

EQUITY TO PLAY KEY ROLE IN CREATING 5 MILLION JOBS FOR YOUNG KENYANS

Signs up to the Public Private Partnership between Government of Kenya, Mastercard Foundation, and the private sector in Kenya by pledging to train and fund 600,000 entrepreneurs over a five- year period to scale their businesses and create jobs

Nairobi: 24th June.... *Equity has signed up to the Young Africa Works - Kenya; a public private partnership between the Kenya Government, Mastercard Foundation and the private sector. The transformative and holistic program, funded by Mastercard Foundation to the tune of Ksh 30 billion will transition 5 million Kenyan youth to dignified work by 2023.*

Equity will deploy its banking infrastructure as well as the Equity Group Foundation platform to implement the program. “Through the bank, we shall extend affordable loans to over 600,000 entrepreneurs while Equity Group Foundation will offer free digital literacy, financial and entrepreneurship training, as well as market linkages in an effort to support entrepreneurs in scaling up their business and create more jobs for young people,” said Dr Mwangi the CEO and Managing Director of Equity Group Holdings Plc. He added “We are excited to be among the pioneer signatories to this ambitious and transformative program. We will leverage our institutional knowledge, skills and expertise in serving the micro, small and medium enterprises to reach and impact over 600,000 entrepreneurs with the right business skills, financial management and market linkages in order to scale up their businesses and create more job opportunities especially in the rural areas. We trust that these entrepreneurs will stimulate the value chains that they operate in causing a much bigger multiplier effect and thus contributing to the goal of creating 5 million jobs in the next five years”

Dr Mwangi noted that strengthening the MSMEs will equip them with the right capacity and capabilities to bridge the corporate sector and narrow the gap between the formal and informal sectors in the country through linkages. This will in turn strengthen business ecosystems and form formidable networks that will benefit from shared knowledge and best practices.

In the first 18 months of project implementation, Equity will extend loans of up to Ksh 150 billion to 140,000 MSMEs and scale to Ksh 420 billion to 600,000 MSMEs over a five year period. Equity Group Foundation (EGF) will provide digital and financial literacy as well as entrepreneurship training to the entrepreneurs. It will also provide business development support and market linkages to enable owners to grow and sustain their businesses as well as mentor other entrepreneurs in the network.

Equity has been investing in internal capacity building in relationship management and business development for MSMEs in all sectors of the economy. The skills gained will be instrumental in the execution of this program while the high investment in digitization and virtualization of the banking services will aid efficient provision of services to the target beneficiaries across the country. “With an expansive branch and agency network in the country, coupled with a highly skilled talent force in entrepreneurship training, youth empowerment, mentorship and relationship management, Equity is well positioned to be an implementing partner of the Young Africa Works in Kenya,” said Dr Mwangi.

While launching the program, H.E. President Uhuru Kenyatta lauded partners, including Equity Bank Group, who will provide financial and digital literacy and entrepreneurship training to MSMEs to support owners to grow and sustain their businesses and to mentor other entrepreneurs in the network. “When small firms and entrepreneurs access financial services, they obtain the resources they require to grow, expand into new markets and opportunities, create jobs and establish inter-generational wealth,” he added.

Speaking during the launch of the program Mastercard Foundation president and CEO Reeta Roy said “Kenya has a vibrant entrepreneurial culture, a strong private sector, and an enabling policy environment. Young Africa Works - Kenya builds on this momentum to prepare and connect young people to opportunities that will grow the economy and transform their lives.”

Investment in young people is critical for economic growth and pays dividends over the long-term. With the right investments in relevant skills, financial services, networks and markets, these young people will find dignified and fulfilling work which will improve their lives and those of their communities.”

Equity has had a long partnership with Mastercard Foundation in implementing successful social impact programs especially the transformative and globally acclaimed *Wings to Fly* program, and the Financial Knowledge for Africa program (FiKA). EGF has to date supported to 16,168 students at over 600 public secondary boarding schools through its Wings to Fly program with Mastercard Foundation committed to sponsoring 10,000 bright but socioeconomically challenged students. Under the FiKa program, 1,739,478 women and youth have graduated in financial education. (FIKA) while another 44,111 MSMEs in Kenya have been trained.

About Young Africa Works Program in Kenya

Young Africa Works - Kenya, is a public-private partnership between the Mastercard Foundation, the private sector, and the Government of Kenya. The initiative aims to support five million young Kenyans to access dignified and fulfilling work over the next five years. Young Africa Works - Kenya is aligned to the country’s economic priorities, including the ‘Big Four’ sectors (enhancing manufacturing, food security and nutrition, universal health coverage, and affordable housing), as well as the digital economy. Mastercard Foundation has committed an initial Ksh 30 billion to Young Africa Works – Kenya program, and will engage the private sector, including financial institutions, to grow businesses in the ‘Big Four’ sectors and create more dignified work opportunities for 5 million Kenyan youth over the next 5 years.

About Equity Bank Kenya

Equity Bank Kenya is the largest bank subsidiary of Equity Group Holdings Plc (EGHL) with a foot-print of 179 branches, spread across the country and is supported by over 36,431 agents, 16,000 merchants and over 500 ATMs.

Equity Group Holdings (EGHL), is a financial-services holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. In addition to Equity Bank Kenya, the Group has banking subsidiaries in, Rwanda, Uganda, South Sudan, Tanzania and DRC with additional non-banking subsidiaries engaged in provision of investment banking, custodial, insurance agency, philanthropy, consulting, and infrastructure services.

Equity Group has an asset base of over USD 6 billion. With nearly 14 million customers, The Group is one of the biggest banks in customer base in the region. The Group has a footprint of 290 branch network, 44,689 Agents and 23,249 Merchants. The Group is the largest bank in market capitalization in East and Central Africa. The Banker Top 1000 World Banks 2018 ranked Equity Bank 799 overall in its global ranking, 35th in soundness (Capital Assets to Assets ratio), 44th in terms of Return on Capital and 8th on Return on Assets. In the same year Moody’s gave the Bank a global rating of B2 with a stable outlook same as the sovereign rating of the Kenyan government due to the Bank’s strong brand recognition, solid liquidity buffers and resilient funding profile, established domestic franchise and extensive adoption of digital and alternative distribution channels.

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

Additional information may be found at: www.equitygroupholdings.com

About Equity Group Foundation

Equity Group Foundation (EGF) is the social impact investment arm of Equity Bank Group and was founded in 2008. It seeks to transform the lives and livelihoods of low-income people in Africa. EGF's vision, in common with Equity Bank Group, is to champion the social economic prosperity of the people of Africa. EGF implements high-impact development programmes by leveraging Equity Bank Group's infrastructure and resources and forging strategic partnerships with development partners, government, the private sector as well as local and international organizations. Its goal is to transform the socioeconomic status of people in Africa through several program areas: education and leadership development of young people; support of women and youth entrepreneurs; health promotion; agriculture development; Energy and Environment; and spurring innovation at the bottom of the pyramid. The organization's strategy is to achieve impact by initiating new programs as well as managing and scaling the Equity Group's current social impact programs