)	9,786	**(14,458)**
Financial assets derecognised	(7,500)	(10)	(1,936)	**(9,446)**	(104,723)	(5,648)	(6,944)	**(117,315)**	(8,310)	(4,013)	(14,660)	**(26,983)**
Gross carrying amount as at 31 December	**26,944**	**3,854**	**3,676**	**34,474**	**213,134**	**9,004**	**11,125**	**233,263**	**52,069**	**3,771**	**9,967**	**65,807**
Loss allowance as at 1 January	19	317	39	**375**	1,758	319	3,151	**5,228**	584	1,768	5,280	**7,632**
Transfer to 12 months ECL	307	(307)	-	-	986	(793)	(193)	-	306	(280)	(26)	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-	(78)	381	(303)	-	(275)	323	(48)	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(38)	(650)	688	-	(8)	(177)	185	-
Net remeasurement of loss allowance	(186)	-	2,500	**2,314**	(2,127)	(631)	4,159	**1,401**	(592)	(900)	3,696	**2,204**
New financial assets originated	36	1	-	**37**	916	416	651	**1,983**	44	78	4,053	**4,175**
Financial assets derecognised	(2)	-	(7)	**(9)**	(904)	(831)	(708)	**(2,443)**	(109)	(190)	(2,235)	**(2,534)**
Write offs			-	-			(5,323)	**(5,323)**			(1,085)	**(1,085)**
Loss allowance as at 31 December	**176**	**1**	**2,510**	**2,687**	**1,445**	**596**	**2,645**	**4,686**	**167**	**909**	**9,825**	**10,901**
Net loans and advances	26,768	3,853	1,166	**31,787**	211,689	8,408	8,480	**228,577**	51,902	2,862	142	**54,906**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Tourism and hospitality				Trade				Transport and logistics			
31 December 2024	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions	Stage 1 12-month ECL Shs' millions	Stage 2 Lifetime ECL Shs' millions	Stage 3 Lifetime ECL Shs' millions	Total Shs' millions
Gross carrying amount as at 1 January	4,824	14,540	5,027	**24,391**	197,963	(10,112)	36,972	**224,823**	54,316	6,914	6,345	**67,575**
Transfer to 12 months ECL	4,378	(4,372)	(6)	-	1,126	(922)	(204) -		4,105	(3,985)	(120)	-
Transfer to Lifetime ECL not credit impaired	(683)	687	(4)	-	(5,612)	5,980	(368)	-	(4,562)	4,565	(3)	-
Transfer to Lifetime ECL credit impaired	(1,098)	(5,909)	7,007	-	(6,262)	(3,968)	10,230	-	(448)	(702)	1,150	-
Net remeasurement	(1,390)	(134)	1,591	**67**	(15,293)	(7,540)	(1,240)	**(24,073)**	(4,134)	(1,166)	(338)	**(5,638)**
New financial assets originated	4,647	192	45	**4,884**	92,422	7,246	8,529	**108,197**	18,821	379	1,329	**20,529**
Financial assets derecognised	(2,178)	(2,046)	(2,480)	**(6,704)**	(71,703)	17,857	(15,556)	**(69,402)**	(12,439)	(624)	(3,237)	**(16,300)**
Gross carrying amount as at 31 December	**8,500**	**2,958**	**11,180**	**22,638**	**192,641**	**8,541**	**38,363**	**239,545**	**55,659**	**5,381**	**5,126**	**66,166**
Loss allowance as at 1 January	178	-	261	**439**	1,464	-	17,958	**19,422**	777	960	3,818	**5,555**
Transfer to 12 months ECL	-	-	-	-	235	-	(235) -		804	(767)	(37)	-
Transfer to Lifetime ECL not credit impaired	(16)	16	-	-	(32)	441	(409)	-	(188)	188	-	-
Transfer to Lifetime ECL credit impaired	(28)	-	28	-	(68)	-	68	-	(7)	(68)	75	-
Net remeasurement of loss allowance	15	21	5,235	**5,271**	(5)	12	11,918	**11,925**	(993)	(19)	(13)	**(1,025)**
Net financial assets originated	52	132	1	**185**	2,032	2,100	3,000	**7,132**	133	154	130	**417**
Financial assets derecognised	(36)	-	(103)	**(139)**	(595)	-	4,666	**4,071**	(268)	(37)	(681)	**(986)**
Write offs			(284)	**(284)**			(13,778)	**(13,778)**			-	-
Loss allowance as at 31 December	**165**	**169**	**5,138**	**5,472**	**3,031**	**2,553**	**23,188**	**28,772**	**258**	**411**	**3,292**	**3,961**
Net loans and advances	8,335	2,789	6,042	**17,166**	189,610	5,988	15,175	**210,773**	55,401	4,970	1,834	**62,205**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Building and construction				Energy and water				Financial services			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
31 December 2023	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
Gross carrying amount as at 1 January	11,791	4,028	4,161	**19,980**	38,908	2,385	8,303	**49,596**	47,486	3,785	1,003	**52,274**
Transfer to 12 months ECL	1,028	(908)	(120)	**-**	-	-	- -		79	(26)	(53)	**-**
Transfer to Lifetime ECL not credit impaired	(1,774)	1,791	(17)	**-**	(343)	345	(2)	**-**	(523)	523	-	**-**
Transfer to Lifetime ECL credit impaired	(288)	(108)	396	**-**	(29)	-	29	**-**	(562)	282	280	**-**
Net remeasurement	(1,475)	164	(267)	**(1,578)**	6,212	(2,198)	702	**4,716**	2,756	7	(66)	**2,697**
New financial assets originated	7,798	1,573	2,364	**11,735**	11,438	211	5,799	**17,448**	17,970	140	772	**18,882**
Financial assets derecognised	(2,588)	(1,765)	(881)	**(5,234)**	(5,189)	(322)	(10)	**(5,521)**	(4,386)	(277)	(571)	**(5,234)**
Translation differences	(250)	(25)	(76)	**(351)**	60	27	2	**89**	225	56	102	**383**
Gross carrying amount as at 31 December	**14,242**	**4,750**	**5,560**	**24,552**	**51,057**	**448**	**14,823**	**66,328**	**63,045**	**4,490**	**1,467**	**69,002**
Loss allowance as at 1 January	186	381	3,381	**3,948**	473	501	8,085	**9,059**	660	107	383	**1,150**
Transfer to 12 months ECL	92	(73)	(19)	**-**	-	-	- -		2	11	(13)	**-**
Transfer to Lifetime ECL not credit impaired	(91)	91	-	**-**	(2)	2	-	**-**	(4)	4	-	**-**
Transfer to Lifetime ECL credit impaired	(3)	(12)	15	**-**	-	(5)	5	**-**	(5)	1	4	**-**
Net remeasurement of loss allowance	(65)	146	674	**755**	97	(679)	574	**(8)**	114	(37)	32	**109**
Net financial assets originated	106	54	1,639	**1,799**	170	15	3,469	**3,654**	339	48	48	**435**
Financial assets derecognised	(31)	(57)	49	**(39)**	(43)	(32)	(4)	**(79)**	(42)	(10)	(347)	**(399)**
Write offs	-	-	(415)	**(415)**	-	-	(1)	**(1)**	-	-	(198)	**(198)**
Translation differences	(26)	(26)	(26)	**(78)**	2	3	1	**6**	14	3	71	**88**
Loss allowance as at 31 December	**168**	**504**	**5,298**	**5,970**	**697**	**(195)**	**12,129**	**12,631**	**1,078**	**127**	**(20)**	**1,185**
Net loans and advances	14,074	4,246	262	**18,582**	50,360	643	2,694	**53,697**	61,967	4,363	1,487	**67,817**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Food and agriculture				ICT and Telecommunication				Manufacturing			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
31 December 2023	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Gross carrying amount as at 1 January	20,765	4,478	2,845	**28,088**	1,534	15	3	**1,552**	16,535	18,400	2,418	**37,353**
Transfer to 12 months ECL	776	(751)	(25)	**-**	-	-	- -		23	(23)	-	**-**
Transfer to Lifetime ECL not credit impaired	(1,616)	1,643	(27)	**-**	(10)	10	-	**-**	(4,423)	4,424	(1)	**-**
Transfer to Lifetime ECL credit impaired	(493)	(693)	1,186	**-**	(3)	-	3	**-**	(26)	(4)	30	**-**
Net remeasurement	(2,273)	(1,959)	(131)	**(4,363)**	(36)	(3)	-	**(39)**	3,072	3,753	9	**6,834**
New financial assets originated	17,319	2,683	1,881	**21,883**	186	7	4	**197**	10,821	(1,821)	1,639	**10,639**
Financial assets derecognised	(9,649)	(1,434)	(1,721)	**(12,804)**	(119)	(3)	-	**(122)**	(2,275)	(639)	(137)	**(3,051)**
Translation differences	(114)	100	38	**24**	46	-	-	**46**	811	(563)	19	**267**
Gross carrying amount as at 31 December	24,715	4,067	4,046	**32,828**	1,598	26	10	**1,634**	24,538	23,527	3,977	**52,042**
Loss allowance as at 1 January	382	273	1,489	**2,144**	6	-	1	**7**	200	1,535	312	**2,047**
Transfer to 12 months ECL	52	(48)	(4)	**-**	-	-	- -		-	-	-	**-**
Transfer to Lifetime ECL not credit impaired	(12)	19	(7)	**-**	-	-	-	**-**	(437)	437	-	**-**
Transfer to Lifetime ECL credit impaired	(81)	(94)	175	**-**	-	-	-	**-**	(12)	-	12	**-**
Net remeasurement of loss allowance	(2)	57	718	**773**	(1)	-	1	**-**	427	617	(1,902)	**(858)**
New financial assets originated	419	189	1,004	**1,612**	-	-	1	**1**	145	(19)	(619)	**(493)**
Financial assets derecognised	(171)	(136)	413	**106**	-	-	-	**-**	(29)	(13)	(83)	**(125)**
Write offs	-	-	(833)	**(833)**	-	-	-	**-**	-	-	(50)	**(50)**
Translation differences	71	5	122	**198**	-	-	-	**-**	21	(40)	19	**-**
Loss allowance as at 31 December	658	265	3,077	**4,000**	5	-	3	**8**	315	2,517	(2,311)	**521**
Net loans and advances	24,057	3,802	969	**28,828**	1,593	26	7	**1,626**	24,223	21,010	6,288	**51,521**

Notes

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Mining and quarrying				Personal household				Real estate			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
31 December 2023	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Gross carrying amount as at 1 January	25,159	4,290	1,746	**31,195**	168,331	5,253	5,988	**179,572**	71,594	27,477	7,775	**106,846**
Transfer to 12 months ECL	-	-	-	-	1,391	(1,133)	(258)	-	2,027	(1,835)	(192)	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-	(2,696)	2,841	(145)	-	(17,362)	17,962	(600)	-
Transfer to Lifetime ECL credit impaired	(1,399)	(316)	1,715	-	(1,951)	(569)	2,520	-	(790)	(1,333)	2,123	-
Net remeasurement	(3,660)	1,124	1	**(2,535)**	(17,802)	(438)	(210)	**(18,450)**	(6,060)	64	(770)	**(6,766)**
Net financial assets originated	13,841	(497)	2,357	**15,701**	117,018	2,028	6,728	**125,774**	22,984	(2,716)	4,511	**24,779**
Financial assets derecognised	(2,907)	(2)	(59)	**(2,968)**	(49,735)	(1,069)	(2,525)	**(53,329)**	(6,125)	(636)	(2,002)	**(8,763)**
Translation differences	75	27	5	**107**	568	270	116	**954**	651	(876)	72	**(153)**
Gross carrying amount as at 31 December	31,109	4,626	5,765	**41,500**	215,124	7,183	12,214	**234,521**	66,919	38,107	10,917	**115,943**
Loss allowance as at 1 January	19	317	39	**375**	1,758	319	3,151	**5,228**	584	1,768	5,280	**7,632**
Transfer to 12 months ECL	-	-	-	-	116	(57)	(59)	-	153	(60)	(93)	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-	(30)	128	(98)	-	(126)	214	(88)	-
Transfer to Lifetime ECL credit impaired	(1)	(10)	11	-	(126)	(55)	181	-	(10)	(57)	67	-
Net remeasurement of loss allowance	3	2	2	**7**	6,058	3,719	18,680	**28,457**	(165)	826	1,586	**2,247**
Net financial assets originated	9	(3)	76	**82**	1,431	685	(8,718)	**(6,602)**	323	18	2,222	**2,563**
Financial assets derecognised	(1)	-	(56)	**(57)**	(6,211)	(2,022)	(2,793)	**(11,026)**	(30)	(69)	660	**561**
Write offs	-	-	(40)	**(40)**	-	-	(6,434)	**(6,434)**	-	-	(2,204)	**(2,204)**
Translation differences	(7)	-	5	**(2)**	(306)	(11)	(236)	**(553)**	70	(129)	166	**107**
Loss allowance as at 31 December	22	306	37	**365**	2,690	2,706	3,674	**9,070**	799	2,511	7,596	**10,906**
Net loans and advances	31,087	4,320	5,728	**41,135**	212,434	4,477	8,540	**225,451**	66,120	35,596	3,321	**105,037**

22 Loans and advances to customers (continued)

(b) Impairment on financial assets (continued)

(c) Movements per sector	Tourism and hospitality				Trade				Transport and logistics			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
31 December 2023	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Gross carrying amount as at 1 January	3,822	16,918	2,015	**22,755**	153,949	3,788	18,529	**176,266**	39,702	6,301	3,879	**49,882**
Transfer to 12 months ECL	(1,291)	1,293	(2)	-	10,533	(10,273)	(260)	-	247	(228)	(19)	-
Transfer to Lifetime ECL not credit impaired	(39)	50	(11)	-	(5,205)	4,402	803	-	(993)	1,366	(373)	-
Transfer to Lifetime ECL credit impaired	(1,047)	111	936	-	(6,152)	(6,438)	12,590	-	152	(780)	628	-
Net remeasurement	1,954	(1,523)	12	**443**	(6,686)	9,547	(4,533)	**(1,672)**	(5,245)	(772)	1,065	**(4,952)**
Net financial assets originated	1,302	(607)	2,324	**3,019**	95,665	970	17,586	**114,221**	26,388	1,322	2,492	**30,202**
Financial assets derecognised	(284)	(703)	(257)	**(1,244)**	(44,712)	(11,483)	(7,953)	**(64,148)**	(6,080)	(182)	(1,620)	**(7,882)**
Translation differences	407	(999)	10	**(582)**	571	(625)	210	**156**	145	(113)	293	**325**
Gross carrying amount as at 31 December	4,824	14,540	5,027	**24,391**	197,963	(10,112)	36,972	**224,823**	54,316	6,914	6,345	**67,575**
Loss allowance as at 1 January	114	705	428	**1,247**	1,559	801	11,136	**13,496**	505	812	2,540	**3,857**
Transfer to 12 months ECL	68	(68)	-	-	515	(286)	(229)	-	21	(17)	(4)	-
Transfer to Lifetime ECL not credit impaired	(35)	44	(9)	-	(59)	44	15	-	(23)	258	(235)	-
Transfer to Lifetime ECL credit impaired	(19)	(2)	21	-	(59)	(279)	338	-	(7)	(18)	25	-
Net remeasurement of loss allowance	(18)	(397)	52	**(363)**	(1,392)	(462)	4,328	**2,474**	(61)	(34)	1,080	**985**
Net financial assets originated	29	73	91	**193**	1,219	106	9,073	**10,398**	345	276	1,108	**1,729**
Financial assets derecognised	(4)	(779)	125	**(658)**	(371)	(264)	(2,103)	**(2,738)**	(70)	(10)	(62)	**(142)**
Write offs	-	-	(463)	**(463)**	-	-	(4,120)	**(4,120)**	-	-	(711)	**(711)**
Translation differences	44	(32)	15	**27**	50	285	(217)	**118**	67	(56)	77	**88**
Loss allowance as at 31 December	179	(456)	260	**(17)**	1,462	(55)	18,221	**19,628**	777	1,211	3,818	**5,806**
Net loans and advances	4,645	14,996	4,767	**24,408**	196,501	(10,057)	18,751	**205,195**	53,539	5,703	2,527	**61,769**

Notes

22 Loans and advances to customers (continued)

(c) Movement per sector (continued)

The terms and conditions normally provided for the loans and advances to customers are as follows:

Retail loans – Retail loans are comprised of consumer loans, micro-enterprises and agriculture. These are interest bearing facilities to retail customers. Collateral is required except for scheme loans to salaried customers. On average, the contractual tenor is between 6 months and 5 years. These loans are charged processing fees.

Corporate loans - Consist of small and medium enterprises and large enterprises - These are loans to small medium and large customers, and they are all interest bearing. Collateral is a requirement for all facilities. The contractual tenor is between 6 months and 10 years. These loans are charged processing fees.

Overdrafts - These are short-term facilities to customers with urgent need of cash. Collateral is required for all these facilities and the tenor is 6 to 12 months. The only charge on these facilities is the overdraft arrangement fee.

(d) Financial asset at fair value through profit or loss	**Group**	
	2024 Shs' millions	**2023 Shs' millions**
Loan note	6,463	7,850
Fair value loss	(3,096)	(5,536)
	3,367	**2,314**
Non-current	3,367	2,314
Movement in fair value loss:		
At start of the year	(5,536)	(4,753)
Fair value loss in current year	2,440	(783)
At end of the year	(3,096)	(5,536)

The financial asset at fair value through profit or loss relates to long term note issued to the Bank in 2017 following a restructure of facilities to a customer in the airline industry (original borrower company). The loan note earns a coupon rate of interest, is partly guaranteed by the Government of Kenya and is secured by shares held by the issuer in the original borrower company. The ultimate amount recoverable on the loan note will depend on the value realised when the underlying shares are disposed of (including any upswing) and any guarantee called in the event of loss. The instrument is considered a loan instrument with an embedded derivative and has therefore been classified as an asset at fair value through profit or loss.

In addition to the above, the value of the loan note would be impacted by qualitative, judgemental analysis of developments at the original borrower company and in the airline industry, and the future actions of the Government of Kenya and other shareholders.

Notes

23. Investment securities – Group

	2024 Shs' millions	2023 Shs' millions
Investment securities at amortised cost		
At start of year	24,798	25,482
Purchase of securities	-	11,672
Maturity of securities	(3,995)	(14,146)
Translation differences	(5,217)	1,790
At end of year	**15,586**	**24,798**
12-month ECL:		
At start of the year	(15)	(25)
Re-measurement during the year	8	10
At end of the year	(7)	(15)
Net carrying amount	**15,579**	**24,783**
Investment securities at FVOCI		
At start of year	463,231	363,272
Purchase of investment securities	109,614	287,699
Sale / maturity of investment securities	(97,703)	(180,200)
Net gain/(loss) on fair valuation	23,194	(14,553)
Translation differences	(27,529)	7,013
At end of year	**470,807**	**463,231**
12-month ECL:		
At start of year	(42)	(201)
Re-measurement during the year	(246)	212
Translation differences	(18)	(53)
At end of year	(306)	(42)
Net carrying amount	**470,501**	**463,189**
Investment securities at FVTPL		
At start of year	12,570	5,456
Purchase of investment securities	49,931	9,446
Sale of investment securities	(31,439)	(4,692)
Translation differences	(5,160)	2,360
At end of year	**25,902**	**12,570**
Total investment securities	511,982	500,542
Current	68,451	34,766
Non-current	443,531	465,776
Total	**511,982**	**500,542**

The weighted average effective interest rate at 31 December 2024 was 11.9% (2023: 11.8%).

Notes

24 Other assets

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Settlement and clearing accounts	3,496	15,011	-	-
Prepaid expenses	6,016	11,292	7	-
Refundable deposits	976	1,061	-	-
Sundry debtors	7,819	7,265	755	1,777
Other assets	13,137	4,042	2,627	-
	31,444	**38,671**	**3,389**	**1,777**
12-month ECL:				
At start of the year	(438)	(531)	(275)	(275)
Re-measurement during the year	(383)	8	-	-
Translation differences	(77)	85	-	-
At end of the year	(898)	(438)	(275)	(275)
Net carrying amount	**30,546**	**38,233**	**3,114**	**1,502**

Other assets includes inventory for bank operations, receivables from card schemes and a receivable for expenses incurred on behalf of third parties.

Other assets are settled no more than 12 months after the reporting date. All the balances are non-interest bearing.

