

EQUITY NEWS

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NOT FOR SALE

Issue 8

Reaching for the stars

Young entrepreneurs author their dreams



In 2008, Francis Mburu found himself at a crossroads. He had recently graduated from college and living in crumpled quarters in Nairobi after his family was uprooted from their Eldoret home following the 2007-08 General elections, the young man found himself with few options.

At his lowest point, he made a decision that continues to pay dividends to date: he rolled up his sleeves and went

into poultry farming. His story (page 3) not only quashes the notion that farming is a hobby for retirees or old people, but also highlights how entrepreneurship is changing the economic landscape in Kenya.

According to population statistics published by Kenya Country Reports in 2014, the youth in Kenya (15-34 years) make up for more than 35% of the total population.

However, this energetic and resourceful demographic group finds itself beset with several debilitating challenges top of which is unemployment.

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Our youth, Our future



Dr James Mwangi, CBS

What our youth require today is opportunity. Opportunity to pursue their economic dreams; opportunity to be all they can hope to be.

The good thing is that young people are gifted with the intangibles of energy and creativity and all that is required is a launching board and an enabling environment.

For years, the accepted school of thought was that to succeed in life, one could only pursue traditional fields such as Medicine, Law or Academia. Reality however has debunked this myth: while the aforementioned disciplines are important, it has become apparent that there is need to nurture other talents among the youth; their creativity, innovativeness and entrepreneurial potential.

It's now a universally accepted fact that the quickest way to wealth creation is entrepreneurship. Entrepreneurship is the key that will unlock the immense

economic potential in Kenya.

Across the world, young people are taking the mantle of leadership in entrepreneurship. Young people are heading big companies. Mark Zuckerberg launched Facebook in his 20's. The Kenya Vision 2030 manifesto envisages a country with very high standards of living in the next 15 years. The youth are expected to play a critical role in the realization of this ideal and one of the ways to include them in that journey is economic empowerment.

At Equity Bank, we have taken a very deliberate approach towards youth empowerment. We realize that for many young people venturing into business, lack of capital is the main hindrance. To address this challenge, we have established youth-centric loan and account products to enable young entrepreneurs actualize their business plans.

Additionally, Equity Group Foundation through its Innovation pillar has been supporting ingenuity amongst

the youth by recognizing and rewarding youth entrepreneurship. For two years now, the Foundation has held the Equity Innovators' Club awards. Entrepreneurs with unique business cases receive cash awards and a chance to benefit from business mentorship by seasoned entrepreneurs as well as business advisory services.

We want to finance your dreams. We want to equip you with all the necessary tools you require to gain the necessary impetus for your success. We want to give you the chance to articulate your ideas.

We are now on the verge of rolling out our mobile banking platform which will also give our customers added benefits of telephony. Through this platform, we hope more of you will access mobile banking and unlock your dreams to build wealth during your youthful years.

At Equity Bank, we exist to transform the lives and livelihoods of our people.

“The youth are gifted with the intangibles of energy and creativity that need to be harnessed”

Continued from Pg. 1



Today, unemployment in Kenya stands at 40% and an estimated 67% of those unemployed are below age 35. A report by the World Bank estimates that roughly 800,000 Kenyans join the labour market each year, and only 50,000 succeed in getting professional jobs. The deep chasm has led many job-seekers to seek alternative means of earning a living.

Like Mburu, more and more young people are turning to self employment as a way of earning a living. Riding

on an entrepreneurial culture that is very much part of the Kenyan spirit, the youth are venturing into business and making a mark.

To help young entrepreneurs tap into the entrepreneurial space, Equity Bank has taken a central and active role in propelling the youth to success. In addition to offering relevant and timely products, the Bank has partnered with the government in its youth empowerment programmes such as the Youth Fund.

“We are cognizant of the fact that the youth are indeed the future of the country, and the more we support them, the better the fortunes of the country,” says Dr James Mwangi, Equity Bank CEO. “We are constantly coming up with innovative products and services tailored to this market.”

In 2007, Equity Bank rolled out the Vijana Business Loan product-a bespoke credit facility for youth engaged in business. With favourable repayment terms and interest rates, the product has offered a quick platform for budding youth entrepreneurs to realize their goals. To date, close

to 250,000 youth have benefited from the Vijana Business Loan, with nearly Ksh 10.5 billion in loans disbursed, setting the entrepreneurs on the road to entrepreneurial success.

“The transformation brought about by the availability of capital is very encouraging,” says Peterson Ngunu, the Relationship Manager-Micro Credit at Equity Bank.