25 (a) Reinsurance contract assets

	Group	
	2024 Shs' millions	2023 Shs' millions
Assets from:		
Group life	248	105
Credit life	1,407	1,518
	1,655	**1,623**

(b) Insurance contract liabilities

	2024 Shs' millions	2023 Shs' millions
At start of the year	16,903	3,608
Net insurance service result	(234)	(291)
Investment component cashflows	3,225	13,586
At end of year	**19,894**	**16,903**

Notes

25 (a) Reinsurance contract assets

	Asset for Remaining Coverage			Asset Recoverable on Incurred Claims (ARIC)			Total asset
	Excluding Loss Recovery Component	Loss recovery component	Total ARC	Estimate of present value of cash flows	Risk adjustment for non-financial risk	Total ARIC for contracts under PAA	
Year ended 31 December 2024	Shs'millions	Shs'millions	Shs'millions	Shs'millions	Shs'millions	Shs'millions	Shs'millions
Opening reinsurance contract assets	764	-	764	859		859	1,623
Net opening balance at 1 January	**764**	**-**	**764**	**859**		**859**	**1,623**
Insurance revenue ceded to the reinsurer (Note 6)	(490)	-	(490)	-	-	-	(490)
Insurance service expenses (Note 5)	-		-	-			-
Recoveries of incurred claims and other directly attributable expenses	-	-	-	378	-	378	378
Net expenses from reinsurance contracts	**(490)**	**-**	**(490)**	**378**	**-**	**378**	**(112)**
Net finance income from reinsurance contracts	-	-	-	28	-	28	28
Total changes in the statement of profit or loss and OCI	**(490)**	**-**	**(490)**	**406**	**-**	**406**	**(84)**
Cashflows							
Premiums paid	422	-	422	-	-	-	422
Claims and other directly attributable expenses recoveries	350	-	350	(776)	-	(776)	(426)
Outstanding amounts at year end	(87)	-	(87)	-	207	207	120
Total cash flows	**685**	**-**	**685**	**(569)**	**-**	**(569)**	**116**
Closing reinsurance contract assets	**959**	**-**	**959**	**696**	**-**	**696**	**1,655**

Notes

25 (a) Reinsurance contract assets (continued)

	Asset for Remaining Coverage			Asset Recoverable on Incurred Claims (ARIC)			Total asset
	Excluding Loss Recovery Component	Loss recovery component	Total ARC	Estimate of present value of cash flows	Risk adjustment for non-financial risk	Total ARIC for contracts under PAA	
Year ended 31 December 2023	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**
Opening reinsurance contract assets	829	-	829	212	-	212	1,041
Net opening balance at 1 January	**829**	**-**	**829**	**212**	**-**	**212**	**1,041**
Insurance revenue ceded to the reinsurer (Note 6)	(548)	-	(548)	-	-	-	(548)
Insurance service expenses (Note 5)	-		-	-			-
Recoveries of incurred claims and other directly attributable expenses	-	-	-	828	-	828	828
Net expenses from reinsurance contracts	**(548)**	**-**	**(548)**	**828**	**-**	**828**	**280**
Net finance income from reinsurance contracts	-	-	-	14	-	14	14
Total changes in the statement of profit or loss and OCI	**(548)**	**-**	**(548)**	**842**	**-**	**842**	**294**
Cashflows							
Premiums paid	619	-	619	-	-	-	619
Claims and other directly attributable expenses recoveries	-	-	-	(602)	-	(602)	(602)
Outstanding amounts at year end	(136)	-	(136)	-	408	408	272
Total cash flows	**483**	**-**	**483**	**(194)**	**-**	**(194)**	**289**
Closing reinsurance contract assets	**764**	**-**	**764**	**860**	**-**	**860**	**1,624**

Notes

25 (b) Insurance contract liabilities

	Liability for Remaining Coverage (LRC)			Liability for Incurred Claims (LIC)			Total asset
Year ended 31 December 2024	Excluding loss recovery component Shs'millions	Loss recovery component Shs'millions	Total ARC Shs'millions	Estimate of present value of cash flows Shs'millions	Risk adjustment for non-financial risk Shs'millions	Total LIC for contracts under PAA Shs'millions	Shs'millions
Opening reinsurance contract assets	15,869	-	15,869	1,034	-	1,034	16,903
Net opening balance at 1 January	**15,869**	**-**	**15,869**	**1,034**	**-**	**1,034**	**16,903**
Insurance revenue (Note 4)	(1,429)	-	(1,429)	-	-	-	(1,429)
Insurance service expenses (Note 5)	3	-	3	800	-	800	803
Insurance acquisition cashflows amortisation	118	-	118	-	-	-	118
Insurance service result	**(1,308)**	**-**	**(1,308)**	**800**	**-**	**800**	**(508)**
Net finance expense from insurance contracts	196	-	196	78	-	78	274
Total recognised in the statement of profit or loss and OCI	**(1,112)**	**-**	**(1,112)**	**878**	**-**	**878**	**(234)**
Cashflows							
Premiums received	5,241	-	5,241	-	-	-	5,241
Claims and other directly attributable expenses paid	(975)	-	(975)	(796)	-	(796)	(1,771)
Insurance acquisition cashflows deducted	(245)	-	(245)	-	-	-	(245)
Total cash flows	**4,021**	**-**	**4,021**	**(796)**	**-**	**(796)**	**3,225**
Closing reinsurance contract assets	**18,778**	**-**	**18,778**	**696**	**-**	**1,116**	**19,894**

Notes

25 (b) Insurance contract liabilities (continued)

	Liability for Remaining Coverage (LRC)			Liability for Incurred Claims (LIC)			Total asset
	Excluding loss recovery component	Loss recovery component	Total ARC	Estimate of present value of cash flows	Risk adjustment for non-financial risk	Total LIC for contracts under PAA	
Year ended 31 December 2023	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**	**Shs'millions**
Opening reinsurance contract assets	3,094	-	3,094	514	-	514	3,608
Net opening balance at 1 January	**3,094**	**-**	**3,094**	**514**	**-**	**514**	**3,608**
Insurance revenue (Note 4)	(1,612)	-	(1,612)	-	-	-	(1,612)
Insurance service expenses (Note 5)	-	-	-	1,170	-	1,170	1,170
Insurance acquisition cashflows amortisation	129	-	129	-	-	-	129
Insurance service result	**(1,483)**	**-**	**(1,483)**	**1,170**	**-**	**1,170**	**(313)**
Net finance expense from insurance contracts	-	-	-	22	-	22	22
Total recognised in the statement of profit or loss and OCI	**(1,483)**	**-**	**(1,483)**	**1,192**	**-**	**1,192**	**(291)**
Cashflows							
Premiums received	14,867	-	14,867	-	-	-	14,867
Claims and other directly attributable expenses paid	(394)	-	(394)	(671)	-	(671)	(1,065)
Insurance acquisition cashflows deducted	(216)	-	(216)	-	-	-	(216)
Total cash flows	**14,257**	**-**	**14,257**	**(671)**	**-**	**(671)**	**13,586**
Closing reinsurance contract assets	**15,868**	**-**	**15,868**	**1,035**	**-**	**1,035**	**16,903**

Notes

26 Deferred income tax

The net deferred income tax movement computed at the enacted tax rates, is attributable to the following items:

Group **For the year ended 31 December 2024**	At start of year Shs' millions	Recognised in profit or loss Shs' millions	Translation differences Shs' millions	Recognised in OCI Shs' millions	At end of year Shs' millions
Property, equipment and software	(1,584)	850	9	-	(725)
Loan impairment provision	23,575	(9,372)	1,269	-	15,472
Provision for accrued leave	416	(1,178)	(1)	-	(763)
Other temporary differences	(157)	9,120	282	-	9,245
Deferred income	(973)	17	291	-	(665)
FVOCI reserves	17,609	-	(419)	(6,959)	10,231
Other reserves (Defined benefit obligation)	116	50	(79)	(681)	(594)
	39,002	**(513)**	**1,352**	**(7,640)**	**32,202**

For the year ended 31 December 2023					
Property, equipment and software	(405)	(1,228)	49	-	(1,584)
Loan impairment provision	14,411	7,176	1,988	-	23,575
Provision for accrued leave	262	154	-	-	416
Other temporary differences	(640)	317	166	-	(157)
Deferred income	(1,207)	234	-	-	(973)
FVOCI reserves	13,121	-	122	4,366	17,609
Other reserves (deferred benefit obligation)	60	-	-	56	116
	25,602	**6,653**	**2,325**	**4,422**	**39,002**

Company **For the year ended 31 December 2024**	At start of year Shs' millions	Recognised in profit or loss Shs' millions	Recognised in OCI Shs' millions	At end of year Shs' millions
Unrealised foreign exchange losses	964	(1,048)	-	(84)

For the year ended 31 December 2023				
Unrealised foreign exchange losses	319	645	-	964

The deferred tax asset and deferred tax liability at group level in the statement of financial position have been separated as required by IAS 12, since they relate to different tax jurisdictions.

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
The balance at 31 December is made up of:				
Deferred income tax asset	35,497	41,830	-	964
Deferred income tax liability	(3,295)	(2,828)	(84)	-
	32,202	**39,002**	**(84)**	**964**

The Group has concluded that the deferred income tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the Group. The Group is expected to continue generating taxable income.

Notes

27 Deposits from customers

Deposits from customers are analysed below:

	Group	
	2024 Shs' millions	2023 Shs' millions
Retail customers		
Savings deposits	136,104	159,049
Current deposits	134,058	121,913
Term deposits	92,390	74,128
Transactional deposits	186,753	194,709
	549,305	**549,799**
Corporate customers		
Savings deposits	28,088	59,767
Current deposits	467,006	422,509
Term deposits	305,366	320,333
Transactional deposits	47,729	3,463
Margin on guarantees	3,893	2,357
	852,082	**808,429**
	1,401,387	**1,358,228**
Current	635,670	398,369
Non-current	765,717	959,859
Total	**1,401,387**	**1,358,228**

The weighted average effective interest rate on interest bearing customer deposits at 31 December 2024 was 8% (2023: 7%). The carrying value of customer deposits approximates their fair value. The summary of terms and conditions for the various categories of deposits are below:

(a) Term deposits - These are high interest-bearing accounts that are opened for a specific period of time at a fixed rate of interest. Funds are fixed on the account for specified term periods of time. Interest is calculated daily and paid only on maturity of the deposits. Interest rates are offered at competitive and attractive rates.

(b) Current accounts - These are non-interest-bearing accounts that are due on demand. They are operated by both individuals and institutions with the use of a cheque book. They are subject to transaction activity fees and/or monthly maintenance charges.

(c) Savings accounts - These are deposits accounts designed for the average income earner that enables one to save some money and earn interest. The more one saves, the higher the interest. Interest on minimum monthly balances is paid into the account bi-annually.

(d) Transaction deposits - These are non-interest-bearing accounts that can be used directly as cash without withdrawal limits or restrictions.

Notes

28 Other liabilities

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Settlement and clearing accounts	21,802	24,478	-	-
Accounts payable and sundry creditors	8,709	14,996	-	-
Accrued expenses	8,046	8,091	81	96
Deferred income	8,179	10,292	-	-
	46,736	**57,857**	**81**	**96**
Current	28,996	32,761	81	96
Non-current	17,740	25,096	-	-
	46,736	**57,857**	**81**	**96**

29 Borrowed funds

Equity Bank (Kenya) Limited (EBKL)				
International Finance Corporation (IFC)	14,952	34,361	-	-
KFW DEG	-	-	-	-
European Investment Bank	10,081	11,835	-	-
Proparco	7,304	27,903	-	-
DEG-CDC-FMO	7,119	7,889	-	-
CDC Group PLC	6,489	3,482	-	-
KFW (Ministry of Finance) - SIPMK	-	13,137	-	-
Overnight borrowings	2,015	-	-	-
International Finance Corporation (IFC)	-	16,275	-	-
	-	-	-	-
Equity Group Holdings Plc (EGH Plc)				
African Development Bank (AfDB)	13,225	16,111	13,225	16,111
Equity Bank (Uganda) Limited (EBUL)				
Inter-bank money market borrowings:	-	4,061	-	-
European Investment Bank	-	633	-	-
Uganda Energy Credit Capitalisation Company	83	173	-	-
ABi Finance	823	1,246	-	-
Equity Bank (Tanzania) Limited (EBTL)				
European Investment Bank	2,181	3,532	-	-
Equity Bank (Rwanda) Limited (EBRL)				
National Bank of Rwanda	5,321	7,469	-	-
Development Bank of Rwanda	261	-		
Overnight borrowings	841	-		
Access Bank	355	241	-	-
EquityBCDC				
European Investment Bank	834	1,405	-	-
ECO Bank		795	-	-
International Finance Corporation (IFC)		47	-	-
FMP	649	-	-	-
	72,533	**150,595**	**13,225**	**16,111**

Notes

29 Borrowed funds (continued)

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Current	8,533	28,597	13,225	-
Non-current portion	64,000	121,998	-	16,111
	72,533	**150,595**	**13,225**	**16,111**
Movement during the year:				
At start of year	150,595	157,542	16,111	12,629
Proceeds from borrowed funds	17,265	42,011	-	-
Repayment of borrowed funds	(85,011)	(57,137)	-	-
Interest charged on borrowed funds	13,227	34,926	1,416	1,427
Interest paid on borrowed funds	(12,101)	(28,403)	(1,527)	(1,300)
Translation differences	(11,442)	1,656	(2,775)	3,355
At end of year	**72,533**	**150,595**	**13,225**	**16,111**

Company

Lender 31 December 2024	Type of loan	Loan balance Shs' millions	Security	Currency	Interest rate	Maturity date	Finance cost recognised in the year Shs' millions
African Development Bank	Long term loan	13,225	Unsecured	USD	6-month SOFR+4.9%	24 December 2027	1,416
31 December 2023							
African Development Bank	Long term loan	16,111	Unsecured	USD	6-month LIBOR+4.9%	24 December 2027	1,427

Notes

29 Borrowed funds (continued)

31 December 2024 – Group

Lender	Type of loan	Loan balance Shs' millions	Security	Currency	Interest rate	Maturity date	Finance cost recognised in the year Shs' millions
IFC B1 & C - Subordinated Debt- EBKL	Long term loan	14,929	Unsecured	USD	6M SOFR+ 5.60%	15-Dec-28	1,774
Proparco- EBKL	Long term loan	7,303	Unsecured	USD	3M SOFR +2.85%	15-Jul-27	674
CDC Group PLC- EBKL	Long term loan	6,512	Unsecured	USD	6M SOFR+ 4.85%	15-Dec-28	722
European Investment Bank- EBKL	Long term loan	6,404	Unsecured	SHS	6.0%	01-Oct-27	1,112
DEG CDC FMO facility A- EBKL	Long term loan	4,450	Unsecured	USD	3M SOFR +2.85%	15-Nov-27	465
DEG CDC FMO facility B- EBKL	Long term loan	2,669	Unsecured	USD	3M SOFR +2.60%	15-Nov-27	271
Overnight borrowings- EBKL	Short term loan	2,016	Unsecured	Various	Various	Various	2,853
European Investment Bank- EBKL	Long term loan	1,853	Unsecured	SHS	7.0%	01-Oct-27	296
European Investment Bank- EBKL	Long term loan	1,824	Unsecured	SHS	8.0%	01-Apr-28	264
IFC - Subordinated Debt - EBKL	Long term loan	-	Unsecured	USD	6M SOFR + 5.00%	15-Mar-26	1,090
KFW DEG- EBKL	Long term loan	-	Unsecured	USD	3M SOFR +5.00%	15-Aug-26	908
KFW (Ministry of Finance) - SIPMK- EBKL	Long term loan	-	Unsecured	SHS	4%	30-Dec-24	-
Africa Development Bank - EGH	Long term loan	13,225	Unsecured	USD	6M SOFR+ 4.9%	24-Dec-27	1,416
National Bank of Rwanda- EBRL	Short term loan	3,499	Unsecured	RWF	8.0%	17-Aug-25	41
National Bank of Rwanda -EBRL	Medium term Loan	1,503	Unsecured	RWF	2.0%	Various	45
GT Bank-EBRL	Short term loan	654	Unsecured	RWF	8.0%	30-Dec-24	130
Access Bank- EBRL	Short term loan	355	Unsecured	RWF	8.0%	27-Dec-24	31
Access to Finance for Recovery and Resilience -EBRL	Medium term Loan	319	Unsecured	RWF	2.0%	Various	4
NCBA- EBRL	Short term loan	187	Unsecured	RWF	8.0%	30-Dec-24	52
Development Bank of Rwanda- EBRL	Short term loan	93	Unsecured	RWF	0.0%	17-May-19	-
Development Bank of Rwanda -EBRL	Short term loan	93	Unsecured	RWF	2.0%	02-Jul-20	2
Development Bank of Rwanda -EBRL	Short term loan	75	Unsecured	RWF	2.0%	19-Aug-22	2
European Investment Bank (EIB)-EBTL	Long term loan	2,181	Unsecured	TZS	5.5%	27-Oct-27	201
FPM - EBCDC	Medium term Loan	649	Unsecured	USD	4.0%	28-Jun-28	38
European Investment Bank -EBCDC	Medium term Loan	491	Unsecured	USD	4.7%	20-Apr-27	22
European Investment Bank -EBCDC	Medium term Loan	336	Unsecured	USD	5.2%	20-Apr-27	22
European Investment Bank -EBCDC	Medium term Loan	7	Unsecured	USD	5.2%	20-Apr-27	-
Central Bank of Congo -EBCDC	Short term loan	-	Unsecured	USD	3.0%	24-Apr-24	32
Trust Merchant Bank - EBCDC	Short term loan	-	Unsecured	USD		12-Jul-24	2
ABi Finance-EBUG	Short term loan	447	Unsecured	USHS	11.0%	22-Dec-27	372
ABi Finance-EBUG	Short term loan	289	Unsecured	USHS	11.0%	26-May-28	240
ABi Finance-EBUG	Short term loan	87	Unsecured	USHS	11.0%	26-May-28	72
Uganda Energy Credit Capitalisation Company-EBUG	Short term loan	83	Unsecured	USHS	5.0%	21-Nov-26	69
SofiBank - EBCDC	Short term loan	-	Unsecured	USD		22-Jan-24	5
		72,533					**13,227**

Following management's strategic decision to early repay USD 100 million IFC and USD 100 million DEG debt in the year ended 31 December 2024, the Group's ratio for one of the counterparties (counterparty borrowing/total tier 2 debt) increased to 52% against a debt covenant requirement of 50% as at 31 December 2024. The Group and Company had not received a waiver for the breached debt covenant requirement and as a result, the borrowing has been classified as current within the Group and Company liquidity risk notes.

Notes

29 Borrowed funds (continued)

31 December 2023 – Group

Lender	Type of loan	Loan balance Shs' millions	Security	Currency	Interest rate	Maturity date	Finance cost recognised in the year Shs' millions
International Finance Corporation (IFC), EBKL Sub Debt	Long term loan	16,209	Unsecured	USD	6M SOFR + 5.00%	15-Mar-26	
International Finance Corporation (IFC), B1 & C sub debt	Long term loan	18,152	Unsecured	USD	3M SOFR +2.85%	15-Dec-28	2,023
CDC Group PLC, EBKL	Long term loan	7,889	Unsecured	USD	6M SOFR+ 4.85%	15-Dec-28	820
KFW-DEG, EBKL	Long term loan	16,358	Unsecured	USD	6M SOFR + 5.00%	15-Aug-26	1626
Proparco, EBKL	Long term loan	11,835	Unsecured	USD	6M SOFR + 2.85%	15-Jul-27	942
Africa Development Bank, EGH Plc	Long term loan	16,111	Unsecured	USD	6M SOFR + 4.9%	24-Dec-27	1408
European Investment Bank, EBKL	Long term loan	2,471	Unsecured	SHS	Fixed 6.97%	1-Oct-27	190
European Investment Bank, EBKL	Long term loan	2,433	Unsecured	SHS	Fixed 7.74%	1-Apr-28	170
European Investment Bank, EBKL	Long term loan	8,233	Unsecured	SHS	Fixed 6.31%	1-Oct-27	695
KFW (Ministry of Finance) – SIPMK, EBKL	Long term loan	6	Unsecured	SHS	Fixed 4%	30-Dec-24	33
DEG-CDC-FMO-Facility A, EBKL	Long term loan	7,213	Unsecured	USD	3M SOFR + 2.85%	15-Nov-27	672
DEG-CDC-FMO-Facility B, EBKL	Long term loan	4,326	Unsecured	USD	3M SOFR + 2.60%	15-Nov-27	390
Overnight Borrowings by EBKL	Short term loan	19,757	Unsecured	Various	Various	Various	4,314
National Bank of Rwanda, EBRPLC	Medium term loan	616	Unsecured	RWF	8.00%	12 August, 2024	48
National Bank of Rwanda, EBRPLC	Medium term loan	2,211	Unsecured	RWF	8.00%	13 October, 2024	171
National Bank of Rwanda, EBRPLC	Medium term loan	1,360	Unsecured	RWF	8.00%	5 January, 2024	121
Access Bank	Short term	241	Unsecured	RWF	8.00%	3 January, 2024	21
National Bank of Rwanda-(COVID-19 Economic Recovery Fund), EBRPLC	Short term	3,282	Unsecured	RWF	0% to 2%	16 October, 2035	88
Uganda Energy Credit Capitalisation Company, EBUL	Medium term loan	173	Unsecured	USHS	5.00%	21-Nov-26	9
European Investment Bank, EBUL	Medium term loan	633	Unsecured	USHS	10.83%	20-Oct-24	69
ABi Finance, EBUL	Medium term loan	1,246	Unsecured	USHS	11.20%	22-Dec-27	140
Overnight Borrowings by EBUL	Short term loan	4,061	Unsecured	Various	Various	Various	18
European Investment Bank, EBTL	Medium term loan	3,532	Unsecured	USD	5.46%	20-Oct-27	193
European Investment Bank, EquityBCDC	Medium term loan	1,405	Unsecured	USD	Between 4.67 % to 5.23%	20-Apr-27	131
ECO Bank	Medium term loan	795	Unsecured	USD	4%		23
International Finance Corporation (IFC), EquityBCDC	Medium term loan	47	Unsecured	USD	6%	7-Oct-24	4
		150,595					**15,951**

Notes

30 Retirement benefits obligation – Defined benefit plan

The Group has an unfunded defined benefit plan for the employees in DRC and South Sudan.

Movement in retirement benefit obligations:	**2024** **Shs' millions**	**2023** **Shs' millions**
At start of year	2,262	1,856
IAS 29 cost restatement	2,642	
Interest cost	120	158
Past service cost	96	104
Benefits paid by the plan	(332)	-
Recognised actuarial gains	(2,270)	185
Translation differences	(355)	(41)
Present value of unfunded obligations	**2,163**	**2,262**

The net charge recognised in the income statement / other comprehensive income is as follows:		
Interest cost (profit or loss)	120	158
Recognised actuarial cost (OCI)	(2,270)	185
IAS 29 cost restatement	2,642	-
Past service cost (profit or loss)	96	104

The movement in the retirement benefit obligations in the statement of financial position is as follows:		
At start of year	2,262	1,856
IAS 29 cost restatement	2,642	-
Employer contributions	(332)	-
Charge to income statement	216	262
Charge to the OCI	(2,270)	185
Translation differences	(355)	(41)
At end of year	**2,163**	**2,262**

Summary of benefit and contribution structure		
Eligible and active members (Number)	2,120	1,662
Normal retirement age (Years)	65	65

Key assumptions

The principal actuarial assumptions used at the reporting date were:	**2024** **% pa**	**2023** **% pa**
Discount rate	6.4	6.3
Expected rate of salary increase	3	3
Inflation	3	3
Mortality rate	0.98	0.98

These assumptions are likely to change in the future and this will affect the value placed on the liabilities.

Impact		**Shs' millions**
Discount rate (+/-1% movement)	+/-0.5	+/-103
Inflation rate (+/-2% movement)	+/-1	+/-75

Notes

31 Share capital and reserves

	Group		Company	
(a) Share capital	**2024 Shs' millions**	**2023 Shs' millions**	**2024 Shs' millions**	**2023 Shs' millions**
Authorised - 4,114,196,688 (2023: 4,114,196,688) ordinary shares of Shs 0.5 each	2,057	2,057	2,057	2,057
Issued and fully paid - 3,773,674,802 (2023: 3,773,674,802) ordinary shares of Shs 0.5 each	1,887	1,887	1,887	1,887
Movement in ordinary shares				
At start and end of year (3,773,674,802)	3,774	3,774	3,774	3,774
In monetary terms:				
At start and end of year	1,887	1,887	1,887	1,887

The shareholders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

(b) Share premium

Share premium arose from the issue of shares at a price higher than the par value of the shares.

(c) FVOCI reserve

The fair value through other comprehensive income (FVOCI) reserve is attributable to marking to market of investment securities classified under the FVOCI category. All unrealised gains and losses are recognised in other comprehensive income and credited to FVOCI reserve until the investment is derecognised at which time the cumulative gain or loss is recognised in profit or loss, or the investment is determined to be impaired, when the cumulative loss is reclassified from the FVOCI reserve to profit or loss.

(d) Statutory loan loss reserve

The loan loss reserve represents excess of the loans and advances impairment provision determined in accordance with the Central Banks of Rwanda and Uganda prudential guidelines compared with the requirements of IFRS 9 - Financial instruments: Recognition and measurement. This amount is not available for distribution.

(e) Other reserves

The other reserves represent pre-acquisition reserves from Equity Bank Uganda Limited and actuarial gains/losses from revaluation of defined benefit obligation. This amount is not available for distribution.

(f) Foreign currency translation reserve

The foreign exchange translation reserve represents translation of the financial statements of the subsidiaries from respective currencies to Kenya Shillings. This amount is not available for distribution.

Notes

31 Share capital and reserves (continued)

(g) Dividends

The following dividends were declared and/or paid by the Company. Cash dividends on ordinary shares declared and paid:

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
2024 dividend declared and paid: Shs (4 per share) (2023: Shs (4 per share)	**15,095**	15,095	**15,095**	15,095

Proposed dividends on ordinary shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 December.

There is no income tax consequence arising from the retention or distribution of the retained earnings during the year.

32 Related parties and related party transactions

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Group (including subsidiaries) and its employees. The Group considers the Board of Directors, executive and non-executive Directors, to be key management personnel for the purposes of IAS 24 - related party disclosures.

The Group enters into transactions, arrangements and agreements involving directors, senior management and their related concerns in the ordinary course of business.

(a) Loans to key management personnel

	Group	
	2024 Shs' millions	2023 Shs' millions
At start of year	3,673	2,988
Interest charged	158	149
Loans disbursed	1,398	1,060
Repayments	(1,813)	(954)
Translation differences	(434)	430
At end of year	**2,982**	**3,673**
Current	66	66
Non – current	2,916	3,607
Total	**2,982**	**3,673**

Notes

32 Related parties and related party transactions (continued)

(b) Loans to employees

	Group	
	2024 Shs' millions	2023 Shs' millions
At start of year	16,126	13,618
Interest charged	755	713
Loans disbursed	7,541	6,187
Repayments	(5,177)	(5,295)
Translation differences	(330)	903
At end of year	**18,915**	**16,126**
Current	249	251
Non – current	18,666	15,875
Total	**18,915**	**16,126**

The loans are secured by property mortgage and are repayable in a period of up to 25 years at an average interest rate of 6% to 10% per annum.

(c) Loans to associates of key management personnel

	Group	
	2024 Shs' millions	2023 Shs' millions
At start of year	7,088	7,088
Interest charged	964	1,077
Loans disbursed	117	369
Repayments	(1,341)	(1,616)
Translation differences	(93)	139
At end of year	**6,735**	**7,057**
Current	3	83
Non – current	6,732	6,974
Total	**6,735**	**7,057**

These are loans to associates of executive and non-executive directors. The total amount of loans and advances granted was in ordinary course of business. There were no provisions for doubtful debts related to the amount of outstanding balances and no expense was recognised during the year in respect of bad or doubtful debts due from related parties.

Notes

32 Related parties and related party transactions (continued)

(d) Key management personnel compensation

	Group	
	2024 Shs' millions	2023 Shs' millions
Remuneration to executive directors:		
Company*	253	228
Group**	2,320	1,654
Remuneration to key management	6,789	6,259
	9,362	**8,141**

* Remuneration to the executive directors of the parent Company, Equity Group Holdings Plc

** Remuneration to the executive directors of the subsidiary companies in the Group.

	Group	
	2024 Shs' millions	2023 Shs' millions
Remuneration to key management:		
Salaries and short-term benefits	6,789	5,882
Pension	524	377
	7,313	**6,259**

(e) Directors' emoluments

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Directors of EGH Plc				
As executives	253	228	-	-
Fees for non-executive directors	76	91	75	148
	329	**319**	**75**	**148**
Directors of subsidiaries who are not directors of EGH Plc:				
As executives	1,862	413	-	-
Fees for non-executive directors	227	58	-	-
	2,089	**471**	**-**	**-**

In addition to their salaries, the Group also contributes to a post-employment defined contribution plan and the National Social Security Fund for Kenya, Tanzania, Uganda and Democratic Republic of Congo employees. The Group also contributes to the Rwanda Social Security Fund for Rwanda employees and to a private pension fund for employees in South Sudan.

(f) Due from related parties

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Equity Group Foundation	67	141		
Equity Investment Bank Limited	-	-	-	3
Equity Bank Kenya Ltd	-	-	-	100
Equity Bank Rwanda Ltd	-	-	903	2
Equity Group Insurance Holdings Limited	-	-	-	800
	67	**141**	**903**	**905**

Notes

32 Related parties and related party transactions (continued)

(g) Due to related parties

	Group		Company	
	2024 Shs' millions	2023 Shs' millions	2024 Shs' millions	2023 Shs' millions
Equity Bank (Kenya) Limited	-	-	14,487	13,485
Equity Investment Services Limited	-	-	420	420
Equity Bank Rwanda Ltd	-	-	53	81
Equity Group Insurance Holdings Limited	-	-	198	-
	-	**-**	**15,158**	**13,986**

(h) Dividend income from subsidiaries

Equity Bank (Kenya) Limited	17,500	14,500
Equity Bancassurance Intermediary Limited	-	300
Equity Bank (South Sudan) Limited	410	-
Equity Investment Bank Limited	-	100
Finserve Africa Limited	-	320
Equity Bank Uganda Limited*	1,046	-
Equity Bank Rwanda Plc	1,508	1,245
	20,464	**16,465**

Related parties are only the subsidiary companies in addition to Equity Group Foundation, which is a related party by virtue of common directorship. Transactions with related parties are carried out in the normal course of business. The outstanding balances as at year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party payables or receivables. For the year ended 31 December 2024, the Group has not recorded any impairment loss on receivables relating to the amounts owed by related parties (2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

*Relates to scrip dividend received as a result of capitalising EBUL retained earnings (Note 19 a)

Notes

33 Cash flows from operating activities

		Group	
		2024	2023
	Notes	Shs' millions	Shs' millions
Profit before income tax		60,741	51,879
Adjustments for:			
Depreciation and amortisation	12	8,151	7,321
Gain on disposal of property and equipment		(434)	(18)
Loss on disposal of intangible assets		-	(91)
Loss/(gain) on disposal of right-of-use assets		-	68
Credit impairment charges	13	27,667	35,590
Fair value (gain) / loss	22(d)	(2,440)	783
Interest expense on term borrowings	6	13,867	34,926
Interest expense on lease liabilities	6	971	841
Defined benefit plan costs	30	216	262
Operating profit before changes in operating assets and liabilities		**108,739**	**131,561**
Movements in:			
Investment securities at FVTPL	23	(8,172)	(2,754)
Loans and advances	22	40,477	(217,264)
Other assets	24	7,687	(3,523)
Insurance contract assets	25(a)	(32)	(138)
Deposits from customers	27	43,159	306,066
Related party balances	32(b)	-	(40)
Insurance contract liabilities	25 (b)	2,991	13,968
Other liabilities	28	(11,121)	20,152
Employee benefit obligations	28	(99)	406
Movement in restricted cash balances	21a	2,293	(10,948)
Revaluation of derivatives	38	(88)	777
Cash flows from operating activities		**185,834**	**238,263**

Notes

34 Earnings per share

The calculation of basic earnings per share for the Group at 31 December 2023 is based on the profit attributable to ordinary shareholders of Shs 46,563 million (2022: Shs 41,977 million) and the weighted average number of ordinary shares outstanding of 3,774 million (2022: 3,774 million).

	Group	
	2024 Shs' millions	2023 Shs' millions
Profit for the year attributable to equity shareholders	46,549	41,977
Number of shares: (in millions)		
Issued and weighted average number of ordinary shares at start and end of year: 3,774(2022: 3,774)	3,774	3,774
Basic and diluted earnings per share (in Kenya Shillings)	**12.34**	**11.12**

35 Off-balance sheet contingencies and commitments

Group

In the ordinary course of business, the Group conducts business involving guarantees, acceptances and performance bonds. These facilities are offset by corresponding obligations of third parties. At the year end, the contingencies were as follows:

	Group	
	2024 Shs' millions	2023 Shs' millions
Guarantees and standby letters of credit	122,748	140,357
Letters of credit, acceptances and other documentary credits	50,152	113,133
	172,900	**253,490**

Commitments contracted for at the reporting date but not recognised in the financial statements are as follows:

	Group	
	2024 Shs' millions	2023 Shs' millions
Capital commitments	1,752	10,412
Loans approved but not disbursed	29,770	6,152
	31,522	**16,564**

Notes

35 Off-balance sheet contingencies and commitments (continued)

The table below shows the contractual expiry by maturity of the Group's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Group – 2024	0 - 3 months Shs' millions	3 - 6 months Shs' millions	6 - 12 months Shs' millions	1 - 5 Years Shs' millions	Total Shs' millions
Guarantees and standby letters of credit	55,818	12,420	21,255	33,255	122,748
Letters of credit, acceptances and other documentary credits	33,395	13,207	3,402	148	50,152
Capital commitments	-	-	1,752	-	1,752
Loans approved but not disbursed	25,891	3,410	191	278	29,770
Total commitments and guarantees	**115,104**	**29,037**	**26,600**	**33,681**	**204,422**

Group – 2023	0 - 3 months Shs' millions	3 - 6 months Shs' millions	6 - 12 months Shs' millions	1 - 5 Years Shs' millions	Total Shs' millions
Guarantees and standby letters of credit	48,110	15,028	48,485	28,734	140,357
Letters of credit, acceptances and other documentary credits	85,114	19,621	7,582	816	113,133
Capital commitments	53	57	9,981	321	10,412
Loans approved but not disbursed	4,119	1,766	83	184	6,152
Total commitments and guarantees	**137,396**	**36,472**	**66,131**	**30,055**	**270,054**

Contingent liabilities – Litigation

The Group has established protocol for dealing with such legal claims. Once professional advice has been obtained and the amount of damages reasonably estimated, the Group makes provisions to account for any adverse effects which the claim may have on its financial standing.

36 Retirement benefit obligations – Defined contribution schemes

The Group contributes to statutory defined contribution pension schemes (the National Social Security Fund (NSSF)), for Kenya, Tanzania, Uganda and Democratic Republic of Congo employees. The Group also contributes to the Rwanda Social Security Fund for Rwanda employees and to a private pension fund for employees in South Sudan. The contributions are determined by local statutes and are charged to the profit or loss.

	Group	
	2024 Shs' millions	2023 Shs' millions
National Social Security Fund	917	865
Pension Scheme	1,005	914
	1,922	**1,779**

Notes

37 Segment information

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

i) Operating segments

The Group provides financial services to individuals, small and medium sized enterprises and large enterprises in each of the banking subsidiaries. For management purposes, the results of each business unit (entity) is reviewed separately for the purpose of making decisions.

The Group operates in six geographical markets that is Kenya, Uganda, South Sudan, Rwanda, Tanzania and Democratic Republic of Congo. The table below shows the distribution of the Group's total assets, net interest income, total operating income, total expenses and profit before income tax.

Statement of Financial Position

For the year ended 31 December 2024

Shs million	Kenya	Tanzania	South Sudan	Uganda	Rwanda	DRC	Elimination	Total
Cash and short-term funds	158,184	13,492	18,465	30,479	39,296	314,363	(229,671)	344,608
Loans and advances	422,259	26,030	788	46,225	52,016	271,918	-	819,236
Other assets	605,665	16,686	1,408	42,557	32,989	70,201	(128,724)	640,782
Total assets	**1,186,108**	**56,208**	**20,661**	**119,261**	**124,301**	**656,482**	**(358,395)**	**1,804,626**
Customer deposits	841,547	44,370	12,023	98,270	92,683	542,164	(229,671)	1,401,386
Borrowed funds	61,185	2,181	-	910	6,779	1,478	-	72,533
Other liabilities	55,956	1,911	3,663	5,292	8,440	38,972	(29,004)	85,230
Shareholders' funds	227,420	7,747	4,976	14,788	16,399	73,868	(99,721)	245,477
Total liabilities and shareholders' funds	**1,186,108**	**56,209**	**20,662**	**119,260**	**124,301**	**656,482**	**(358,396)**	**1,804,626**

For the year ended 31 December 2023

Shs million	Kenya	Tanzania	South Sudan	Uganda	Rwanda	DRC	Elimination	Total
Cash and short-term funds	122,753	11,912	21,086	40,706	31,952	262,228	(201,381)	289,256
Loans and advances	448,741	30,364	710	68,402	53,467	285,694	-	887,378
Other assets	584,332	18,311	595	47,476	42,297	76,186	(124,396)	644,801
Total assets	**1,155,826**	**60,587**	**22,391**	**156,584**	**127,716**	**624,108**	**(325,777)**	**1,821,435**
Customer deposits	772,742	46,840	14,956	123,510	96,999	504,566	(201,381)	1,358,232
Borrowed funds	130,993	3,531	-	6,113	7,710	2,247	-	150,594
Other liabilities	53,004	2,243	2,388	9,116	6,014	47,416	(25,706)	94,475
Shareholders' funds	199,087	7,973	5,047	17,845	16,993	69,879	(98,690)	218,134
Total liabilities and shareholders' funds	**1,155,826**	**60,587**	**22,391**	**156,584**	**127,716**	**624,108**	**(325,777)**	**1,821,435**

Notes

37 Segment information (continued)

Income statement

For the year ended 31 December 2024

Shs million	**Kenya**	**Tanzania**	**South Sudan**	**Uganda**	**Rwanda**	**DRC**	**Elimination**	**Total**
Interest income	123,432	5,059	280	15,053	10,195	41,485	(10,160)	185,344
Interest ex-pense	(52,356)	(1,951)	(66)	(5,263)	(2,575)	(9,524)	10,160	(61,575)
Net interest income	71,076	3,108	214	9,790	7,620	31,961	-	123,769
Net fees and commission income	8,442	954	1,031	2,557	2,317	16,962	-	32,263
Other income	34,451	1,011	7,174	2,061	1,911	7,115	(27,154)	26,569
Impairment	(10,442)	(796)	5	(3,160)	(305)	(6,122)	-	(20,820)
Depreciation and armotisation	(4,245)	(308)	(65)	(985)	(400)	(1,876)	(272)	(8,151)
Operating expenses	(49,010)	(2,429)	(6,702)	(9,795)	(3,354)	(27,989)	6,390	(92,889)
Profit before income tax	**50,272**	**1,540**	**1,657**	**468**	**7,789**	**20,051**	**(21,036)**	**60,741**
Tax	(4,540)	(376)	(381)	138	(2,348)	(4,410)	-	(11,917)
Profit after tax	**45,732**	**1,164**	**1,276**	**606**	**3,379**	**15,641**	**(21,036)**	**48,824**

For the year ended 31 December 2023

Shs million	**Kenya**	**Tanzania**	**South Sudan**	**Uganda**	**Rwanda**	**DRC**	**Elimination**	**Total**
Interest income	109,665	4,809	241	15,170	7,917	32,381	(5,968)	164,215
Interest expense	(41,733)	(1,991)	(24)	(5,629)	(1,402)	(6,381)	5,968	(51,192)
Net interest income	67,932	2,818	217	9,541	6,515	26,000	-	113,023
Net fees and commission income	7,199	704	1,208	3,556	1,293	14,984	-	28,944
Other income	30,876	888	2,493	2,669	925	10,968	(21,459)	27,360
Impairment	(22,098)	(909)	35	(4,818)	(5)	(5,942)	-	(33,737)
Depreciation and armotisation	(3,705)	(358)	(93)	(1,005)	(276)	(1,645)	(238)	(7,320)
Operating expenses	(40,840)	(2,512)	(851)	(8,648)	(2,733)	(25,727)	4,920	(76,391)
Profit before income tax	**39,364**	**631**	**3,009**	**1,295**	**5,719**	**18,638**	**(16,777)**	**51,879**
Tax	1,412	(70)	(896)	(29)	(1,321)	(6,530)	(708)	(8,142)
Profit after tax	**40,776**	**561**	**2,113**	**1,266**	**4,398**	**12,108**	**(17,485)**	**43,737**

Interest income is reported net as management primarily relies on net interest revenue as a performance measure, not the gross income and expense. No revenue from transactions with a single external customer or counter party amounted to 10% or more of the Group's total revenue in 2024 or 2023. The Group's operating segments are reported based on financial information provided to the Strategy and Investment Committee which is the key management committee and represents the decision making organ.

Notes

38 Derivative financial assets and liabilities

The table below shows the fair values of currency forwards and swaps recorded as assets or liabilities together with their notional amounts. The notional amount, recorded gross, is the amount of a currency forward or swap's underlying off balance sheet asset / liability and is the basis upon which changes in the fair values of currency forwards and swaps are measured. The notional amounts indicate the volume of transactions outstanding at the year-end and are indicative of neither the market risk nor the credit risk.

	Notional amount asset	Notional amount liability	Fair value of asset	Fair value of liability	Notional amount asset	Notional amount liability	Fair value of asset	Fair value of liability
	2024				2023			
Group	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**	**Shs' millions**
Forward exchange contracts	1,910	1,744	1,910	1,744	1,841	1,841	1,841	1,823
Swaps	366	349	366	349	13,666	13,666	13,666	13,590
Spot	392	391	392	391	643	643	643	641
	2,668	**2,484**	**2,668**	**2,484**	**16,150**	**16,150**	**16,150**	**16,054**

The Group has netting agreements in place with counterparties to manage the associated credit risks. These netting agreements and similar arrangements generally enable the counterparties to off-set liabilities against available assets received in the ordinary course of business and / or in the event of the counterparty's default. The offsetting right is a legal right to settle, or otherwise eliminate all or a portion of an amount due by applying an amount receivable from the same counterparty against it, thus reducing credit exposure.

The table below summarises the currency forwards and swaps subject to offsetting and enforceable netting agreements whose net amounts are presented in other assets.

	2024			2023		
	Fair value of asset	Fair value of liability	Net amount presented	Fair value of asset	Fair value of liability	Net amount presented
	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Forward Exchange contracts	1,910	1,744	166	1,841	1,823	18
Swaps	366	349	17	13,666	13,590	76
Spot	392	391	1	643	641	2
	2,668	**2,484**	**184**	**16,150**	**16,054**	**96**

39 Fiduciary activities

The Group provides custody, trustee, corporate administration, investment management and advisory services to third parties, which involve the Group making allocation and purchase and sale decisions in relation to a wide range of financial instruments. These financial instruments comprise deposits with financial institutions, government securities and quoted and unquoted securities, among others. Those assets that are held in a fiduciary capacity are not included in these financial statements. Some of these arrangements involve the Group accepting targets for benchmark levels of returns for the assets under the Group's care. These services give rise to the risk that the Group will be accused of maladministration or under-performance. with a value of Shs 303,098 billion (2023: Shs 213.191 billion). The income for the period for custodial services was Shs 203,533 million (2023: Shs 176,165 million) while the expenses amounted to Shs 47,651 million (2023: Shs 76.884 million).

40 Impact of Hyperinflationary accounting

For the financial year ended 31 December 2024, the directors evaluated and determined the economy of South Sudan to be hyperinflationary. As a result of this, Equity Bank South Sudan Limited, a significant foreign subsidiary of the Group complied with the requirements of IAS 29 - Financial reporting in Hyperinflationary Economies on the individual financial statements for the year ending 31 December 2024. The standard requires significant judgments to be made by the financial statement preparer considering guidelines provided in IAS 29. Consequently, for the individual entity, the financial statements and corresponding figures for previous periods are restated for the changes in the general purchasing power of the functional currency, and as a result are stated in terms of the measuring unit current at the end of the reporting period. The consolidated financial statements have been adjusted to reflect changes in Equity Bank South Sudan as indicated above.

The Directors considered the following factors in determining and concluding that the South Sudan economy was hyperinflationary:

a. The population's preference to keep wealth in non-monetary assets or a relatively stable foreign currency;

b. Prices for credit transactions being set at levels to compensate for expected loss of purchasing power during the credit period;

c. Interest rates and wages are frequently adjusted to compensate the loss of purchasing power; and

d. There has been a significant change in the inflation data; the WEO report issued in April 2024 showed that three-year cumulative inflation was expected to increase significantly, and the WEO report issued in October 2024 shows that three-year cumulative inflation will increase to 368% in 2024 and 534% in 2025.).

CPI as at December 2022	13,622
CPI as at December 2023	14,406
CPI as at December 2024	**50,821**
Average CPI in 2022	15,662
Average CPI in 2023	16,036
Average CPI in 2024	**30,614**

Gain/(loss) in monetary Position 2024	**1-Jan-2024** **Shs' millions**	**Net Change in Monetary Items** **Shs' millions**	**31-Dec-2024** **Shs' millions**
Cash and cash equivalents and deposits in financial institutions	4,743	13,834	18,577
Loans and advances to customers	160	633	793
Amounts due from group companies	13	50	63
Other assets	25	290	315
Customer deposits	(3,364)	(12,029)	(15,393)
Current income tax	(31)	(15)	(46)
Amounts due to group companies	(67)	3,001	2,934
Employee benefit obligations	-	(160)	(160)
Lease liabilities	(82)	(856)	(938)
Other liabilities	(115)	(897)	(1,012)
Net monetary assets	**1,282**	**3,851**	**5,133**
Expressed in purchasing power at 31 December 2024	4,522	6,393	10,915
Loss in monetary position	(3,240)	(2,542)	(5,782)

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BOARD OF DIRECTORS PROFILES

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

PROF. ISAAC MACHARIA

Boards: Non- Executive Chairman, Equity Group Holdings PLC,

Prof. Isaac holds a Master of Medicine in Otorhinolaryngology, Bachelor of Medicine and Bachelor of Surgery from the University of Nairobi and is a Fellow of the College of Surgeons of East, Central and Southern Africa (COSECSA). He is a Professor of ENT, Head and Neck Surgery at the University of Nairobi. Isaac is the East African regional advisor for CBM in Ear and Hearing Care as well as the past Regional Secretary for Africa and the Middle East for the International Federation of Otorhinolaryngological Societies (IFOS). He is a past President of the Pan African Federation of Otorhinolaryngological Societies (PAFOS) and is a member of The Starkey Hearing Foundation Global Initiative Advisory Board. Prof Macharia was the founder Chairman of the Allergy Society of Kenya and the Cochlear Implant Group of Kenya (CIGOK). He is Chairman of Savannah Informatics, Jadala Investments and Co-founder as well as Chairman, Otolaryngology Associates and Nairobi ENT Clinic.

DR. JAMES MWANGI, CBS

Boards: Managing Director and Chief Executive Officer, Equity Group Holdings PLC; Non – Executive Director, Equity BCDC Congo S.A, Finserve Africa Limited, Equity Investment Bank Limited, and Executive Chairman, Equity Group Foundation

James holds six honorary doctorate degrees in recognition of his positive impact on the Kenyan society. He holds a Bachelor of Commerce degree and is a Certified Public Accountant. He has been honored thrice with National Presidential Awards: The First-Class Chief of the Order of the Burning Spear (CBS), the Moran of the Burning Spear (MBS) and Head of State Commendation (HSC).

On the global front, he has won several awards including the G8 Global Vision Award, 2007. He was named among the Top 50 Emerging Market Business Leaders and the 20 most influential people in Africa in 2011; the World Entrepreneur of the Year by Ernst & Young in 2012; the Forbes Africa Person of the Year in 2012 and was recently named in the Bloomberg 50 list of people who defined 2019 globally. He is an honoree of the 2020 Oslo Business for Peace Award, also described as the 'Nobel Prize for Business'.

On the regional front, James was also recognised as the Africa Investor Awards, CEO of the Year in 2009 and 2015; Innovation Leader of the Year in 2012; African Business Leader of the Year in 2013 and African Banker of the Year in 2010, 2011 and 2017 at the African Banker Awards. He was also named the Banker of the Year during the Banker Africa (East Africa) Awards in 2017 and 2018 and named African CEO of the year by the African Business Leadership 2020 Awards and Lifetime Achievement Award 2023 by African Business Leadership Awards. Locally, he has received the Think Business CEO of the Year award for the last 5 years.

James has served on board and advisory roles at the Global Advisory Council for VISA Inc., the Clinton Global Initiative, The G8 New Alliance for Food Security and Nutrition, US President Barack Obama's Initiative for Global Development, the G20 Advisory Board of Agriculture and Initiative for Global Development and The Global Agenda Council on New Economic Thinking of the World Economic Forum from 2003-2007. He also served as the Founding Chair of Kenya's Vision 2030 from inception in 2007 to 2019.

He currently serves on several international bodies as an advisor and was appointed to the Nairobi Advisory Board of Columbia Global Centres. He is a member of the continentwide PACT initiative, a Board member of the Economic Advisory Board of the International Finance Corporation (IFC), The Mastercard MEA Advisory Board, the Africa Leadership Academy in South Africa, the Global Alliance for Food Security and Nutrition. He is also a guest lecturer at Stanford, Columbia, MIT, Harvard, IESE and Lagos Business School where Equity Bank Business Model is a case study. Locally, he served as the founding Chancellor Meru University of Science and Technology and the Chairman of the Health Committee of Kenya COVID-19 Fund Board. He is the Chancellor of Open University of Kenya.

He was recently conferred the Freedom of the City of London, one of the world's oldest and most respected civic honours for his decades-long commitment to financial inclusivity, equitable economic development, and empowerment of underserved communities across Africa; joining an exclusive list of global changemakers like Nelson Mandela, Dwight D. Eisenhower, Benjamin Franklin, Winston Churchill, Margaret Thatcher, Archbishop Desmond Tutu and Lee Kuan Yew.

VIJAY GIDOOMAL

Boards: Non-Executive Director, Equity Group Holdings PLC, Non–Executive Chairman, Equity Investment Bank Limited

Vijay holds a Bachelor of Arts– LLB (law) degree from the University of Warwick, UK and qualified as a lawyer from Clifford Chance in the UK in 1992. He has worked in various capacities with Car & General and has seen the company grow regionally with representation in Kenya, Uganda, Tanzania, Rwanda, Burundi, Seychelles, Eritrea, Ethiopia, Djibouti and Somalia. The Company is a listed entity and has investments in automotive and equipment distribution, financial services, real estate, manufacturing and agriculture. Aside from the Equity Group Holdings PLC Board, Vijay is also a board member at Cummins C&G Holdings Ltd; Watu Credit Limited; Ole Pejeta Conservancy; Fincom Ltd among others. He is a member of the Cummins Global Advisory Council and is the Chairman Cummins Middle East & Africa Advisory Council. He is an active member of the Young Presidents Association and is its former Chairman (Kenya Chapter) and former regional board member.

DR. HELEN GICHOHI, MBS, OGW

Boards: Non-Executive Director, Equity Group Holdings PLC, Equity Group Foundation

Helen holds a PhD. in Ecology from the University of Leicester in the UK, MSc (Biology of Conservation) from the University of Nairobi and a B.Ed.(Sc) in Zoology from Kenyatta University respectively. Helen is currently serving as the Ambassador for Conservation in Africa for Fauna and Flora International. She has held various positions including Managing Director of Equity Group Foundation, president of African Wildlife Foundation and Managing Director of African Conservation Center.

She is a recipient of the Charlotte Wyman Trust's Women in Conservation Program, the Order of Great Warrior (OGW) and two awards of the Moran of the Order of the Burning Spear (MBS). She won the Giai Environmental Award in 2012 at The WIFTs Foundation International Visionary Awards. Helen serves on the boards of Bamburi Cement Limited and Ol Pejeta Conservancy and on the Advisory Board of the School of Wildlife Conservation, African Leadership University. She previously served on the boards of Global Africa Wildlife Foundation and Kenya Wildlife Service Boards.

JONAS MUSHOSHO

Boards: Non-Executive Director, Equity Group Holdings PLC, Equity General Insurance (Kenya) Ltd

Jonas holds a Bachelor of Accounting Science from University of South Africa, Bachelor's Degree in Accounting and an MBA from the University of Zimbabwe. He also has postgraduate qualifications from the University of Cape town, Graduate School of Business, London Business School and Harvard Business School among others.

He is a Chartered Accountant and a Fellow of the Institute of Chartered Secretaries and Administrators. He previously served in senior leadership positions in both the private and public sectors. He has led multi-national portfolios in different lines of business, particularly in financial services.

He served as the Chief Executive Officer at Old Mutual Zimbabwe Limited between 2012 and 2019. He also doubled up as the Managing Director for Old Mutual Rest of Africa, where he was responsible for strategy implementation, stakeholder management, investment performance management, governance and compliance and functional effectiveness of the Old Mutual Business in 12 countries in the continent.

He is currently a consultant at Afreximbank as well as Director and Principal Officer Afrexinsure a subsidiary of the bank.

He is currently a Director at Brooks & Oracle, a council member at Zimbabwe Open University and serves as a non-executive director at Delta Corporation.

DR. EVANSON BAIYA

Boards: Non-Executive Director, Equity Group Holdings PLC

Dr. Baiya is a globally recognised consultant and a professional with over 25 years of extensive experience in areas of ICT, innovation, strategy, leadership, fundraising, consultancy, training, strategic partnerships, technology transfer and commercialisation, and digital transformation in North America, Europe, Asia and Africa serving financial services, technology, agriculture, healthcare and pharmaceutical, semiconductor, academia, and government sectors. He has co-authored the books, "The Innovators Advantage", and "Optimizing Strategy for Results," and many articles that appear in international and online publications such as Success Magazine®, Fast Company®, Innovation Management®, and more.

He holds a Doctor of Philosophy in Engineering and Technology Management from Northcentral University, Master of Business Administration from Northwest Nazarene University, Postgraduate courses in Electrical Engineering and chemistry, Bachelor of Science in Chemistry from Idaho State University. He is a graduate of the Executive Program in Business Strategy and Intellectual Property from Harvard Business School. He is the Executive Chairman of the Board of Directors at Venatrust Corporation (Dallas, Texas). He was in the board of advisors of the College of Business in Northwest

Nazarene University, Idaho Global Entrepreneurial Mission, Peace Mentors Inc, and is the Chairman and President of Expansion International Inc, USA. Dr. Baiya is currently the Chief Innovation Officer and MD at Evastrategics, Inc (Software Development and Innovation studio), MD and Business Advisor at Innovator's Advantage, LLC (Innovation consultancy and Executive Training Hub), and MD of OSFR (Strategy consultancy and Executive Coaching).]

SAMWEL KIRUBI

Boards: Executive Director, Equity Group Holdings PLC, Non-Executive Director, Equity Bank Uganda Limited

Samwel is a seasoned executive with extensive experience in strategy execution, operations, corporate governance, marketing, and customer service within the financial services industry. He currently serves as the Group Chief Operating Officer of Equity Group Holdings PLC.

Samwel holds a Master's degree in Business Administration from Moi University and a Bachelor's Degree in Economics and Statistics from Egerton University. He has further enriched his knowledge through prestigious programs, including the Advanced Management Program at Harvard Business School and the Strathmore IESE Business School. With a career spanning over two decades at Equity

Group, Samwel has held various leadership roles across multiple regions. He joined Equity Bank in 1998 and has gained invaluable experience in operations, marketing, and customer service. In 2009, he assumed the role of Chief Operations Officer at Equity Bank South Sudan, contributing to the Bank's growth in that market.

Samwel's leadership capabilities were further recognised when he was appointed as the Founding Managing Director of Equity Bank Rwanda in 2011 successfully creating a greenfield entity. Subsequently, in 2015, he took on the same role at Equity Bank Uganda, where he turned around the subsidiary and put it on a growth path until November 2022 when he was appointed to head operations at the Group. Notably, Samwel's journey with Equity Group began as one of the pioneering interns in the bespoke Equity Leaders Program (ELP), a testament to his dedication and commitment to the organisation.

With his diverse experience, strategic mindset, and proven track record, Samwel is leading Equity Group Holdings PLC's operational excellence initiatives that drive strategy execution and contribute to the organisation's continued growth and success in the global financial landscape.

SAMUEL MWALE

Boards: Non-Executive Director, Equity Group Holdings PLC, Non-Executive Chairman, Equity General Insurance Kenya Limited

Samuel is a businessman and business strategy and public policy advisor. He has held various positions in the public sector including Principal Administrative Secretary & Asst Secretary to Cabinet (Principal Secretary & Deputy to Head of Public Service); Economic Advisor, Presidency; Economic Advisor National Economic and Social Social (NESC; Economic Development Advisor, Ministry of Planning & National Development and Member of Governing Council, NEPAD/ APRM.

Further, he has held other leadership positions in business and philanthropy including Interim President & CEO GiveDirectly Inc (USA); Chairman Millenium Water Alliance MWA (USA); Group CEO Eagle Africa Insurance Brokers Ltd; Independent Director Kenchic Ltd; Independent Director Mitchell Cotts Kenya; Advisory Board Member Talanton Impact Advisors (USA); Trustee & Advisor Kenya Private Sector Alliance (KEPSA) US Representative; Kenya Private Sector Alliance (KEPSA); Independent Director NIC Capital & NIC Securities and Independent Director Jamii Bora Bank.

Samuel holds a Bachelor of Science (Hons) Range Management from the University of Nairobi, Kenya and MSc Agricultural Economics from University of Oxford, UK. Additionally, he has a Certificate in Leaders in Development from Harvard Kennedy School, Harvard University, USA; Certificate in Agricultural and Natural Policy Analysis from Food Research Institute, Stanford University, USA and Diploma in Development Economics (Distinction) from the School of Development Studies, University of East Anglia, UK

FARIDA KHAMBATA

Board: Non-Executive Director, Equity Group Holdings PLC

Farida Khambata is a globally recognised finance and investment leader with a distinguished career in emerging markets, corporate governance, and risk management. She co-founded Cartica Capital, an investment firm specialising in emerging markets, and previously held senior leadership roles at the International Finance Corporation (IFC), where she served as Regional Vice President overseeing investment strategy and operations across Asia, Latin America, and the Caribbean.

With decades of experience in financial markets, Farida played a pivotal role in shaping global investment strategies. She introduced the concept of Frontier Markets, a widely adopted classification that expanded investment opportunities in smaller, high-growth economies. At IFC, she managed a $14 billion portfolio, led risk oversight, and spearheaded initiatives in capital market development and corporate governance.

Farida served on the boards of leading institutions, including Tata Steel Limited, Kotak Mahindra Life Insurance, and Tata Investments Corporation, where she provided strategic guidance on risk, governance, and investment. She has been recognised among the Top 50 Women in Finance by Euromoney and was awarded Best Woman Director by the Asia Centre for Corporate Governance & Sustainability. Currently, she serves on the Board of Dragon Capital, Vietnam.

A Chartered Financial Analyst (CFA), Farida holds a Master's degree in Economics from the University of Cambridge and a Master of Science in Business Management from London Business School. Her extensive expertise in investment strategy, corporate governance, and risk management makes her a key asset to the board, driving long-term value and sustainable growth.

*Retired on June 28, 2024

AMB. ERASTUS J.O MWENCHA, EGH

Boards: Non-Executive Chairman, Equity Bank (Kenya) Limited

Erastus holds an MA in Economics from the University of York and a B.A. (Hons) in Economics from the University of Nairobi. He was decorated by the President of the Republic of Kenya with the highest State commendation, "Elder of the Order of the Golden Heart" (EGH), in recognition of his contribution to national and regional development. He is the Chairperson of the Africa Capacity Building Foundation

(ACBF) and TradeMark East Africa. In January 2008, he was elected as Deputy Chairperson of the African Union Commission by the Heads of State and Governments of the 55 Member States of the African Union and was re-elected in July 2012.

Previously, he served for 10 years as Secretary General for the 21 Member States of the Common Market for Eastern and Southern Africa (COMESA), the first Regional Economic Community to establish a Free Trade Area. Prior to his regional and continental assignments, Erastus served in the Government of Kenya in various senior positions. He is also a board member of Brenthurst Foundation and Coalition for Dialogue on Africa (CoDA).

MOSES OKOTH NYABANDA

Boards: Managing Director, Equity Bank (Kenya) Limited

Moses is the Managing Director of Equity Bank (Kenya) Limited. He has 22 years of deep and broad experience in delivering sustainable strategic value for organisations throughout his consulting career.

Before joining Equity Group, Mr Nyabanda was the Managing Director and Country Senior Partner for PricewaterhouseCoopers (PwC) in Rwanda and a member of PwC Eastern Africa leadership team. He has a proven track record of leading effective teams, strategic planning, driving business growth and delivering impactful solutions to businesses and governments in Kenya, Rwanda, Uganda, and the United Kingdom. He has worked closely with Executive Teams, Boards of Directors, and Senior Government officials to co-create trusted solutions to business challenges and has over the years developed trusted relationships and networks across different markets.

While at PwC, he was responsible for driving operational efficiency including resource planning, digital transformation, innovation, and cost management at PwC Eastern Africa. At Equity Group, Mr Nyabanda is a key member of the executive team who has demonstrated commitment to the Group's corporate philosophies and customer value creation. Throughout his career, Mr. Nyabanda has distinguished himself as a disciplined and thorough professional, demonstrating exceptional leadership in promoting robust control environments and productivity.

ADEMA SANGALE

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Adema graduated top of her class at USIU and went on to receive post-graduate degrees from some of the world's top universities. As a Chevening Scholar, she obtained a Master of Business Administration from Oxford University, UK, and thereafter, a Master's in Public Administration & Public Policy from Harvard Kennedy School of Government, US, as an Edward S. Mason Fellow. She has worked mainly in the private sector for the past 23 years, starting out at Procter & Gamble East Africa where, at 27, she was the youngest regional CEO of a blue-chip company. She subsequently rose to senior leadership positions across Africa, Europe & North America. She has worked at UNEP as Chief of Brand and as a Senior Vice President Africa for a social impact organisation. Most recently she worked in New York as a consultant with UN Women.

She is currently the Managing Partner at C-Suite Africa, a management consultancy firm. Adema has received several nominations and recognitions. In 2012, she was recognised as a New Generation Leader by the African Leadership Network and has been honoured three times as "Top 40 Under 40" by Business Daily. In 2016, she was invited to the Paris-based Institut Choiseul's as one of Africa's top 100 emerging leaders. In 2018 she received the Distinguished Women's Leadership Award and has recently been featured in The Journeys of Women Trailblazers in Kenya, a publication of the Kenya Government. She is passionate about Africa and sits on the Boards of several private and public sector organisations on the continent across various sectors.

PROF. GIDEON JOHN KAMAU MAINA

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Prof. Gideon Maina is currently the Vice Chancellor of Pioneer International University (PIU), a position he has held since 2014. He holds a Bachelor of Arts in Political Science from Maseno University, an MA in Political Science, and International Law from the Harvard Kennedy School (HKS) and a PhD in Political Science/International Law from University of Cape Town, South Africa.

He is scholar in Political Science and International Law with over 20 years of academic research, institutional and administrative expertise in local and international institutions, boards, and task teams. He is a great mentor, an institutional builder, an organisational change strategist and a transformative leadership coach. He has served in top management positions of regional universities as a Dean and later DVC students' affairs- Catholic University of Eastern Africa (CUEA), acting Vice-Chancellor at Catholic University of Eastern Africa, Vice Chancellor of Pioneer International University (PIU), President of Rotary international and Director at Africa Policy Institute's Resources and Environmental Governance Programme. He is the current Chair of the Alliance High School Parents' Association and Board Chair of Nyagatugu Boys High School in Murang'a County.

Prof. Gideon is a consultant on governance, arbitration, bilateral and multilateral negotiations, foreign policy, geopolitics,International Law,International Humanitarian Law at the Kenya Foreign Service Institute, the International Peace Support Training Centre (IPSTC) and the Kenya delegation of ICRC. He is a key consultant at the International Trade Centre, a UN agency that deals with trade enhancement across the globe.

He is also a member of globethics.net, an organisation that works to equip individuals and institutions for ethical thinking, decision making and policy engagement from across-cultural and global perspectives

SAMUEL ONYANGO

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Sammy is a former CEO of Deloitte East Africa. He has extensive audit and advisory experience, having served for over 38 years in various audit and advisory roles and has contributed to the development of the accounting profession in East, Central and Southern Africa through past roles; including as Chair of the Institute of Certified Public Accountants of Kenya and President of the then East, Central and Southern Africa Federation of Accountants (ECSAFA), which he also represented in the International Federation of Accountants (IFAC).

Sammy holds a Bachelor of Commerce, Accounting Option (First Class Honors) from the University of Nairobi and is a Fellow of the Institute of Certified Public Accountants of Kenya (FCPA), a Fellow of the Institute of Chartered Accountants in England & Wales (FCA), Institute of Company Secretaries (ICS) and a Member of the Institute of Certified Public Accountants of Uganda (ICPAU). He also obtained training on Arbitration and Mediation at the International Law Institute, George Town University, Washington DC. He is a Non-Executive Director at British American Tobacco Kenya PLC and a Director at Jadala Investments Ltd.

DR. JULIUS MUIA

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Dr. Muia holds a PhD in Finance from the University of Nairobi, an MBA in Business and Administration and a degree in Bachelor of Commerce (Accounting Option) both from the University of Nairobi and a Diploma in Banking from the Kenya Institute of Banking. Dr. Muia is a finance and public policy expert with vast experience in the private sector, government and academia.

Between 2008-2022, he held senior positions in the government of Kenya as the accounting officer in charge of the national policy think tank (National Economic and Social Council), coordinating the implementation of Kenya's long term development framework (Vision 2030) and the Principal Secretary for the State Department for Planning and the National Treasury. Dr. Muia's wide experience in accounting and governance has seen him serve in various Boards in the capacity of a Board member, company secretary and Chairman. Some of the Boards include: Vision Delivery Board, Lapsset Corridor Development Authority, Central Bank of Kenya, East Africa Development Bank, Equity Bank Kenya Limited, Equity Investment Bank Limited and Action Aid among other entities. He has also served as Alternate Director of the World Bank and Africa Development Bank.

PROF. TIMOTHY WAEMA

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Prof. Waema holds a PhD degree in Strategic Management of Information Systems from the University of Cambridge (UK) and a Bachelor's Honours Degree in Electrical and Electronics Engineering from the University of Bath (UK). He is a Certified Formal Axiologist, Professional Driving Forces Analyst (CPDFA), Professional Behaviours Analyst (CPBA), Professional TriMetrix HD Analyst (CPHDA) and Professional Emotional Quotient Analyst (CPEQA). He is also a certified faculty for The Complete Leader Program and corporate governance trainer. He is a Professor of Information Systems in the School of Computing and Informatics in the University of Nairobi. He has consulted widely in Africa on ICT, strategy development and execution and has been involved in developing national policy and strategy documents relating to ICT and Science, Technology, and Innovation. He has also been key in leading the innovation agenda of the University of Nairobi and has carried out innovation training for numerous organisations in Kenya. He sits in the Council of Strathmore University, Member, Board of Directors of Kenya Medical Research Institute (KEMRI) and is a member of the Advisory Board of the Carnegie Mellon University – Africa in Rwanda, which is the educational anchor tenant for the Kigali Innovation City in Rwanda. He is a Professional Member of the Association for Computing Machinery (ACM), the largest association of IT professionals globally.

FREDRICK MUCHOKI, OGW

Boards: Non-Executive Director, Equity Bank (Kenya) Limited

Fredrick is a businessman with vast commercial experience. He is the Managing Director of Continental Business Systems, Presta and Office Equipment Limited and Mugumo Coffee Ltd.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

PROF. JOHN ADWOK

Boards: Non-Executive Chairman, Equity Bank South Sudan Limited

Prof. Adwok is a consultant General and Endocrine surgeon at the Nairobi Hospital, running a busy general surgical and endocrine clinic with emphasis on diseases of the breast and thyroid gland. He has been a member and chaired various hospital committees in the 35 years he has been affiliated with the hospital as well as a mentor to younger surgical colleagues. Prof. Adwok also serves as a Healthcare Administration Consultant carrying out general advisory services to the presidency in South Sudan and is the founding Chairman of the South Sudan General Medical Council (SSGMC). He was an academician at the University of Nairobi, Faculty of Medicine, for 26 years in the positions of Lecturer, Senior lecturer and Associate Professor in Clinical Surgery until voluntary retirement in 2011 to pursue full time private practice.

Prof. Adwok considers himself a high achiever who is enthusiastic about his work with a tendency to strive for perfection. He holds a Bachelor of Medicine and Surgery (MBBS) degree from the University of Khartoum, Sudan; Master of Medicine and Surgery (MMed. Surg.) from the University of Nairobi; A German Academic Exchange Service (DAAD) sponsored Fellowship in Endocrine Surgery (University of Duesseldorf, Germany); Fellowship of the Royal College of Surgeons of Edinburgh (FRCS Edin.) by examination, and a PhD in Healthcare Administration PhD (HCA) from Capella University, Minnesota, USA. He is an active member and fellow in a number of international surgical bodies including the International Surgical Society, American College of Surgeons, American Society of Breat Surgeons and International Association of Endocrine Surgeons among others."

DR. ABRAHAM MAMER

Boards: Non-Executive Director, Equity Bank South Sudan Limited

Abraham Mamer, (PhD) is an enthusiastic, self-motivated, reliable, responsible, and hard-working individual, with long tracking records, for over 16 years (1999 – 2016) experienced across the Tasman (New Zealand & Australia), during which, he has coordinated the implementation of high-level socio - economics settlement policies that have enabled New Zealand and Australia governments to effectively cater for needs of many thousands of refugees and new immigrants to peacefully resettled in their new countries.

Trained at faculty of Business, Economics and Law, AUT University New Zealand, he has wide experience in business management, public policy studies, research, and evaluation. He was awarded scholarship to study Executive Leadership Performance & Evaluation (ELPE) fellowship at the School of Business and Economics, Melbourne University - Australia. Abraham has been extensively involved in reviewing Corporates and Social Responsibility (CSR) Policies of the Corporate entities such as: Health Alliance, Migrants Resource Centres, Work-and-Income Support, Centre-Link, and Immigration & Resettlement Policies in New Zealand and Australian through the 1990 to 2015. As a result of his tenacious campaign on African Economic Empowerment Policies, he was awarded a prestigious African most influencing person in Australia (opera house 2012). He was appointed by the Australian Federal Government as Co-chair of Ministerial Advisory Committee on African Australian Affairs, (economic inclusion division). Moreover, he has been a resource person and consultant for International Organization for Migration – Melbourne Office. Established South Sudan Investor Corner on South Sudan Broadcaster (SSBC). He has served as Secretary General of South Sudan Investment Authority and is the current Chairman of Tax Recovery Committee, NRA, South Sudan.

MARY AJITH

Boards: Non-Executive Director, Equity Bank South Sudan Limited

Mary holds an LL.B. degree from EL-Neelian University, Khartoum, Sudan, Bar Certificate from Law Development Center, Uganda and Post Graduate Diploma in Human Rights from the University of Juba. Mary has worked with South Sudan Law Society, and also worked in various Gender and Child-Related Organisations, she also worked with Operations Lifeline Sudan during movement and holds a Certificate in Skill for Communicating with Children, Certificate in Gender and Development and an Advanced Certificate in Women, Peace and Security Council Resolution 1325. She serves on the Board of the Episcopal University, Juba and she is a member of drafting of the Confederation Constitution of the EAC as a transition stage to Federation of EAC. She participated in drafting of Conventions and Protocols including AfCFTA, Free Movement of Persons in Africa among others. She is currently the Head of Directorate of Legislation, Ministry of Justice and Constitutional Affairs for the Republic of South Sudan and holds certificates of Legislative drafting and Bills Scrutiny with over 24 years' experience.

DR. BIONG KUOL DENG

Board: Non-Executive Director, Equity Bank South Sudan

Biong is a governance expert, constitutional lawyer, policy analyst, and development expert, by profession, with over twenty-two years of practical experience at the regional and international levels. He acquired this experience through professional, focused, diversified, and intensive work in the fields of legal education, human rights, Constitution and constitutionalism, conflict prevention, management and resolution, democracy and governance, and economic and human development

Academic and Professional Qualifications S.J.D. (Ph.D.) Holder, Madison Law School, University of Wisconsin-Madison. (1988 – 1993)LL.M., Columbia University School of Law, New York, N.Y. Focused on International Law, International Business Transactions, Corporate Law, Conflict of Laws, and Law of Contracts. LL.B., Faculty of Law, Khartoum University, Khartoum, Sudan. Recent Professional ExperienceDean, School of Law, University of Juba, Juba, South Sudan (2022–Present) Head, Department of Private Law, School of Law, University of Juba (2018 – 2021) Chairperson, Public Grievances Chamber, Republic of South Sudan, Juba, South Sudan (2015 – present) Research Fellow, Centre For Strategic and Policy Studies, P.O. Box, Hai Jeberona, Juba, South Sudan (2019 – present) International IDEA Representative to South Sudan. International IDEA, Juba, South Sudan (2011 – 2019) Consultant, Advocate and Commissioner for Oaths, Nimra Talata, Juba, Southern Sudan (2009 – 2011) Various roles as research specialist at the Institute of South Africa (2005 – 2009)

Board Experience: Executive member of Women's Bloc of South Sudan in the Intergovernmental Authority on Development (IGAD). Cohort member and national coordinator South Sudan, Young East African Health Research Scientists (YEARS'). Member of the 9th East African Health Research Commission (EAHSC) Scientific Sub-Committee (RSSC). Member of Steering Committee for Establishment of the Research and Development Framework, Ministry of Higher Education, Science & Technology, Juba, South Sudan. South Sudan (2014-2016). BSc in Chemistry/Biology and Diploma in Education Science - University of Bahr El Ghazal, College of Education, South Sudan (1999-2003)

DR. LINA SARA MATHEW
Boards: Non-Executive Director, Equity Bank South Sudan

A distinguished researcher in pharmacognosy and natural medicine, with a robust background in biology, education, and pharmaceutical research. A dedicated advocate for gender equality and peace, she supports women's leadership and participation in decision-making roles. Her work includes expertise in medical botany, herbal medicine research, and pharmaceutical laboratory studies.

Academic and Professional Qualifications:PhD in Pharmacognosy and Natural Medicine - Mbarara University of Science, Uganda (2017 – 2022). MSc in Biology (Botany) - University of Juba, South Sudan. Professional Experience:Director General of Science, Technology and Innovation - Ministry of Higher Education, Science and Technology, South Sudan (2024 to present). Director of Quality Assurance - University of Bahr El Ghazal (2023 -2024). Assistant Professor of Biology – University of Bahr El Ghazal, College of Education (2008 – to date). Part time Lecturer - University of Juba, College of Education (2015 -2016)

DR. ADDIS ABABA OTHOW
Boards: Managing Director, Equity Bank South Sudan Limited

Dr. Othow holds a Bachelor of Science degree in Economics, a Master's degree in Economic Development and a PhD degree in political economics from Al-Neelain University, Khartoum, Sudan. He also holds a Bachelor's Degree in Finance and Accounting from Hanze University, Groningen, Netherlands, a PhD degree in Business Administration from Faculty of Business and Economics, Atlantic International University, USA and the Advanced Management Programme (AMP) from Strathmore University, Nairobi, Kenya. He has a wide range of experience in banking, accounting, finance, and information systems. Prior to joining Equity Bank, he initially worked as a teaching assistant at Al-Neelain University, Khartoum and was later appointed as a banking inspector, Central Bank of Sudan in 1997. He also worked as an assistant accountant/ auditor at Dubois & Co Chartered Accountants Amsterdam, The Netherlands, and a consultant at South Sudan AntiCorruption Commission, and a Deputy Chairperson of the Board of Trustees of South Sudan Pensions Fund (SSPF). He is also a Part-time adjunct Associate Professor at College of Social & Economics Studies, University of Juba and Chairperson of Rombur National Teachers Training Institute (NTTI). Dr. Othow has also worked as Head of Non-banking Division before he became the Head of Planning, Regulation and Licensing, Central Bank of South Sudan (BSS). He joined Equity Bank in February 2015 and served until August 2022 upon appointment to the BSS as the first Deputy Governor and later rejoining Equity Bank as MD in November 2023.

HELLEN LOTARA
Boards: Non-Executive Director, Equity Bank South Sudan Limited

Hellen holds a Master in Educational Administration & Leadership - Saint Cloud State University, USA , Certificate in Life Insurance, Health and Accident Insurance and Bachelor of Science (BSc) Degree in Public Administration & Major in Management. She has also undergone numerous trainings, in Turin - Italy, Regional Offices & Geneva - Switzerland by International Labour Organization (ILO) and others - Grassroots Peace Buildings, Facilitator and Community. She has worked with Government Institutions for over 25 years, UN Agencies (WFP/UNICEF - 11 years) and 5 Years with other Humanitarian NGOs within the Republic of South Sudan. Her last two Senior Positions included Undersecretary of Labour and Director General for (8) year total with the Ministry of Labour & liaison with ILO.

She has also Participated in Research on "Doing Business" in South Sudan by World Bank - New York - USA from 2010 to-date, organised and Participated in the ILO Tripartite (Governments, Employers and Workers) Annual Conference in Geneva - Switzerland and organised Tripartite conferences in South Sudan. Hellen has made a difference in Government Service through Collaborating with ILO & Humanitarian NGOs in Jobs Creation, Labour Disputes Resolutions, Laws & Policies Development as well as Established WFP Bases, Storages and Created Roads for easy Accessibility. She is an Activist for Change and Problem Solving particularly in Education which has seen her work in difficult unsecured situations with minimal supervision, creative, hard working and team Player with honesty. She is a volunteer member St. Cloud City for Civil Service Commission - USA since 2018. In 2017, Hellen was appointed as Ambassador of World Union of Small and Medium Enterprises (WUSME) to the Republic of South Sudan, a position she holds to date.

MARK OCITTI

Boards: Non-Executive Chairman, Equity Bank Uganda Limited

Mark is currently the Managing Director of Kenya Breweries Limited, a member of the East African Breweries Group. He holds a Bachelor of Statistics degree from Makerere University, Uganda, a Masters in Business Administration degree from the Heriot-Watt University, Edinburgh, UK and an Advanced Management Program certificate from the London Business School.

He is a distinguished C-Suite executive with 30 years of operational and strategic experience gained from working in blue-chip companies in the Downstream Oil, Telecoms and FMCG sectors.

ALLEN SSEBUGWAWO

Boards: Non-Executive Director, Equity Bank Uganda Limited

Allen holds a Bachelor of Commerce degree from Makerere University. She is a Fellow of the Association of Chartered Certified Accountants (FCCA-UK), a member of the Institute of Certified Public Accountants of Uganda (CPA – U) and holds an MBA from the University of New England, Australia.

She is a strategist and business performance leader with a strong commercial, finance and execution background. She started her career as an external auditor for Deloitte and Ernst & Young and thereafter obtained experience across diverse industries such as financial services (JP Morgan and Royal Bank of Canada in Australia) and consumer goods in Uganda and Kenya (EABL and Unga Millers Uganda). She is currently an Entrepreneur, previously the General Manager and a Director for G4S Secure Solutions Uganda Ltd and also founded Zynamics (U) Limited. Prior to that, she held the position of General Manager in Unga Millers, Uganda and spent eight years in EABL/ UBL – DIAGEO in several senior and executive roles in finance and general management, her last role in UBL being Route to Consumer Director. She is also a Trustee of the Duke of Edinburgh's Award in Uganda.

DR. NORAH BWAYA

Boards: Non-Executive Director, Equity Bank Uganda Limited

Norah holds a Bachelor's Degree in Commerce (Accounting) Hons. from Makerere University, is a credentialed Master Certified Coach (MCC) by the International Coaching Federation; with a Doctorate in Executive Performance from Middlesex University, UK.

She is an Executive Coach, Organisation Development and Change Consultant, and Facilitator/trainer with working experience across 4 careers (Accountancy, Marketing, Insurance, Coaching) in 24 countries across 3 continents (Africa, Europe, America). As a coach, she has served top executives in over 100 organisations. She is the Founder of the first coaching firm in Eastern Africa--Coach Africa Ltd. and is a member of the League of East African Directors (LEAD).

Norah has served on a number of boards including Equity Bank, Alliance Africa Insurance Group, Lion Assurance Co., Majestic Brands Ltd. (Buganda Kingdom), Katutandike Uganda, Coach Africa Ltd. and Institute of Work Culture and Ethics.

PAUL SINE

Boards: Non-Executive Director, Equity Bank Uganda Limited

Paul holds a Bachelor of Laws Degree from Makerere University, a Diploma in Legal Practice, as well as professional qualifications in Administration and certifications in Finance. He has demonstrated experience in leading teams and working across different functions such as finance, law, operations, and marketing. He is the current CEO of PMTS Ltd., a distributorship company for three blue chip companies: 2 local subsidiaries of Bharti Airtel, Coca-Cola Beverages Uganda Ltd and Uganda Breweries LTD. He has previously worked for British American Tobacco in Uganda, Kenya, Nigeria and Turkey. Paul has served on the boards of Willis Towers Watson Uganda Insurance Brokers Ltd (Former Chairman), Guarantee Trust Bank Uganda (Non-Executive Director and Chair of Audit Committee) and BAT (as Finance Director 2011- 2017). He has also served as a trustee of the SOS Children's Village's Uganda Village and a Trustee licensed by the Uganda Retirement Benefits.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

GERTRUDE WAMALA KARUGABA

Boards: Non-Executive Director, Equity Bank Uganda Limited

Gertrude is an experienced legal and business executive with in-house and private practice experience spanning project finance, banking and financeial law, capital markets, corporate law and governance, M&A, compliance, and regulatory support. The specific expertise is in banking and risk management with extensive work for and with clients in these areas. Gertrude is a financial sector expert, an experienced non-executive director, a governance practitioner and a technology enthusiast who has spoken publicly often speaks publicly on matters of interest to financial sector participants and corporate governance practitioners and enthusiasts and at other fora.

She is an Advocate of the High Court of Uganda and the High Court of Kenya and holds a Master of Law of the University of Cambridge, a Bachelor of Laws from of Makerere University, a Postgraduate Diploma in Legal Practice (Dip L.P.) from Law Development Centre, Kampala. She is a member of the Uganda Law Society, the Law Society of Kenya and the East Africa Law Society and has been ranked as a leading lawyer in Uganda by global legal directories Chambers and Partners Global Guide to the World's Leading Lawyers (since 2016) and Legal500 (since 2016).

Gertrude has held various positions during her career including Legal Officer, Stanbic Bank Uganda Limited, Chairperson, Board of Trustees, Stanbic Bank Uganda Limited Staff Pension Fund, Partner and Head, Corporate/ M&A at DLA Piper Africa – Uganda (S&L Advocates), Head Legal and Company Secretary at Stanbic Bank Uganda Limited and has served as Adjunct Faculty for Executive Education of Strathmore University Business School. She is currently the Group Chief Legal Officer, Equity Group Holdings PLC.

She has held various board positions including: Board Chairperson and Co-founder, League of East African Directors, Board Chairperson, AK Life Sciences Limited, Board Member, Watoto Christian International Schools, and, formerly, as Board Chairperson, Compagnie Générale de Banque, Board Chairperson and Founder Member (on behalf of DFID), Financial Sector Deepening Uganda Limited, Board Member and Credit Committee Chairperson, KCB Bank Uganda Limited, and Chairperson Board of Trustees, Centenary Bank Staff Provident Fund, Chairperson Board of Trustees, Stanbic Bank Uganda Staff Provident Fund and previously Director and Credit Committee Chairperson, KCB Bank Uganda Limited. and Advisory Board Member, Strathmore Research and Consulting Company in Uganda.

HENRY RUGAMBA

Boards: Non-Executive Director, Equity Bank Uganda Limited

Henry holds a Bachelor of Arts Degree in Political Science & Sociology from Makerere University, Personnel Management from Kingston University (UK) and a CEO Summit Board training in 2013/14.

Henry is a seasoned PR professional with over 30years in PR, Marketing and Communications. He honed his skills at British American Tobacco, Umeme-Uganda's leading Electricity distribution company, and is now the Managing Partner at Songa Communications - a leading public Relations and Communication Agency.

He serves in several Boards including BAT Uganda Board of Directors where he serves as Board Chair and Chair of Nominations Committee. He also serves on the Board of ANECCA a not-profit NGO and is the Immediate Past Secretary General of the African Public Relations Association.

SIMON LUGOLOOBI

Boards: Non-Executive Director, Equity Bank Uganda Limited

Simon holds a Bachelors Degree in Statistics and an MBA (Edinburgh Business School, Herriot – Watt University, Scotland). He is a Fellow, Association of Chartered Certified Accountants and member of the Institute of Certified Public Accountants of Uganda. He is currently Director and majority shareholder of GVZ Investments Limited. He was the Chief Executive Officer at Crown Beverages Limited for eight years after having served in the capacity of Finance Director. He also worked with Uganda Breweries Limited, rising from Assistant Internal Auditor to Head of Internal Audit and then as Finance Director.

COL (RTD) EUGENE HAGUMA

Boards: Non-Executive Chairman, Equity Bank Rwanda PLC

Eugene holds an MSc in Financial Management from the University of London and a B. Com (Marketing) degree from Makerere University-Kampala. He is a Chartered Financial Analyst (CFA) charter holder and is a Certified Sustainable Investment Professional from John Molson Business School Concordia University, Canada. Eugene has served in leadership positions both in the Public Sector and the Private Sector. He was the Permanent Secretary, Ministry of Defence in Rwanda from 2002-2005 before being posted as Defence Attaché to the Republic of South Africa from 2005-2010. He joined Horizon Group Rwanda as CEO from 2010 until 2018. Since retiring from the Rwanda Defence Force, Eugene is currently the Chief Executive Officer of Prime Insurance Limited and a qualified Advanced Financial Modeler from the Financial Modelling Institute (FMI).

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

HANNINGTON NAMARA

Boards: Managing Director, Equity Bank Rwanda PLC

Hannington is the Managing Director of Equity Bank Rwanda. He holds a degree in Business Administration (Finance option) from Makerere University Business School, a graduate of Advanced Management Programme from Strathmore Business School. He is a Fellow of the Africa Leadership Initiative-East Africa and a member of the Aspen Global Leadership Network. He has over 19 years' work experience in banking and Private Sector Development with extensive knowledge and a track record in Strategic Leadership, Banking and Finance, Management and Communications.

He has held various leadership positions while working with different reputable organisations in the past including TradeMark East Africa, Rwanda Private Sector Federation, Commercial Bank of Rwanda (BCR), Rwanda Investment Export Promotion Agency (RIEPA-now known as Rwanda Development Board). He holds several positions of responsibility in Boards of corporates and parastatals.

DR. PATRICK UWIZEYE

Boards: Non -Executive Chairman, Finserve Africa Limited, Non-Executive Director, Equity Bank Rwanda PLC

Patrick holds a degree of Doctor of Business Administration (DBA) from the Heriot-Watt University, UK, a Master of Science (MSc) in Strategic Planning from the same University, MBA in Financial Management from the University of Hull, UK and master's in communications management (MCM) from Coventry University, UK. He is a Certified Public Accountant (CPA) and a member of both Institutes of CPA Kenya and Rwanda; a Certified Member of the Institute of Risk Management (CMIRM), UK and Associate Member of Kenya Institute of Management. Patrick has over 28 years of working experience in business management and worked for MTN Rwanda and AACC in Nairobi. Dr. Uwizeye is the immediate past President of the Institute of CPA Rwanda, and a board member of Pan Africa Federation of Accountants (PAFA). Patrick currently serves as the Managing Director of BPU Consulting Ltd, a company he founded more than seven years ago.

AMB. WILLIAM KAYONGA

Boards: Non-Executive Director, Equity Bank Rwanda PLC

George holds a Master's degree in Diplomacy and International studies and Bachelor of Commerce Degree-Finance. He is an Independent Trade and Development Consultant; Director in the Equity Bank Rwanda Board and Member, Governing Board One Acre Fund. He has had a 16-year career in the Public Service as High Commissioner of Rwanda to Kenya, Non-Resident Ambassador to Somalia, Permanent Representative of Rwanda to UNEP and UNHABITAT, Permanent Secretary Ministry of East African Community and CEO National Agricultural Export Development Board. George has also had a 12-year career in the Private sector managing own supply chain and logistics companies.

BELINDA BWIZA

Boards: Non-Executive Director, Equity Bank Rwanda PLC

Ms. Bwiza is a seasoned professional with experience of over 19 years in financial services, financial policy, strategy and economic development. Ms Bwiza holds a Bachelor of Business Administration, Finance (BBA) from Brock University, St. Catharines, Ontario, an MBA and a Chartered Professional Accountant (CPA) Designation from Wilfrid Laurier University, Toronto, Ontario. She is currently the Chief Executive Officer at One Acre Fund Rwanda, a social enterprise that supports smallholder farmers to increase their income and get on a path to prosperity. One Acre Fund serves over 1 million farmers through its direct farmer services program and serves 2.5 million farmers through partnerships. Prior to this, Ms. Bwiza spearheaded the creation of a retail franchise with 8 outlets across Kigali. Prior to that, she worked for the Ministry of Education in Canada in financial policy. Prior to that, she held various roles in the financial services sector in Ontario, Canada including, investor relations, custodian banking and hedge fund administration. Ms. Bwiza serves on boards such as Women in Finance Rwanda and Rugori Investment Network.

EMMANUEL MURAGIJIMANA

Boards: Non-Executive Director, Equity Bank Rwanda PLC

Emmanuel has over 20-year experience in provision of legal advice and supporting organisation to compliance with the legal requirements. He has been occupying different positions: legal officer at the Ministry of Public Service and Labour, Legal Officer and later Head Legal and Company Secretary at Ecobank Rwanda Limited and Advisor to the Speaker. After eight (8) years of working experience in banking sector, he joined the Parliament of Rwanda, where he served in the capacity of Advisor to the Speaker of the Chamber of Deputies. In this role, he was a liaison officer between the Speaker and support staff as well as with other Rwandan and foreign institutions partnering with the Chamber of Deputies. This has allowed him to become familiar with the ways in which Parliament organises itself effectively to carry out its key functions of legislation, representation and oversight. While in Parliament, he got ability in legal advisory and drafting services.

After the parliamentary experience, He joined K-Solutions &Partners Law Firm in capacity of Transaction and Corporate Lawyer where he has completed different works in legal due diligence exercise for acquisition and other business combination, project finance, facilitating clients in their relationship with local, regional and international banks, corporate governance, organisation registration and legal compliance and organisation restructuring.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

Emmanuel's areas of interest are corporate governance and compliance, project finance, business combinations, capital markets, litigation and arbitration. He is highly conversant in offering both legal advisory and drafting services.

ARLETTE RWAKAZINA
Boards: Non-Executive Director, Equity Bank Rwanda PLC

Arlette Rwakazina holds a Master of Science in Communications, Control and Digital Signal Processing from University of Strathclyde, United Kingdom, a Bachelor of Science Degree in Electromechanical Engineering from Kigali Institute of Science and Technology and is a certified Digital Finance Practitioner from the Digital Frontier Institute in collaboration with Tufts University.

Arlette is passionate about Digital Finance, Financial Inclusion and Digital Transformation. She is currently the Country Lead of The Rwanda Economy Digitisation Program– Cenfri which is an initiative to support the public and private sector in Rwanda towards a sustained shift to an inclusive digital economy. Arlette has previously worked as General Manager Cybersecurity and Strategic Integrations at Rwanda Utilities Regulatory Authority (RURA) in charge of cybersecurity within the utilities RURA regulates as well as emerging and innovative technologies and big data. Prior to that she worked at Ericsson as the Senior Solution Architect and Business Analyst for Mobile Financial Services where she engaged partners to design mobile money solutions that are commercially and technically viable while also ensuring there is a well operating and complaint mobile money system for telecom operators.

Arlette has considerable board experience having served as a Board Member and Chairperson of the Information Technology (IT) Committee at former Cogebanque.

JEAN CLAUDE NKULIKIYIMFURA
Boards: Non-Executive Director, Equity Bank Rwanda PLC

Jean-Claude (JC) has over 18 years of experience in education, marketing, government, and corporate communication.

He is currently the Executive Director at Agahozo Shalom Youth Village (ASYV). At ASYV, he manages a diverse team of educators and care providers while building successful local and international partnerships. His passion lies in Rwanda's development and the belief that Rwanda's success will be achieved through educated, empowered, and resilient youth.

He has a degree in Journalism and Mass Communication from the University of Central Arkansas and a He has a Master's degree in International Relations.

He worked as a media and protocol officer in the Office of the President and is the founder of XLcom, a communications agency that provides communication services to organisations including the African Development Bank. Prior to joining ASYV, he served as the General Manager for Saatchi & Saatchi Rwanda. In 2011, he joined the ASYV staff as Village Director and was later promoted to Executive Director in 2015.

ANDREW RUGEGE
Boards: Non-Executive Director, Equity Bank Rwanda PLC

Andrew is an accomplished executive with over 30 years of global, regional, and national experience in Information Technology business strategy, project planning and risk management for strategic enterprise-wide initiatives. He has a proven success record in directing cross functional, multinational teams of business and technical experts, analysing systems and business processes. Andrew currently consults for international development partners in the development of Digital Public Infrastructure (DPI) and accompanying African countries in their Digital Transformation Journeys.

Until 2021, he served as the Regional Director for Africa, International Telecommunication Union (ITU), and its representative to the African Union and United Nations Economic Commission for Africa (UNECA). Before that, he was the Chief Operating Officer of MTN Rwanda ((2006 – 2011). He also served as the CEO of ARTEL Communications (Rwanda) and the Director of International Business Development for ABS Interactive, Virginia (USA).

Passionate about corporate governance, Andrew is the sitting Chairman of the Board of Directors of TransUnion Rwanda LTD as well as Non-Executive Director, Equity Bank Rwanda PLC. He previously served as Board Chair of the Rwanda Civil Aviation Authority and the Rwanda Office for National Transport. He served as a member on the Africa50 Innovation Board (AfDB), Rwanda Commissioner on the NEPAD e-Africa Commission and as the Private Sector Representative on the Rwanda Employment Commission.

Andrew holds a Master of Science Degree in Computer Information Systems and Business Administration from Marist College, New York and a Master of Science in Electrical Engineering from the University of Aberdeen in Scotland, UK where he had previously earned a Bachelor of Science degree in Engineering Science. He also holds several certifications including Project Management for Development Professionals as well as Resource Mobilisation

CAMILLE KARAMAGA
Boards: Non-Executive Director, Equity Bank Rwanda PLC

Camille holds a Master's Degree in Business Administration (MBA) from Maastricht School of Management MsM of The Netherlands, Undergraduate degree in B Com-Finance option (from Makerere University, Uganda) and Post Graduate Diploma in Tax Administration obtained from the Institute of Finance Management in Dar es Salaam, Tanzania. He is an accomplished executive with over 35 years of economic development and financial governance experience. He has served as a governance and public financial management expert both in the International Monetary Fund (IMF) and in the African Development Bank (AFDB) designing public sector operations including general and sector budget support operations, institutional support projects, technical assistance and training, supporting generation of knowledge products as well portfolio management.

Prior to that, he worked as a senior civil servant in the Ministry of Finance & Economic Planning first as Director General, Customs Directorate and later Director General, National Budget of the Government of Rwanda.

ENG. RAYMOND MBILINYI

Boards: Non-Executive Chairman, Equity Bank (Tanzania) Limited

Raymond holds a BSc Engineering and an MBA (Marketing). He is a professional engineer, a certified project manager, transportation specialist and a professional marketer with over 20 years' experience in Africa. Prior to being appointed as Executive Secretary of TNBC, he was the Acting – Executive Director of Tanzania Investment Centre (TIC), first Project Director of Dar Rapid Transit (DART) at Dar es Salaam City Council, Network Development Manager – Retail of BP (T) Ltd and Vice President of World Investment Promotion Agencies Association (WAIPA). He is a Board Member in Swiss Port Tanzania PLC, Tanga Cement PLC, Tanzania Industries Licensing Board – BRELA and Tanzania Private Sector Foundation (TPSF). Raymond is also Vice Chairman of the National Hunting Block Allocation Advisory Committee under the Ministry of Natural Resources and Tourism.

ISABELA MAGANGA

Boards: Managing Director, Equity Bank (Tanzania) Limited

Ms. Isabela is the Managing Director of Equity Bank Tanzania. Prior to her appointment as Managing Director , she served as the Head of Commercial at Equity Bank Tanzania. She is a seasoned banking professional with over 17 years of experience in the industry. She holds a Master of Science in Finance and Investments from Coventry University as well as a Bachelor's degree in Environmental Science and Management from Sokoine University of Agriculture. She solidifies her credentials with a Higher Diploma in Banking from Milpark Business School, Certified Expert in SME Finance, trained Executive Leadership Courses with IESE and Strathmore Business Schools

PROF. AHMED AME

Boards: Non-Executive Director, Equity Bank (Tanzania) Limited

Ahmed Ame holds a Doctor of Philosophy (PhD) in Business Administration from the University of Dar es Salaam; a Licentiate in Business Administration from UMEA University in Sweden; an MBA from the University of Dar es Salaam and a B.A –Statistics (Hons) from the University of Dar es Salaam. He also holds a Statistical training Diploma, with specialisation in computer programming and data processing from the International Statistical Education Centre in Calcutta, India. He is an Associate Professor in Business Administration at the University of Dar es Salaam Business School (UDBS). He has undertaken various research projects in banking and is a member of various local and international committees. Ahmed Ame has now disengaged from university teaching but has been appointed as Board Chairman of two Government based institutions, namely; East African Statistical Training Centre (EASTC) and Land Transport Regulatory Authority (LATRA).

DINO STENGEL

Boards: Non-Executive Director, Equity Bank (Tanzania) Limited

Dino holds a Bachelor of Commerce Degree from Rhodes University. He joined Achelis in Bremen, Germany in 1997 and is currently the Managing Director of Achelis (Tanganyika) and Managing Partner of Joh Achelis & Söhne in Germany. He has over 25 years of cross-functional experience within the group in Eastern and Southern Africa. In Tanzania, he is the Chairman of the Young Presidents Organisation, has chaired the German Business Association and founded the European Union Business Group in 2012. He is also a member of various local and international committees.

GEORGE THEOBALD

Boards: Non-Executive Director, Equity Bank (Tanzania) Limited

George holds a Bachelor's Degree in Economics (BA) from the University of Exeter and prior to living in Africa, he served in the British Army and worked in The City of London. He has served as a Director in various Boards in Tanzania and East Africa generally including, Chairman of The Tatepa Group (the largest smallholder tea producer in Tanzania where he also serves as a Director of Wakulima Tea Co. Ltd), Chairman of the Marginpar Group (a group of flower farms) based in Kenya, Ethiopia and the Netherlands and the Chairman of the Nomad Group (a chain of safari lodges in Tanzania). Finally he does much bro bono work including at The Muthaiga Club. He has been the driving force behind the growth of a number of East African companies spread out across various sectors and has lived in East Africa since 1983.

DR. AGGREY MLIMUKA

Boards: Non-Executive Director, Equity Bank (Tanzania) Limited

Dr. Mlimuka holds a Bachelor of Laws Degree, LL.B (Hons) from the University of Dar es Salaam and Masters in Law (LL.M) from the same University. Additionally, he has a Postgraduate Diploma in International Law and Organisation for Development from the Institute of Social

Studies, The Hague. He has an LL.M (magna cum laude) and Doctor Juris (magna cum laude) both from the University of Hamburg. He is an Advocate of the High Court of Tanzania since December 1989. He is a member of the Tanganyika Law Society and the East African Law Society.

He has worked as a Journalist at Shirika la Magazeti ya Chama Ltd. Publishers of Uhuru/Mzalendo Newspapers, State Attorney at the Tanzania Attorney General Chambers, Tutorial Assistant, Assistant lecturer, lecturer and eventually as a senior lecturer at the University of Dar es Salaam Faculty of Law. Dr. Mlimuka has also served as the National Project Coordinator, ILO/Strengthening Labour Relations in East Africa (SLAREA) in Tanzania. The Project dealt with labour law reform in East Africa and the strengthening of the capacities of social partners. In addition to coordinating project activities in Tanzania, he frequently oversaw regional project activities in the absence of the Chief Technical Adviser (CTA). He held the position of Executive Director and Chief Executive Officer, Association of Tanzania Employers (ATE) where he retired in 2021. He is a member of the Labour, Economic and Social Council (LESCO) under the Ministry of Labour and Employment, He is the Vice Chairman of the Board of Trustees of the Trustee of Public Service Social Security Fund since August 2018 as well as the Chairman of the Fair Competition Commission (FCC) since December 2021 Dr. Mlimuka is also the author of the book titled 'The Eastern African States and the Exclusive Economic Zone: The Case of EEZ Proclamations, Maritime Boundaries and Fisheries' as well as several articles in various journals.

EVELYN RUTAGWENDA

Boards: Non-Executive Director, Equity Bank (Tanzania) Limited

Evelyn holds a Bachelor of Commerce degree from Makerere University, Kampala. She is a Certified Public Accountant and member of the Institute of Certified Public Accountants of Rwanda (ICPAR). She previously worked as the Auditor General for the Republic of Rwanda; as the SecretaryGeneral of Uganda National Chamber of Commerce and Industry (UNCCI); consultant/project accountant for Decentralisation Secretariat (Institutional Capacity Building Project); Ministry of Local Government, Uganda and also as Chief Auditor at UCA Auditing Services among others. Evelyn spearheaded the formation of the Institute of Certified Public Accountants of Rwanda (ICPAR) and subsequently served the Institute in various capacities including, Chairperson of the Interim Governing Council, Ex Officio and elected member of the Governing Council. In 2009, she received an ACCA Achievements Award for her outstanding contribution to developing the accountancy and finance profession.

She is currently a Non-Executive Director of Equity Bank Uganda Limited, Chair of the Boards of MTN Rwanda and Crystal Telecom Limited, Vice-Chair, Rwanda Development Board, and previously served on the Boards of Total Uganda Limited and Victoria Motors Rwanda Limited.

JOHN WILSON

Boards: Non-Executive Director, EquityBCDC S.A, Non-Executive Director, Equity Bank (Tanzania) Ltd

John is a graduate of the Swedish Military Academy and holds a Master of Arts in Economics from Uppsala University and a Master of Public Affairs from Woodrow Wilson School at Princeton University. John began his career at McKinsey & Co in Europe and the former Soviet Union, focusing on manufacturing, transportation and infrastructure companies. He then joined the World Bank Private Sector Development Department working on privatisation in Cameroon, Ghana, Malawi, Russia and Ukraine, and was thereafter seconded to the IFC Global Capital Markets Department. Returning to his native Sweden, John built the Export & Project Finance department at Swedbank, and then headed up Structured Finance, Equity Capital Markets, Investor Relations and Corporate Strategy including M&A. In 2006, he joined Kaupthing Bank as Head of Investment Banking and then returned to IFC in 2008. Prior to joining Equity Group in August 2019 as Group Chief Operating Officer, and subsequently Group Chief Risk & Compliance Officer, John was a Manager in the financial sector in Sub-Saharan Africa for the International Finance Corporation, the private sector development arm of the World Bank Group. Before that, he was responsible for IFC's banking experts and risk management advisory services as global Head of Banking, and before that a Principal Banking Specialist covering sub-Saharan Africa, stationed in Nairobi since 2008.

IGNACE METI

Boards: Non-Executive Chairman, EquityBCDC S.A

Ignace holds Master of Business Administration and Diploma in Political and Administrative Sciences. He attended his studies in Belgium. He has extensive experience as a senior bank executive, financial expert and consultant, project developer, business creator, company manager and trainer. He has over 34 years of experience in Management and Leadership of in leading banks, mainly in the DRC and in West African Countries (Niger, Senegal and Nigeria).

WOLFGANG BERTELSMEIER

Boards: Non-Executive Director, EquityBCDC S.A.

Wolfgang holds a degree in Business Administration from Frankfurt University. He also has a degree in Banking and has taken executive education courses at Harvard Business School, INSEAD and Stanford University. He has worked in various capacities with Deutsche Bank, DEG, the World Bank and the IFC. He has also held various Board Directorships in financial institutions and manufacturing and service companies in Africa, Latin America, Europe and Asia. He is at present a non-executive director in financial institutions in Africa and Asia.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

WILLY MULAMBA

Boards: Acting Managing Director, EquityBCDC S.A.

Willy holds a master's degree in Banking and Finances from the University of Paris-Saclay in France. He also holds a master's degree in Economics from the University of North Texas in the United States of America. Additionally, he holds a masters degree in Applied Economics from the University of Liege in Belgium.

He is a result driven and high achieving professional experienced in banking and finances with 25 years in client relationship management, markets, products management, and risk management. He has built relations with regulators, local authorities, and top clients executives to identify value adding opportunities.

Immediately prior to joining EquityBCDC S.A., Willy had served as the CEO, Public Sector Head and executive director of Citibank Congo between 2018 and 2024. Prior to that, he served as the Deputy Chief Commercial Officer and Executive Director, Global Markets Head & Country Treasurer at Citigroup Congo SA between 2007 and 2018. He is the current Chairman of the DR Congo Banking Association.

BRENT MALAHAY

Boards: Non-Executive Director, EquityBCDC S.A, Finserve Africa Limited

Brent holds a Master's degree in Economics and a Bachelor's degree in Commerce from the University of KwaZulu-Natal, South Africa. He has over 17 years' experience in financial services with competencies ranging from commercial banking, credit ratings, investment banking and fund management. He has previously worked at Standard Bank, Fitch Ratings, J.P. Morgan and Investec Asset Management. Brent has worked at Equity Group since 2016.

KADITA TSHIBAKA

Boards: Non-Executive Director, Equity BCDC S.A

Kadita is a seasoned global business leader who has built a distinguished career spanning several decades, rising to prominent leadership positions in the banking and retail sectors at the international level. With a particular focus on risk management, he has played critical oversight roles in some of the world's leading financial institutions, helping to shape and strengthen their operational resilience across diverse markets.

His expertise extends beyond executive management into the realm of corporate governance, where he has served on numerous international boards and held senior advisory positions. These roles have reinforced his deep understanding of strategic oversight and stakeholder engagement. Beyond the boardroom, he is also actively involved in philanthropic initiatives, particularly in community development projects within the Democratic Republic of Congo (DRC), reflecting a strong commitment to social impact and grassroots empowerment.

Academically, he holds both a Master of Business Administration (MBA) and a Bachelor of Arts in Economics from the Amos Tuck School of Business Administration at Dartmouth College in Hanover. His foundational education was completed at the Presbyterian High School of Bibanga in the DRC, where he earned his State Diploma.

His professional journey is marked by significant leadership roles. Notably, he served as Divisional Risk Director at Lloyds TSB Group in London in 2007 and previously as Executive Vice-President and Country Manager for the USA at the same institution from 2005 to 2007. Prior to that, he held multiple senior risk management roles at Citigroup Inc. in New York, including Managing Director for Risk Management and Head of the CEEMEA region (Central & Eastern Europe, Central Asia, the Indian subcontinent, Middle East, and Africa). His career with Citibank also included positions in Poland, Germany, Brazil, and Kenya—where he served as Country Corporate Officer and General Manager.

His governance experience is equally expansive. He currently sits on the boards of Citibank Kazakhstan, the Eleazar Wheelock Society at Dartmouth College, and the Tucker Foundation, also at Dartmouth. Past board roles include appointments with Ecobank Transnational Inc., the Banking on Africa Campaign Task Force, Citibank DRC Congo, and Opportunity International US, among others. These diverse roles reflect a career defined by global leadership, strategic risk oversight, and a deep commitment to advancing financial inclusion and community development.

ERIC MBOMA

Boards: Non-Executive Director, Equity BCDC S.A

Eric [is a seasoned business executive with a strong academic foundation and a distinguished career marked by strategic leadership and operational excellence. Recognised for his ability to optimise business operations, Mr. Mboma has consistently developed and implemented strategies that drive profitability and enforce strict budgetary discipline. His regional leadership roles at prominent institutions such as Prudential PLC, the African Guarantee Fund (AGF), and the Standard Bank Group underscore his extensive experience and influence in the financial and investment sectors.

An expert in leading cross-functional teams, Mr. Mboma has built a solid track record of fostering organisational growth across diverse, multicultural environments. He is the founder of LeverEdge VII (L7), a firm based in Silver Spring, Maryland, that focuses on data intelligence solutions for scientific enterprises—reflecting his forward-thinking approach and commitment to innovation.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

Mr. Mboma holds an impressive portfolio of academic qualifications, including an MBA from the University of Chicago, a Master of Public Administration (MPA) from the Harvard Kennedy School, and an MSc in Information Technology Management and Corporate Strategy from ESCP Business School. His blend of business acumen and strategic insight has informed a career spanning multiple continents and industries.

Professionally, Mr. Mboma currently serves as the Regional Chief Executive of Prudential PLC, overseeing operations in Kenya and Morocco since December 2021. Prior to this, he held senior roles including Chief Executive External Affairs Officer at AGF Fund Kenya, Group Executive Director for Products and Structured Finance at AGF Fund, and Chief Executive of Corporate and Investment Banking at Standard Bank Group. He also served as President and Managing Director of the Insurance Regulatory Authority (ARCA) in the Democratic Republic of Congo, and as a Senior Acquisitions and Divestitures Specialist with BHP Billiton in Singapore.

In addition to his executive roles, Mr. Mboma has contributed significantly at the board level. He was a Board Director for Standard Bank Group in Kinshasa, D.R. Congo, from 2012 to 2018, and served as Executive Director at the AGF Fund Group from 2020 to 2021. His multifaceted experience reflects a career dedicated to impactful leadership, innovation, and global engagement.

DR. EDWARD ODUNDO, PhD, MBS

Boards: Non-Executive Director, Equity Group Holdings PLC, Non-Executive Director, Equity Group Insurance Holdings Limited, Non-Executive Chairman, Equity Life Assurance (Kenya) Limited

Dr. Odundo is the Director, School of Pension and Retirement Studies (SPRS), a Lecturer at the University of Nairobi, School of Business and a Consultant in Pensions, Tax, Corporate Governance and Financial Services. He is the former Chairman of the Public Service Superannuation Scheme, Kenya (PSSS), former CEO of Retirement Benefits Authority (Kenya) and former Director, Nairobi Securities Exchange, Insurance Regulatory Authority (IRA) and Policy Holders Compensation Fund (PHCF). He is a recipient of the Moran of the Order of The Burning Spear (MBS). He has also published two books, 'The Doctrine of Strategic Planning' and 'The Doctrine of Entrepreneurship'.

He is currently a Board member of the Insurance Training and Educational Trust (ITET), Trustee of Association for The Physically Disabled of Kenya (APDK), Advisory board member of Africa Investor and the former President of the International Organisation of Pensions Supervisors (IOPS). He has held various high-level responsibilities such as the Commissioner of Value Added Tax, Kenya Revenue Authority.

Edward holds a PhD in Business Administration (Strategic Management) from The University of Nairobi, an MBA degree in Strategic Management and Marketing and a BSc Degree in Finance and Accounting. He is also an alumnus of Harvard University, John F. Kennedy School of Government (HSB) and London School of Economics (LSE). He holds membership of several professional bodies including FCPA, FCPS, FKIM and ICIFA).

PROF. AGNES WAUSI

Boards: Non – Executive Director, Equity Life Assurance (Kenya) Limited

Prof. Agnes Wausi is an Associate Professor of Information Systems at the University of Nairobi's Department of Computing and Informatics since November 2019. Prior to this, she had a successful stint as the Director of the School of Computing and Informatics from November 2016 to October 2019. She has served in various boards and committees at the University of Nairobi. Prior to joining academia, Agnes served at the top management levels in the ICT Directorate within the University of Nairobi for 15 years.

In addition to her research and academic responsibilities, Agnes is a seasoned consultant and has provided ICT related consultancy services to various organisations such, MCS Kenya, FAO-Zambia and FAO-Kenya. She has been involved in the development of national ICT strategy documents.

Prof. Wausi holds a PhD in Information Systems from the University of Nairobi, a Master's degree in Computer Science from the Free University of Brussels, Belgium and a B.Sc. (Hons) in Mathematics from Kenyatta University, Kenya. She is a member of the Association for Information Systems (AIS), an international, professional association for scholars of information systems.

JOSHUA NJIRU

Boards: Non – Executive Director, Equity Life Assurance (Kenya) Limited

Joshua is an experienced investment advisor and financial consultant with broad experience in financial markets and real property investments including in property valuation, management and agency.is the Founder and CEO of Henzo Limited which offers financial advisory services in areas of capital raising and property development. He previously held senior management positions at Madison Insurance Company (K) Limited, Madison Asset Management Services Limited, Corporate Finance at First Africa EA Limited (Later Standard Chartered Securities), Corporate Finance, Deloitte & Touche - East Africa and College of Insurance, Nairobi.

He has served in various boards including Madison Insurance Company Limited as Managing Director and Association of Kenya Insurers as a member, and is currently the Chairman of Center of Creativity Services Limited (CCSL) and a member of the PR & LIASON Committee of the Insurance Training & Education Trust (ITET).

Joshua holds a BA Land Economics degree from the University of Nairobi, an MBA Finance from the University of Nairobi and is awardee of the CFA Charter. He is a member of the CFA Institute, Institute of Certified Public Accountants of Kenya- ICPAK, Institute of Certified Investment and Financial Analysts, Kenya- ICIFA and the Institute of Surveyors of Kenya (ISK) – Valuation and Estate Management Chapter

DR. EVA NJENGA, MBS

Boards: Non – Executive Director, Equity Life Assurance (Kenya) Limited

Dr. Eva Njenga, MBS, is a well-respected and world-renowned endocrinologist with vast experience and knowledge in tropical medicine, Social Medicine and Medical Anthropology. She is the Founder Director of Diabetes Management and Information Centre; Former Chair of the Kenya NCD Alliance. She was the first female Chair of the Kenya Medical Practitioners and Dentists Council. She Co-Chairs the NCD Intersectoral Coordinating Committee and sits on the advisory Board of Diabetes Africa. She is currently a board member of Global NCD Alliance and an advisor of the African Research Universities Alliance, a member of the Centre of Excellence in Non-Communicable Diseases, the Kenya Diabetes Study Group, the Kenya Medical Association, the Kenya Association of Physicians, among others.

Dr. Njenga has been practicing medicine for over 30 years and has worked in several hospitals in Kenya offering specialised care in diabetes and endocrine conditions management. She has also been a lecturer at the University of Nairobi (School of Medicine) for more than 10 years and continues to share her expertise with postgraduate students in various private university hospitals in the country. She has been very instrumental in matters healthcare in Kenya and her exemplary work and commitment has seen her gain recognition and conferred State Honours Moran of the Order of the Burning Spear (MBS) by the President for her distinguished and outstanding services to the nation, Dr Njenga is currently the Chair at Nanyuki Teaching and Referral Hospital.

She holds a MMed from the University of Nairobi, has a certificate in Endocrinology from the University of New Castle Upon Tyne-UK and is a Social Medicine and Medical Anthropology Fellow at Harvard University. She is also fellow of the Royal College of Physicians of Edinburgh (UK), fellow East Central Southern Africa College of Physicians.

MIRIAM MUSAALI

Boards: Non–Executive Director, Equity Life Assurance (Kenya) Limited

Miriam is an accomplished Legal Consultant and Advocate of the High Court of Uganda with local and regional experience in consulting, regulation and training within the financial services sector. Miriam is the Director Legal & Board Affairs of the Capital Markets Authority (Uganda). She is a result oriented, decisive leader with proven success in development and implementation of corporate strategy.

She was formerly the Acting Managing Director and Chief Operating Officer of Alexander Forbes Financial Services Uganda Limited (renamed Zamara Actuaries, Administrators and Consultants Uganda Limited). Prior to joining Alexander Forbes (Zamara), She was the Director Market Supervision at the Capital Markets Authority where she gained over 10 years' experience in legal, regulatory and compliance matters.

Miriam is a trusted advisor to Corporate Boards and Boards of Trustees of Pension Funds. She served as an Independent Director of Mayfair Insurance Uganda Limited. She was a Non-Executive Director of Power FM Ltd, a member of the Quality Assurance Board of the Institute of Certified Public Accountants of Uganda. She is a director of J & M Musaali Limited. She is a consultant, conference speaker and facilitator and has facilitated workshops and seminars in Corporate Governance, Pensions and Capital Markets in the United Kingdom, South Africa, Malawi, Angola, Botswana, Kenya, Mozambique, Zimbabwe and Uganda. She has written various publications in the areas of Corporate Governance, Capital Markets and Pensions. She co –authored a book with the World Bank on Pension Systems in East Africa: A Deep Dive. She is also a co-author and co- editor of the pioneer book on corporate governance in Uganda.

She holds a Master of Laws (LLM) Degree specializing in International Banking, Corporate Finance, Corporate Governance and Settlement of International Disputes. She was awarded the David Pearl Prize by Fitz William College Cambridge and elected Senior Scholar of Fitz William College Cambridge (2005/2006).She is a member of the Oxbridge Society of Uganda and a member of the Chartered Institute of Securities and Investments UK (CISI). She is a certified John Maxwell Speaker, Trainer, Facilitator and Coach.

ANGELA OKINDA

Boards: Managing Director and Principal Officer Equity Life Assurance Kenya Limited

Ms. Angela Okinda is Strategic Leader in the insurance, actuarial science, investments (including alternative investments), asset management and the retirement benefits industry with solid expertise in financial services across Africa and the United Kingdom (UK), spanning over 18 years.

Currently leading the Equity Insurance Group as the Group Managing Director, Angela is responsible for 3 insurance subsidiaries to date, with operations in Kenya as well as the Democratic Republic of Congo (DRC) focusing on providing solutions protecting life, health and wealth.

Launching the first subsidiary in March 2022, Ms. Okinda has driven the company's remarkable growth and early success in the Kenyan insurance industry. Under her strategic leadership, Equity Life Assurance Kenya [ELAK - delivering life assurance, pensions and asset management solutions] has achieved impressive performance securing 4th position in the industry within 21 months of commencing operations in market share as well as profitability. The investment performance has been rated consistently top 5 in the market, awarding customers with optimal investment returns. This has positioned Equity Insurance as a formidable player in the insurance sector in East Africa. Equity Insurance's success extends beyond financial metrics, as evidenced by its continued multiple wins at the Insurance Awards including notable recognitions as Life Insurer of the Year, Most Customer-Centric Underwriter, Best Market Practice as well as Leading Innovations. These accolades highlight Equity's commitment to innovation, financial soundness, and customer-centric service delivery. To date, Ms. Okinda has been instrumental in developing a wide range of insurance products, including life, pensions, asset management, health, and asset protection policies, focusing on making solutions more accessible and relevant for the market.

Ms. Okinda's passion for the industry, combined with her dedication to professionalism and excellence, her visionary approach and relentless pursuit of customer-centricity have driven Equity Insurance to the forefront of the insurance industry, setting new standards for innovation, customer experience, and overall business success.

Ms. Okinda began her career at the Retirement Benefits Authority (RBA) before joining Alexander Forbes Financial Services Limited, where she rose through the ranks to become the Divisional Head of Umbrella & Retail Solutions. In February 2019, she took on the role of Director for Rest of Africa at Zamara Actuaries (formerly Alexander Forbes), where she led the company's pan-African expansion efforts until July 2021 when she joined Equity as the Managing Director.

Angela Okinda holds an Honours Bachelor of Science degree in Actuarial Science from the University of Nairobi. She has also pursued further professional development, including the Associate of Life Management Institute of America (LOMA) - ALMI, Bullet Proof Manager Program from Crestcom International, USA, and is a Candidate for Level III of the Chartered Financial Analyst program, amongst other professional development achievements.

Ms. Okinda's exceptional leadership has also been recognised through various prestigious awards. In 2024, she was honored as the CEO of the Year at the 2024 Think Business Awards, and has previously been feted amongst the Top 40 Under 40 Women in Kenya, in addition to the Stanbic - Africa Financial Services Industry Leader Award amongst other accolades. Ms. Okinda also leads the East Africa Community Financial Service Providers Council as well as sits as a member of the Ethics and Market Conduct Committee for the industry body, Association of Kenya Insurers (AKI).

DANIEL SZLAPAK

Board: Non – Executive Director, Equity Investment Bank

Daniel holds Master of Business Administration from Kellogg Graduate School of Management at Northwestern University, Certification in Strategic Management from Cornell University School of Hotel Management and a Bachelor of Arts in Economics (Magna Cum Laude) from Tufts University. He has extensive experience in business management, strategy, finance, business restructuring, customer support and sales & marketing.

He is currently an investor and was previously the Head of Global operations at Branch International where he was responsible for Kenya, Nigeria, India, Mexico and a member of the San Francisco-based senior leadership team. He has previously served as CEO, Fairview Hotel, Country Lodge & City Lodge East Africa, Nairobi, Product Manager of RIVIO in Santa Clara, CA and Financial Analyst at J.P. Morgan Securities Inc in New York.

CLIFFORD SACKS

Board: Non–Executive Director, Equity Investment Bank

Clifford holds a Bachelor of Commerce Degree, a Bachelor of Laws (LLB) Degree and a Higher Diploma (Hdip) in Company Law, all from the University of the Witwatersrand. He is an advisor to boards, to help them navigate the world of Global Capital Markets and Mergers & Acquisitions (M&A) and advising on executing and monitoring investment strategy. During his 35 years of experience in public markets & advising Global Institutional clients across Equity, Debt and Structured products, he has worked in New York City, London and Johannesburg.

Clifford's experience lies mostly in Global Investment Banks (14 years as Co-country head Bank of America Merrill Lynch) and the past 8 years with EY, where he has led the M&A and Capital Markets practice, where he was the Global Leader Lead Advisory - M&A, Capital Debt Advisory and Infrastructure Advisory responsible for 3000 people across EY's global Capital Markets platform before his retirement from the Partnership in 2023; He is a member of the Board of Governors and Chair of the Finance Committee of One Degree Academy, a Board member of Nexus Bioquest Limited and a Board member of Xitus Insurance Limited UK and Xitus Insurance Limited Ireland.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

FESTUS KIRAGU
Board: Non-Executive Director, Equity General Insurance Kenya Limited

Festus is a high potential professional with international work experience possessing vast knowledge of the African market in Corporate Strategy, Commercial & Sales Planning, Operational Efficiency, Change Management, and Financial Management.

He holds a Bachelor's Degree in Business Administration with Double major in Accounting and Business Management from the University of Eastern Africa, Baraton and an Honours Master of Business Administration [MBA], Major in Finance from the United States International University

He is currently the Country Director (Kenya), CloudFactory International where he is charged with strategic business management to steer the Kenya business in achieving business goals. He has previously served as the Director for Finance Sub-Sahara Africa, Mastercard Incorporated, Chief Financial Officer and subsequently as acting managing director, Mobile Telephone Networks [MTN] based in Kenya, Finance Manager/Financial Controller/Commercial Finance Lead at Microsoft Corporation in Africa, Finance & Operations Manager at Hewlett Packard Company, East Africa Regional Office and as Senior Accountant, Legend Technologies (EPZ) Ltd.

LUCY KAMBUNI
Board: Non-Executive Director, Equity General Insurance Kenya Limited

Lucy is a Legal Practitioner for over Thirty-five (35) years and has practised variously in law including in Corporate, Commercial, Constitutional, Elections and Criminal law. She has acted as Counsel for numerous Clients including Insurance Regulatory Authority, Independent Electoral and Boundaries Commission, Commission for Implementation of the Constitution, Transition Authority, The National Assembly, Kenya Power & Lighting Company Limited, Commission for University Education, UAP Insurance Company Ltd, Retirement Benefits Authority, Co-operative Bank of Kenya Limited and the Attorney General.

She is a Trustee Certificated under the Trustee Development Program, Kenya and has served as Commissioner to the Commission for University Education, Member to the Employment and Labour Relations Rules Committee and served as Vice Chairperson to the Committee, Chairperson of the Board of Trustees, Alexander Forbes Retirement Fund (now known as Zamara Fanaka Retirement Fund), Kenya, as a consultant at the Annual Planning Retreat of the GoK – UN Joint Programme on Gender Equality and Women's Empowerment (JP-Gewe) and made a presentation titled 'Gender and the Administrative / fiscal devolution', Mombasa, Kenya, Acting Chairman, Tourism Trust Fund, Council Member, Masinde Muliro University of Science and Technology, Director Kenya Private Sector Alliance, Trustee Tourism Trust Fund, Member, Council of Legal Education, Governing Council Member Mater Hospital amongst others.

In 2019 she was awarded State Commendation; The Second Class; Elder of the Order of the Burning Spear (E.B.S) as well as inducted to the Law Society of Kenya's Roll of Honour. She was Conferred the rank of Senior Counsel (SC) in 2012. She holds a Bachelor of Laws as well as Master of Laws (LLM) in Public International Law (International Criminal Law, International Litigation and Conflict Resolution, International Air and Space Law and International Human Rights.

MARGARET MALU
Board: Non-Executive Director, Equity General Insurance Kenya Limited

Margaret is a qualified Chartered Accountant of the Institute of Chartered Accountant in England and Wales, a member of the Institute of Certified Public Accountants of Kenya and also holds a First-Class Honours Bachelor of Commerce Degree (Accounting Option) from the University of Nairobi. She is an accomplished visionary leader and strategic thinker in the management of resources and operations, adept change manager and results-oriented leader. She is a partnership-builder with a solid track record of establishing networks, mobilising stakeholders and resources; a thought and knowledge leader and manager with extensive experience providing advice and leadership in institutional financial and operational management for effectiveness and efficiency to deliver on strategies, priorities and mandates.

Her work experience includes 14 years in the International Audit firm, Deloitte and Touche. Four of those years were with Deloitte's office in London, United Kingdom, where she studied, trained, and qualified as a Chartered Accountant. The other 10 years, she worked in the Deloitte office in Nairobi, Kenya. Margaret's latest experience has been with the UN World Food Programme (WFP), where she has worked for the last 23 years in different positions. Her experience in the UN WFP includes 16 years in the Oversight Division, Internal Audit function based in Rome, Italy. This was followed by Field experience for 7 years providing strategic direction, guidance and advice for Country and Regional operations in Sudan and in the Regional Office for Southern Africa covering 12 countries.

She is currently Deputy Regional Director, Southern Africa - UN World Food Programme (WFP): Responsible for advocating WFP values to all staff in the region and setting an example as a role model of the values, principles and standards of WFP.

CONSOLIDATED PROFILES OF THE BOARD OF DIRECTORS

KRIS MBAYA
Boards: Managing Director, Equity General Insurance (Kenya) Ltd

Kris Mbaya is a Senior Executive in Insurance & Accounting profession with over 20 years' experience spanning Insurance sector, public sector and consulting services. Passionate about the Pan African dream, he aims to contribute to innovations that increase financial inclusion, keen to explore the dynamics of technology on simplifying everyday life experiences.

A Fellow of the Association of Chartered Certified Accountants, an Associate of the Life Management Institute, he holds a bachelor's degree in commerce – Accounting & Business Administration from Daystar University and Master of Science in Professional Accounting from University of London.

Prior to joining Equity Insurance, Kris was serving as the Group Chief Executive Officer (GCEO) for Star Discover Insurance Group overseeing their General, Life and Micro Insurance Businesses and also previously was the Managing Director for the UAP South Sudan (now Old Mutual – South Sudan) overseeing General & Life Insurance businesses as well as Property Investments.

Kris has built his passion around operational effectiveness and productivity over his career, triggered by one of his earlier roles as a Senior Consultant with PricewaterhouseCoopers. Kris brings a depth of expertise on value chain improvement and leveraging on technology to optimise efficiency and ultimately drive targeted customer experiences and behavior.

DR. ANTHONY KINYANJUI
Board: Non-Executive Director, Equity Bancassurance Intermediary Ltd

Dr. Anthony is a seasoned leadership, governance, and strategy expert with over 25 years of experience advising boards and executive teams across Africa, the Middle East, and Europe. He holds a Doctorate in Business Administration and has served as a consultant to multinational corporations, governments, and international NGOs, helping drive institutional transformation, ethical leadership, and performance improvement.

He is the Founder and CEO of the Institute for Responsible Leadership and a certified leadership coach with extensive experience in corporate governance training and board evaluations. Dr. Kinyanjui has worked with global development agencies including the UNDP, World Bank, and UN Women, and has played a key role in capacity building for boards in sectors such as finance, education, public service, and civil society. With a unique blend of academic rigor and practical insight, Dr. Kinyanjui brings deep expertise in strategy execution, governance effectiveness, and values-driven leadership to the boards he serves.

DR. JOANNE ROTICH KORIR, HSC
Board: Chairperson, Equity Afya

Dr. Joanne Rotich Korir is a distinguished healthcare leader with extensive experience in healthcare operations, policy, and business management. With a background spanning clinical practice, health systems strengthening, and strategic leadership, she is dedicated to improving access to high-quality, cost-effective healthcare. She has played a pivotal role in expanding healthcare networks, enhancing operational efficiencies, and driving sustainable healthcare solutions in Kenya and beyond.

Dr. Rotich holds an MSc in Health Economics and Policy from the University of Nairobi, an MBA in Healthcare Management from Strathmore Business School, and a Bachelor of Medicine and Surgery (MBChB) from the University of Nairobi. She also pursued pre-medicine studies at the University of Alberta, Canada.

As Director of Operations at Equity Group Foundation (EGF), she leads large-scale health programs and partnerships, driving Equity Afia's expansion as a provider of affordable, high-quality healthcare services. Her leadership has created employment for healthcare professionals while fostering sustainable healthcare entrepreneurship.

Previously, as Associate Director, Health at EGF, she spearheaded innovative healthcare financing models and strengthened healthcare partnerships across Kenya, Uganda, the Democratic Republic of Congo, Tanzania, Rwanda, and South Sudan. She also held leadership positions at AAR Healthcare Kenya and Tanzania, overseeing business growth, clinical operations, and patient-centered service improvements. Her experience spans healthcare financing, health policy, and corporate healthcare strategy.

Dr. Rotich has made significant contributions to national healthcare policy and emergency response. As Secretary of the Health Technical Working Group for the Kenya National COVID-19 Emergency Response Fund, she played a key role in safeguarding healthcare workers through PPE distribution, COVID-19 case management training, and mental health support programs. In recognition of her impact, she was awarded the Head of State Commendation (HSC).

A passionate advocate for equitable healthcare access, Dr. Rotich continues to drive transformative healthcare initiatives, strengthen health systems, and champion sustainable solutions that improve healthcare delivery across Africa.

PENINAH WANJIRU KIMANI
Board: Director, Equity Afya

Peninah Kimani is a seasoned finance and program management professional with extensive experience in financial strategy, governance, and program execution. She has played a critical role in managing large-scale development programs, ensuring financial accountability, risk management, and operational efficiency in healthcare and social transformation initiatives.

She holds a Postgraduate Diploma in Project Planning and Management from the University of Nairobi and a BSc in International Business Administration (Finance), First Class Honors, from the United States International University - Africa.

As Director of Finance and Program Office at Equity Group Foundation (EGF), Peninah is instrumental in executing Equity Group's Strategy, the Africa Recovery and Resilience Plan (ARRP). The ARRP focuses on capacitating value chains and providing holistic financial solutions to productive ecosystems, with the social transformation agenda driven by EGF. Her leadership ensures financial sustainability and risk mitigation across EGF's pillars, including Health, Education and Leadership, Enterprise Development, Food and Agriculture, Innovation, Energy and Environment, and Social Protection. She has overseen program funds exceeding US$657 million over the years and currently manages an annual budget of US$67 million, driving impact across East Africa.

Before joining EGF, Peninah worked at PricewaterhouseCoopers (PwC) as a Manager in Advisory Consulting, specializing in financial management for governments, NGOs, and international donors. She also served as Regional Management Accountant for PwC Africa Central, overseeing financial reporting, budgeting, and compliance across eight countries.

During her tenure at PwC, Peninah managed donor-funded initiatives for organisations such as USAID, PEPFAR, the World Bank, Rockefeller Foundation, and KfW, ensuring sound financial governance, accountability, and program impact. Her expertise in financial management, risk governance, and program execution makes her a key asset in Equity Afia's mission to expand access to high-quality, affordable healthcare.

DR. PAUL BUNDI KARAU

Board: Non-Executive Director, Equity AfyaDr. Paul Bundi Karau is a highly accomplished Consultant Physician, Clinical Neuroscientist, and Senior Lecturer with extensive experience in clinical practice, medical research, and healthcare leadership. He has a strong background in internal medicine, human anatomy, and neuroscience, with a passion for advancing healthcare access, medical education, and research.

He holds a PhD in Human Anatomy (Neuroscience) from the University of Nairobi, a Master of Medicine in Internal Medicine, and a Bachelor of Medicine and Surgery (MBChB). He also earned a Bachelor of Science in Human Anatomy (First-Class Honors) and has specialised training in Echocardiography and Electroencephalography.

Currently, Dr. Bundi serves as a Senior Lecturer in Internal Medicine and Human Anatomy at Kenya Methodist University and an Honorary Consultant Physician at Meru Teaching and Referral Hospital. He has held leadership positions in academia, including Chair of the Department of Human Anatomy at Kenya Methodist University, where he established the institution's first clinical anatomy laboratory.

A prolific researcher, Dr. Bundi has authored over 30 peer-reviewed publications focusing on neuroscience, clinical medicine, and infectious diseases. He also serves as a peer reviewer for esteemed medical journals, including the International Journal of Developmental Neuroscience and Clinical Anatomy.

Beyond medicine and research, Dr. Bundi has contributed significantly to policy and governance. As Chairman of the Meru Youth Service, he spearheaded youth empowerment initiatives. He also serves on the Meru Economic and Social Council, where he played a key role in shaping Meru Vision 2040, an economic development blueprint.

Dr. Bundi's expertise in healthcare, research, and policy development aligns with Equity Afia's mission to expand access to affordable, high-quality healthcare. His leadership will be instrumental in strengthening Equity Afia's impact and growth.

DR. ELIZABETH MWANGI

Board: Non-Executive Director, Equity Afya

Dr. Elizabeth Mwangi is a dedicated medical professional with a strong background in primary healthcare, pediatric care, and healthcare leadership. She is committed to enhancing accessible and affordable healthcare and has played a significant role in advancing Equity Afia's mission to deliver high-quality, patient-centered medical services.

Dr. Mwangi is currently pursuing a Master's in Pediatrics and Child Health at the University of Nairobi. She holds a Bachelor of Medicine and Surgery from Moi University and was part of the Equity Leadership Program (ELP), a prestigious initiative that supports and nurtures bright students from high school, offering them scholarships to pursue higher education.

Dr. Mwangi is the Doctor in Charge of four Equity Afia Medical Centers in Nairobi West region, overseeing operations at Utawala, Ruai, Chokaa, and Joska. In this role, she ensures high-quality patient care, efficient healthcare service delivery, and staff supervision, strengthening Equity Afia's commitment to accessible primary healthcare.

Prior to her tenure at Equity Afia, Dr. Mwangi served as a Medical Officer at North Kinangop Catholic Hospital, where she was responsible for day-to-day patient care, pediatric department management, and various surgical procedures. Her expertise in child health and medical management has been instrumental in improving healthcare outcomes in both hospital and outpatient settings.

Beyond clinical practice, Dr. Mwangi is passionate about mentorship and education. Since 2022, she has served as a Board Member at Wanjohi Girls Secondary School, supporting institutional development and student mentorship programs. She also has experience in customer engagement and financial services management from her early career as a Relationship Officer at Equity Bank.

With a strong foundation in healthcare leadership, pediatric medicine, and operations management, Dr. Mwangi brings invaluable expertise to the Equity Afia Board. Her dedication to enhancing healthcare accessibility, community health programs, and strengthening healthcare systems aligns with Equity Afia's vision for transformative primary healthcare services.

MS ZAINAB JAFFER

Board: Non-Executive Director, Equity Group Foundation

Zainab holds a Bachelor of Science Degree (Honours) in Management with Law from the London School of Economics and Political Science. She is a Director of MJ Group, a leading African port service provider based out of Kenya. She oversees the implementation of the Social Economic Development Initiative for Kenya (SEDIK), which has been launched under the guidance of the Kenyan Government to support Kenya's Vision 2030. She serves as Director, Principal and/or Advisor to IFG Port Holdings, a New York-based global investment firm. Zainab is also a Board Member of the Coast General Hospital and leads the Jaffer Foundation which focuses on health, education and water services in the Coastal region of Kenya.

DR. RUTH WANJIRU KAGIA

Board: Non-Executive Director, Equity Group Foundation

Ruth holds a Doctor of Strategic Leadership (h.c.) from the Commonwealth University UK, M. Ed. (Education and Statistics) from Harvard University USA and B.A. Education from the University of Nairobi. Ruth also holds several professional qualifications including Executive Development from Harvard Kennedy School, Sustainable Development from Cambridge University, UK. and a Certificate of Education Measurement, ETS, Princeton, USA.

Ruth has held several positions including Deputy Chief of Staff and Head of Policy and Strategy for the former President H.E Uhuru Kenyatta, World Bank Education Global Director for Education, and World Bank Country Director for Botswana, Lesotho, Namibia, South Africa, Swaziland, Mauritius and Madagascar. Ruth has also served as advisor/board member for several institutions including the Global Advisory Boards for the Learning XPRIZE and WomenLift Health, the Investors' Group of the Global Financing Facility, Council Member Multimedia University of Kenya, Board Member Housing Finance Foundation, Kenya, Member of Editorial Board, EFA Global Monitoring Report, Paris and Member of the Governing Board International Institute for Education Planning (IIEP) Paris.

Ruth is currently serving on the advisory Board of the Yidan Prize Foundation, Hong Kong, as Global Envoy and Advisor for the Global Partnership for Education (GPE) Washington DC, a Senior Fellow, Results for Development, Washington DC, and a Senior Advisor for Bill and Melinda Gates Foundation.

AMB. CALEB MANOAH ESIPISU

Boards: Non-Executive Director , Equity Group Foundation

Amb. Esipisu is a Senior Diplomat and is a highly accomplished, articulate professional with a distinguished record of service in the public sector. He has served in senior leadership positions in both the private and public sectors. He has been the Head of the Presidential Strategic Communications Unit and President's Spokesperson in the Executive Office of the President of Kenya. He has also been the Advisor/Editor on Africa for Business Day Newspaper and has previously been Deputy Director, Communications & Public Affairs Spokesman for the Commonwealth Secretariat, London.

He holds a Master of Arts in Financial Journalism (Financial Journalism and Political Economy) from City, University of London, UK. He also has a Post graduate Diploma in Mass Communication from the University of Nairobi, Kenya and a Bachelor of Arts in Government and Literature from the University of Nairobi, Kenya.

He is currently the High Commissioner of Kenya to the UK (Ambassador), Permanent Representative to the UN International Maritime Organisation (IMO) and Member of the Board of Governors, Commonwealth Secretariat, London. He also served as Correspondent and editor at Thomson Reuters, the global leader in financial news gathering.

AMB. MACHARIA KAMAU

Board: Non-Executive Director , Equity Group Foundation

Amb. Kamau is the immediate former Principal Secretary for Foreign Affairs, Ministry Of Foreign Affairs, Kenya. He has also been Ambassador Extraordinary and Plenipotentiary, Permanent Representative, Permanent Representative Mission of The Republic of Kenya to The United Nations.

Further, he has held a number of Special Envoy roles including: Special Envoy of the President of the Republic of Kenya (H.E Uhuru Kenyatta) to the DRC; Special Envoy of the President of the General Assembly on SDG Implementation and Climate Change; and Special Envoy of the Secretary General of the United Nations on El Niño and Climate. He has also held various other roles as a United Nations Officer and Senior Official.

Amb Macharia holds a Masters of Education (Ed.M.), Social Policy and Planning from Harvard University, Cambridge, Massachusetts, USA and an Associate Bachelors (A.B.). History and Economics from the College of Wooster, Wooster, Ohio, USA. He has also attended an Executive Programme on Macro Economic Policy and Management from Harvard University, Cambridge, Massachusetts.

Mr Macharia also currently serves as the Special Advisor on Democracy, Stability & Governance to President (Rtd) Uhuru Kenyatta, a Board Member of the United Nations Secretary General's Peace Building Fund, a Commissioner of the International Science Committee (ISC), and the Chairman of the Oversight Committee on Global Science Missions of the Council, contributing to global policy, governance, and scientific innovation.

MR. SAMSON BWAYA

Board: Non-Executive Director, Equity Group Foundation

Sam is a Certified Coach, a Certified Public Accountant, and a Certified MBTI Practitioner. He holds a Bachelor of Laws (LLB) degree from Makerere University and a Masters' degree in Accounting and Management Science, University of Southampton, UK. He is an International Coaching Federation (ICF) credentialled Professional Certified Coach (PCC), a Fellow of the Association of Chartered Certified Accountants (FCCA) and member of the Institute of Certified Accountants of Uganda (ICPAU) and holds various certificates from the Harvard ManageMentor.

He has extensive experience in organisational culture change, change management, facilitation and training, performance management, culture and employee engagement, communication and stakeholder engagement, legal, finance, auditing, business management and leadership and influence.

He is currently the Executive Director of the Institute of Work Culture and Ethics; an Organisational Development company focusing on organisational culture change and enhancing organisational and individual performance by fostering an ethical work culture at personal and organisational levels. He is also the Chief Executive Officer of Coach Africa Ltd; a performance enhancement firm specialising in people and organisational development across Africa and offering a wide range of services aimed at strengthening leadership and organisational effectiveness and committed to rewriting Africa's narrative about performance through coaching that produces excellent people and results.

He has over 20 years' working experience at top management level and over 25 years' audit and assurance experience gained in the UK and Uganda. He has provided audit oversight in Uganda, Kenya, Tanzania, South Sudan, Rwanda, Burundi and the Democratic Republic of Congo.

MRS. GINA DIN-KARIUKI (MS ZINET GINA DIN)

Board: Non-Executive Director , Equity Group Foundation

Gina Din-Kariuki is a renowned Kenyan business leader, strategic communications expert, and PR authority with over three decades of impactful experience. Her visionary leadership and exceptional contributions to the communications and branding industry have earned her a reputation as one of Africa's most influential entrepreneurs.

Gina's entrepreneurial journey began in 1997 when she left her role as Head of Communications at Barclays Bank of Kenya to establish Gina Din Corporate Communications, a trailblasing agency that became East Africa's most celebrated communications firm. Under her leadership, the agency garnered numerous accolades for its outstanding work. In 2020, it was acquired by Edelman PR, a global powerhouse based in New York. Following this milestone, Gina joined the Brand Leadership Group as its Executive Chairman, further extending her impact across the continent and beyond.

Currently, Gina serves as the Group Executive Chairperson and East Africa CEO of Brand Leadership, Africa's foremost firm specialising in branding, strategic communications, and intellectual property. She also leads initiatives through the Africa Brand Leadership Academy, focusing on improving Africa's narrative and working closely with governments across the continent to build capacity within the public sector.

A seasoned corporate leader, Gina has served on the board of Erin Energy in Kenya and currently chairs Boma Pan African, a diversified holding company with investments in hospitality, media, and healthcare. She also sits on the board of Kakuzi and the Royal African Society (UK), reflecting her extensive influence across industries.

Gina's passion for empowerment is evident in her humanitarian efforts and her leadership of the Gina Din Foundation, which mentors and supports high-potential youth and women. Her commitment to advancing gender equality was further demonstrated during her tenure as an honorary ambassador for the United Nations Population Fund (UNFPA), where she lent her voice to championing the gender agenda.

An accomplished author, Gina's best-selling memoir, "Gina Din – Daughter of Africa," chronicles her inspiring journey as a trailblasing entrepreneur and leader. Her enduring dedication to Africa's growth and her transformative leadership make her an invaluable member of the Equity Group Foundation and a driving force for sustainable development across the continent.

MR. CHARLES LYONS
Board: Non-Executive Director, Equity Group Foundation

Charles 'Chip' Lyons is a distinguished global leader with over 25 years of executive experience in global health, child welfare, and international development. He has played a pivotal role in philanthropy, nonprofit management, and policy advocacy, particularly in pediatric HIV/AIDS prevention, foreign aid strategy, and child rights protection.

As the President and CEO of the Elizabeth Glaser Pediatric AIDS Foundation, Lyons led efforts to prevent mother-to-child HIV transmission, expand treatment access for mothers and children, and strengthen global health systems. His leadership has significantly contributed to advancing HIV/AIDS interventions and public health equity worldwide.

Lyons has held senior leadership roles at major international organisations, including serving as Senior Director for Special Initiatives at the Bill & Melinda Gates Foundation. As President and CEO of the U.S. Fund for UNICEF, he led fundraising and advocacy efforts to support children's rights, health, and education programs worldwide. He also co-chaired The Global Standing Group of National Committees for UNICEF, influencing UNICEF's global strategic direction.

His extensive engagement in global policy and governance includes serving as Head of the U.S. Delegation to the UNICEF Executive Board as appointed by President Obama, a Board Member at The GAVI Fund, and a member of the Advisory Committee on Voluntary Foreign Aid (ACVFA) of USAID. Additionally, he has served as Chief of Staff to the Executive Director of UNICEF and played a key role in the 1990 UN World Summit for Children, shaping international child rights advocacy.

Currently, he is also a Board Member at GoodWeave International, an organisation working to eliminate child labor in global supply chains.

Lyons holds a Bachelor of Arts in Political Science and International Relations from Carleton College, where he was honored with the Distinguished Alumni Award in 2024. He has also attended Harvard Business School's Executive Program and studied political economy at the New School for Social Research, equipping him with expertise in political economy, international relations, and nonprofit leadership.

Zainab Bangura, the UN Under-Secretary-General and Director-General of the United Nations Office in Nairobi gives her remarks during the launch of Equity Group's 2023 Sustainability Report.

SHAREHOLDER INFORMATION

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

Notice is hereby given to Shareholders that the **Twenty First Annual General Meeting ("AGM")** of **Equity Group Holdings PLC ("the Company")** will be held on **Wednesday, 25th June 2025 at 09.00 a.m. by electronic means,** for the purpose of considering and, if thought fit, passing the resolutions set out below.

Resolutions number 2(i) to (vi) and 3(i) to (ii) will be proposed as ordinary resolutions.

AGENDA

1. CONSTITUTION OF THE MEETING

To read the notice convening the meeting, table proxies received and confirm the presence of a quorum.

2. ORDINARY BUSINESS

i. Consideration of the Audited Financial Statements for the financial year ended 31st December 2024.

To receive, consider and adopt the audited financial statements of the Company for the year ended 31st December 2024 together with the Chairman's, Directors' and Auditors' reports thereon.

ii. Dividend

To declare a first and final dividend of Shs 4.25 in respect of the financial year ended 31st December 2024, to be paid on or about 30th June 2025 to the Shareholders on the register of members as at the close of business on 23rd May 2025.

iii. Remuneration of Directors

To receive, consider and approve the Directors' Remuneration Report and the remuneration paid to the Directors for the financial year ended 31st December 2024.

iv. Election of Directors

a. To approve the appointment of Mrs. Farida Khambata as a Director, who having been appointed by the Board on 26th August 2024, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers herself for election.

b. To approve the appointment of Mr. Nick O'Donohoe as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election.

c. To approve the appointment of Dr. Aloysius Uche Ordu as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election.

d. To approve the appointment of Mr. Obadiah Biraro as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election.

e. To approve the appointment of Ms. Lakshmi Shyam-Sunder as a Director, subject to regulatory approval, who having been appointed by the Board on 12th May 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers herself for election.

f. To approve the appointment of Eng. David Mutombo as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election.

g. To note the retirement of Dr. Edward Odundo who retires from office in accordance with Article 100 of the Company's Articles of Association and though eligible, does not offer himself for re-election.

h. To note the retirement of Mr. Vijay Gidoomal who retires from office in accordance with Article 100 of the Company's Articles of Association and though eligible, does not offer himself for re-election.

i. To note the retirement of Dr. Helen Gichohi who retires from office in accordance with Article 100 of the Company's Articles of Association and though eligible, does not offer herself for re- election.

j. To note the retirement of Mr. Samwel Kirubi who retires from office in accordance with Article 100 of the Company's Articles of Association and though eligible, does not offer himself for re-election.

v. Appointment of Directors to the Board Audit Committee

In accordance with the provisions of Section 769 of the Companies Act, CAP 486, Laws of Kenya, the following Directors be elected to serve as members of the Board Audit Committee.

i. Mr. Obadiah Biraro;
ii. Dr. Aloysius Uche Ordu;
iii. Ms. Lakshmi Shyam-Sunder; and
iv. Dr. Evanson Baiya.

vi. Appointment of Auditors

To appoint Messrs PricewaterhouseCoopers who were first appointed in 2017 as auditors of the Company to continue as auditors of the Company until the conclusion of the next Annual General Meeting in accordance with Section 721 of the Companies Act, CAP 486, Laws of Kenya

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

and to authorise the Directors to fix their remuneration for the ensuing financial year in accordance with Section 724 (1) of the Companies Act, CAP 486, Laws of Kenya.

3. SPECIAL BUSINESS

Ordinary Resolution

i. Approval of Policies Pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023

The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (the Public Offers, Listings and Disclosures Regulations) require that every issuer of securities to the public should establish formal and transparent policies and procedures which shall be approved by Shareholders for remuneration, effective communication with stakeholders, corporate disclosures, dispute resolution for internal and external disputes and ensuring attraction and retention of board members.

The Company has therefore prepared drafts of the following policies (the Policies) to ensure compliance with the provisions of the Capital Markets (Public Offers, Listings and Disclosures Regulations, 2023 and the Board of Directors recommend that the Shareholders approve the Policies:

1. Directors' remuneration policy;
2. Stakeholder engagement policy ;
3. Transparency and disclosure policy;
4. Dispute resolution policy; and
5. Board appointment policy and procedure.

The text of the relevant ordinary resolution is set out below:

Approval of Policies Pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023

To consider and if deemed fit to approve the following policies pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023:

1. Directors' remuneration policy;
2. Stakeholder engagement policy ;
3. Transparency and disclosure policy;
4. Dispute resolution policy; and
5. Board appointment policy and procedure.

ii. Establishment of a Representative Office for Equity Group Holdings Plc (the Company) in the United Arab Emirates (U.A.E.)

a. To approve, subject to obtaining the requisite regulatory approvals, the establishment of a representative office for the Company or any one of its subsidiaries in the United Arab Emirates (U.A.E.) (the Representative Office in the U.A.E); and

b. To authorise the Board to take all actions necessary to effect the establishment of the Representative Office in the U.A.E., including but not limited to executing and filing all necessary documents and agreements, and paying all associated fees and expenses.

Noting that:

- the establishment of the Representative Office in the U.A.E., is in the best interests of the Company and its Shareholders; and
- the Board of Directors of the Company has approved the establishment of the Representative Office U.A.E., subject to the approval of the Shareholders and obtaining the requisite regulatory approvals and recommends that the Shareholders of the Company approve the establishment.

The text of the relevant ordinary resolutions is set out below:

Establishment of a Representative Office for Equity Group Holdings Plc

a. THAT the set-up, subject to obtaining the requisite regulatory approvals, of the representative office for the Company in the United Arab Emirates (U.A.E.) (the Representative Office in the U.A.E), , be and is hereby approved.

b. THAT the Board of Directors of the Company be and are hereby authorised to take all actions necessary to effect the set-up of the Representative Office in the U.A.E., including but not limited to executing and filing all necessary documents and agreements and paying all associated fees and expenses and putting in place all the necessary structures, commercial arrangements and any ancillary arrangements relating to the conduct and undertaking of the business of the Representative Office.

4. ANY OTHER BUSINESS

To transact any other business that may legally be transacted at an annual general meeting, of which notice will have been duly received.

BY ORDER OF THE BOARD

Ndirangu

Lydia N. Ndirangu
Company Secretary
P.O. BOX 75104-00200
NAIROBI.
3rd June 2025

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

NOTES

1. The Company has convened and will be conducting the AGM by electronic means in accordance with Article 54A of its Articles of Association.

2. Registration for the AGM shall open on Wednesday, 4th June 2025 at 9:00 am and will close on Monday 23rd June 2025 at 09:00 am.

3. Shareholders wishing to participate in the AGM should register for the AGM by dialing *760# on their Equitel mobile telephone lines or *483*824# on their Safaricom, Airtel or Telkom mobile telephone lines; and following the prompts, or sending an email request to be registered to EquityAGM@image.co.ke. Shareholders with email addresses will receive a registration link via email which they can use to register.

4. To complete the registration process, Shareholders will need to have their ID/Passport Numbers which they used when purchasing their shares and/or their CDSC Account Number at hand. For assistance, Shareholders should dial the following helpline numbers: (+254) (0) 709 170 024/ 709 170 000 from 9:00 a.m. to 5:00 p.m. from Monday to Friday. Any Shareholder outside Kenya should dial the helpline number to be assisted to register.

5. A notification (by email and SMS) shall be sent to shareholders domiciled outside Kenya who have registered to attend the AGM as well as to all Shareholders 1 hour before the AGM reminding them about the AGM. This notification will also include the link to stream the proceedings. For voting, the shareholder will receive a verification code via the mobile telephone number provided. The link shared to stream the AGM contains a voting tab. Once the Shareholder elects to vote, s/he shall key in the code received via SMS and follow the prompts.

6. 6. In accordance with Section 670 of the Companies Act, CAP 486, Laws of Kenya, the Company's Audited Financial Statements for the year ended 31st December 2024 may be viewed on the Company's website https://equitygroupholdings.com/investor-relations/.

   The Audited Financial Statements may also be accessed upon request by dialing the USSD code above and selecting the Reports option. The Audited Financial Statements and agenda can also be accessed on the livestream link.

7. A copy of this Notice and the Proxy form and the draft policies may also be viewed on the Company's website https://equitygroupholdings.com/investor-relations/ or by dialing the USSD codes above.

8. 8Copies of the Policies are also available for inspection by Shareholders at the Company's Head Office situated at Equity Centre, 9th Floor, Hospital Road, Upper Hill, Nairobi, between 9:00 am to 4:00 pm during working days, or can be provided on written request by email to EGHAGM2025@equitygroupholdings.com.

9. Shareholders wishing to raise any questions or seek clarifications regarding the resolutions proposed to be passed at the AGM may do so by:

   a. Sending their written questions by email to EGHAGM2025@equitygroupholdings.com; or

   b. To the extent possible, physically delivering their written questions with a return physical address to the registered office of the Company situated at Equity Centre, 9th Floor, Hospital Road, Upper Hill, Nairobi; or

   c. Sending their written questions with a return physical address or email address by registered post to the Company's postal address at P. O. Box 75104-00200 Nairobi.

   Shareholders who will have registered to participate in the AGM shall also be able to ask questions via SMS by dialing the USSD code above and selecting the option (Ask Question) on the prompts.

   Shareholders must provide their full details (full name, Kenyan national identity card/Passport Number/CDSC Account Number) when submitting their questions and clarification requests.

   All questions and clarification requests must reach the Company on or before Friday, 20th June 2025 at 1:00 pm for those requiring responses ahead of the AGM, but Shareholders can continue forwarding questions thereafter and responses will be provided during and after the AGM.

   Following receipt of the questions and clarification requests, the Directors of the Company shall provide written responses to the questions and clarification requests received to the return physical addresses or email addresses provided by the shareholders no later than 10:00 am on Tuesday, 24th June 2025. A full list of all questions received, and the answers thereto, will be published on the Company's website not later than 10:00 am on Friday, 27th June 2025.

10. In accordance with Section 298(1) of the Companies Act, CAP 486, Laws of Kenya, shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy/ proxies to vote on their behalf. A proxy need not be a member of the Company. The appointed proxy will need to have access to a mobile telephone. A proxy form is attached to this Notice and is available on the Company's website https://equitygroupholdings.com/investor-relations/. A proxy form must be signed by the appointor, or his/her attorney duly authorised in writing, or if the appointor is a company, under the hand of an officer or

attorney duly authorised by that company. The completed proxy form should be emailed to EGHAGM2025@equitygroupholdings.com or lodged with the Company Secretary at the Company's Head Office situated at Equity Centre, 9th Floor, Hospital Road, Upper Hill, Nairobi, or to Image Registrars Ltd's offices at 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street; postal address at P.O. Box 9287- 00100 GPO, Nairobi, email address EquityAGM@image.co.ke not later than 10.00 am on Monday, 23rd June 2025. Any person appointed as a proxy should submit his/her mobile telephone number to the Company not later than 10.00 am on Monday, 23rd June 2025. Any proxy registration that is rejected shall be communicated to the Shareholder concerned no later than 10.00 am on Tuesday, 24th June 2025 to allow time to address any issues.

11. The AGM will be streamed live via a link which will be provided to all Shareholders and proxies who will have registered to participate in the AGM. Duly registered Shareholders and proxies will receive a short message service (SMS)/USSD prompt via their registered mobile telephone numbers or email addresses 24 hours prior to the start of the AGM acting as a reminder of the AGM. A second SMS/USSD prompt or email will be sent 1 hour before the AGM start time, reminding duly registered Shareholders and proxies that the AGM will begin in an hour's time and providing a link to the livestream.
12. Duly registered Shareholders and proxies may follow the proceedings of the AGM using the livestream platform and may access the resolutions and vote (when prompted by the Chairman) via the SMS/USSD prompts or web link provided through the email prompt.
13. Results of the AGM voting shall be published within 24 hours following conclusion of the AGM.
14. Time indicated on this Notice is East African Time (EAT).

PROXY FORM

THE TWENTY FIRST ANNUAL GENERAL MEETING TO BE HELD VIA ELECTRONIC COMMUNICATION ON 25TH JUNE 2025

THE GROUP COMPANY SECRETARY,
EQUITY GROUP HOLDINGS PLC
EQUITY CENTRE, 9TH FLOOR,
HOSPITAL ROAD, UPPER HILL,
P.O BOX 75104-00200
NAIROBI

I/We ____

____

CDS A/C No ____

Of(address)____

Telephone number ____ and/or email address

____

Being a Shareholder(s) of Equity Group Holdings Plc ("the **Company**") hereby, appoint ______________________________

____

Of(address)____

Telephone number ____ and/or email address

____

or, failing him, the duly appointed Chairman of the meeting to be my/our proxy, to vote on my/ our behalf at the Annual General Meeting of the Company to be held electronically and chaired from the Company's Head Office situated at EQUITY CENTRE, 9TH FLOOR, Hospital Road, Upper Hill, Nairobi on **25th June, 2025 at 9:00 am** or at any adjournment thereof.

I/We direct my/our proxy to vote on the following resolutions as I/We have indicated by marking the appropriate box with an **"X"**. If no indication is given, my/our proxy will vote or withhold his or her vote at his or her discretion and I/We authorise my/our proxy to vote (or withhold his or her vote) as he or she thinks fit in relation to any other matter which is properly put before the Meeting.

Please clearly mark the box below to instruct your proxy how to vote;
(Mark with an "X" in the below box)

1. ORDINARY BUSINESS

i. Consideration of the Audited Financial Statements for the financial year ended 31st December 2024.

To receive, consider and adopt the audited financial statements of the Company for the year ended 31st December 2024 together with the Chairman's, Directors' and Auditors' reports thereon.

For: ☐

Against: ☐

Withheld: ☐

ii. Dividends

To declare a first and final dividend of KES 4.25 per share in respect of the financial year ended 31st December 2024, to be paid on or about 30th June 2025 to the Shareholders on the register of members as at the close of business on 23rd May 2025.

For: ☐

Against: ☐

Withheld: ☐

iii. Remuneration of Directors

To receive, consider and approve the Directors' Remuneration Report and the remuneration paid to the Directors for the financial year ended 31st December 2024.

For: ☐

Against: ☐

Withheld: ☐

iv. Election of Directors

a. To approve the appointment of Mrs. Farida Khambata as a Director, who having been appointed by the Board on 26th August 2024, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers herself for election;

For:

Against:

Withheld:

b. To approve the appointment of Mr. Nick O'Donohoe as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election.

For:

Against:

Withheld:

c. To approve the appointment of Dr. Aloysius Uche Ordu as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election;

For:

Against:

Withheld:

d. To approve the appointment of Mr. Obadiah Biraro as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election;

For:

Against:

Withheld:

e. To approve the appointment of Ms. Lakshmi Shyam-Sunder as a Director, subject to regulatory approval, who having been appointed by the Board on 12th May 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers herself for election;

For:

Against:

Withheld:

f. To approve the appointment of Eng. David Mutombo as a Director, subject to regulatory approval, who having been appointed by the Board on 14th March 2025, retires from office in accordance with Article 101 of the Company's Articles of Association and being eligible, offers himself for election;

For:

Against:

Withheld:

v. Appointment of Directors to the Board Audit Committee

In accordance with the provisions of Section 769 of the Companies Act, CAP 486, Laws of Kenya, the following Directors, being members of the Board Audit Committee of the Company be elected to continue to serve as members of the said Committee:

a. Mr. Obadiah Biraro;

For:

Against:

Withheld:

b. Dr. Aloysius Ordu;

For:

Against:

Withheld:

c. Ms. Lakshmi Sunder;

For:

Against:

Withheld:

d. Dr Evanson Baiya.

For:

Against:

Withheld:

vi. Appointment of Auditors

To appoint Messrs PricewaterhouseCoopers who were first appointed in 2017 as auditors of the Company to continue as auditors of the Company until the conclusion of the next Annual General Meeting in accordance with Section 721 of the Companies Act, CAP 486, Laws of Kenya and to authorise the Directors to fix their remuneration for the ensuing financial year in accordance with Section 724 (1) of the Companies Act, CAP 486, Laws of Kenya.

For:

Against:

Withheld:

2. SPECIAL BUSINESS

a. Ordinary Resolution Approval of Policies Pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023

To consider and if deemed fit to approve the following policies pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023:

i. Directors remuneration policy;

For:

Against:

Withheld:

ii. Stakeholder engagement policy ;

For:

Against:

Withheld:

iii. Transparency and disclosure policy;

For:

Against:

Withheld:

iv. Dispute resolution policy; and

For:

Against:

Withheld:

v. Board appointment and procedure policy

For:

Against:

Withheld:

b. Establishment of a Representative Office for Equity Group Holdings Plc (the Company) in the United Arab Emirates (U.A.E.)

i. THAT the establishment, subject to obtaining the requisite regulatory approvals, of the representative office for the Company or any one of its subsidiaries in the United Arab Emirates (U.A.E.) (the Representative Office in the U.A.E), be and is hereby approved; and

ii. THAT the Board of Directors of the Company be and are hereby authorized to take all actions necessary to effect the establishment of the Representative Office in the U.A.E., including but not limited to executing and filing all necessary documents and agreements and paying all associated fees and expenses and putting in place all the necessary structures, commercial arrangements and any ancillary arrangements relating to the conduct and undertaking of the business of the Representative Office in the U.A.E.

For: ☐

Against: ☐

Withheld: ☐

As witness to my/our hands this ________________day of________________2025

Signature(s)____

ELECTRONIC REGISTRATION CONSENT FORM

Please complete in BLOCK CAPITALS

Full name of member(s): ....
....

Address: ....
....

Mobile Number:.. Date:..

Signature: ....

Please tick the boxes below and return to Image Registrars at P.O. Box 9287 – 00100 Nairobi, 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street or the email address provided under Note 3 below:

Consent to Registration

I/WE consent to registration to participate in the virtual Annual General Meeting for Equity Group Holdings Plc to be held on 25th June 2025. ☐

Consent for use of the Mobile Number provided

I/WE would give my/our consent for the use of the mobile number provided for purposes of electronic voting at the AGM ☐

This form is to be used *in favour of/*against/*withheld the resolution (*Strike out whichever is not desired)

NOTES:

1. As a member of the Company you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes and in the notes to the Annual General Meeting Notice.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and you attend the meeting in person and vote, your proxy appointment will automatically be terminated.
3. This proxy form should be completed and signed and sent or delivered by email to EGHAGM2025@equitygroupholdings.com or lodged with and received by the Company Secretary at the Company's Head Office situated at EQUITY CENTRE, 9TH FLOOR, Hospital Road, Upper Hill, Nairobi, or to Image Registrars Ltd, offices, 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street; P.O. Box 9287- 00100, Nairobi, email address EquityAGM@image.co.ke not later than 9:00 am on Monday, 23rd June, 2025, failing which it will be invalid.
4. A proxy form must be in writing and in case of an individual shall be signed by the Shareholder or by his attorney, and in the case of a Company, the proxy must be either under the hand of an officer or attorney duly authorized by the Company.
5. Any proxy registration that is rejected shall be communicated to the Shareholder concerned no later than 9:00 am Tuesday, 24th June 2025 to allow time to address any issues.

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Strengthening Africa-Germany Business Ties

In advancing its commitment to facilitating international trade and investment, Equity Group hosted the official launch of the German Desk in partnership with DEG – the German Development Finance Institution. The Desk will serve as a financial and advisory bridge between European SMEs and East African markets. In the same spirit, Equity also participated in the 5th German-African Business Summit (GABS) 2024, where Equity Group Managing Director and CEO, Dr. James Mwangi engaged with regional and international business leaders, challenging outdated perceptions of Africa risk and calling for stronger investment in Africa's emerging markets. These engagements reflect Equity's strategic focus on fostering cross-border partnerships that drive sustainable economic growth across the continent

L-R; AQ Hamza, Equity Group Director International Trade Relations, Dr. Monika Erath Erath, Delegate of German Industry, Delegation of German Industry and Commerce for Eastern Africa, Dr. James Mwangi CBS, Group Managing Director and CEO, Equity Group Holdings, Her Excellency Henriette Geiger, Ambassador of the European Union to Kenya, Ms. Petra Kotte, Senior Director, Infrastructure, Energy and German Business, DEG, Patricia Jannack, Èquity Group German Desk Manager and His Excellency Sebastian Groth, German Ambassador to the Republic of Kenya, during the launch of the German Desk at Equity Group

Kenya's Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs Musalia Mudavadi during the 5th German-African Business Summit.

Equity Group Managing Director and CEO Dr. James Mwangi speaks at a panel discussion that included Sabine Dall'Omo of Siemens Sub-Saharan Africa(left) and Ilse Boshof of Knauf Tanzania during the 5th German-African Business Summit.

Equity Bank Kenya Managing Director Moses Nyabanda speaks at a panel discussion during the 5th German-African Business Summit. To his right is Melanie Keita of Melanin Capital and to his left, Barbara Von Toll of DEG.

German Vice-Chancellor and Federal Minister for Economic Affairs and Climate Action Dr Robert Habeck, during the 5th German-African Business Summit.

EQUITY CENTRE, 9TH FLOOR, HOSPITAL ROAD, UPPER HILL, NAIROBI

EMAIL: INFO@EQUITYGROUPHOLDINGS.COM

WWW.EQUITYGROUPHOLDINGS.COM

EQUITY