Statistics show that nearly 80% of all business startups fail within the first year of operation; either as a result of lean capital or competition, but equally importantly for lack of entrepreneurial knowhow. It is for this reason that Equity Group Foundation (EGF) in partnership with The MasterCard Foundation rolled out a free-of-charge financial education curriculum under the Financial Knowledge for Africa (FIKA) programme targeting women and youth in business.

In the last four years, more than 1.2 million entrepreneurs have graduated from the programme. Follow up on many of the entrepreneurs who have undergone FIKA training reveals sturdier businesses.

With the major bottlenecks to entrepreneurial success significantly mitigated, dreams of young entrepreneurs are being lit and sustained.

"I found my calling in poultry farming"

Francis Mburu

Francis Mburu knows what it feels like to plummet to the lowest depths; but also how it feels like to bounce back and savour the fruits of success.

Mburu is in many regards the face of the modern young farmer: knowledgeable, involved and ready to take risks. At 27 years of age, he is a poultry farmer who counts to his name a brood of nearly 8,000 layers. In five years, Mburu has managed to rise from a construction site casual labourer to one of the most successful poultry farmers in Ruiru, Kiambu County.

"It has been a step at a time, working hard," says Mburu. "This is what I love doing, I am passionate about farming."

Mburu, an accountant by training, was born in Eldoret, Uasin Gishu County where the family invested in public transport industry and also practised farming. But following the skirmishes that erupted following the 2007 General elections, the family fled Eldoret for Nairobi.

"We lost our property, almost everything," recalls Mburu. "We only

"Most young people believe that farming is for old people, but that notion is misplaced"

"I took up odd jobs to earn a living; construction work, name it," remembers Mburu. "But in everything I always see a positive thing."

Mburu's father sold one of the two *matatu* mini-buses and used the money to buy a piece of land in Ruiru. "My father bought me 1,000 chicks in September 2008, and from there, I have been growing steadily."

The start was shaky, but Mburu immersed himself in study on poultry husbandry. Once the birds started laying eggs and he had made some money, he

For a person who has studied accountancy up to Level 6, Mburu can easily fit in an office at a financial institution, but for him farming is not a pastime, but rather a fulfilling and worthwhile engagement. The accountancy course comes in handy in the balancing of his books.

"Farming is not something you do after you retire," Mburu says. "Most young people believe that agriculture is for old people, but that notion is misplaced."

Mburu approaches poultry farming with professionalism and dedication. "Dip your shoes in this foot bath," he instructs as we enter the chicken coop. "This disinfectant solution prevents the possibility of spreading disease-causing germs to the birds."

Over the uncontained clucking of a forest of chickens, Mburu explains his philosophy for success. "Have passion in everything you do. Give it your best; it doesn't matter how big or small your undertaking. But don't do it merely because it's popular or it is the current fad. You will not succeed if your heart is not there."

Mburu says that the steep cost of animal feeds has had an impact on his profit margins, but true to his entrepreneurial acumen, he has found a way to mitigate the cost. Using readily available ingredients such as sunflower, maize germ, ground fish and fortified minerals, Mburu prepares poultry feed at his farm.

He credits financing from Equity Bank for his growth trajectory. "Equity is like a family to me," says Mburu. "Anytime I have a financial need, my branch listens to me. I have benefitted from facilities that have propelled my farming to great levels. It is more than a bank." Additionally, the advent of Equity agency banking has facilitated payment for eggs by his customers. "I only go to my branch to collect my bank statement," he says.

In three years' time, Mburu hopes to have increased his flock to 70,000 birds and to be among the biggest egg supplier in the country.

In addition to farming, Mburu serves on the board of the Uwezo Fund, Thika chapter. "I like serving as a role model to young people," says Mburu, who also trains young people on poultry farming pro bono. "We need to create a legacy; it's not just about me, it is about the future generation."



Mburu takes an inventory of his stock

managed to salvage two *matatus*." The family, including relatives, moved to a tiny single-room rental house in Tasia, Embakasi in Nairobi. The sudden shift from relative comfort to cramped dwellings weighed heavily on young Mburu, even as the family pondered how to rebound. But it also authored in him a fiery zeal to succeed.

added a new brood of 3,000. He hasn't looked back since then.

Currently, Mburu collects 190 trays of eggs daily. His distribution network pans Embakasi, where he has created his niche. "My success rides on reliability and loyalty," avers Mburu, who personally delivers the trays to his customers.



Mburu inside one of the poultry houses at his Ruiru farm

There are only two choices: Survive or Succeed

Lorna Rutto



What is the future of youth entrepreneurship in the country?

The youth remain the catalyst for national development. With the level of unemployment in the country today, with over 800,000 youths entering the job market every year with limited job opportunities, entrepreneurship will be the next big thing immediately the youth realize that attaining one's goals is within one's control. Even the commonly used excuse such as access to capital is not a valid excuse. In regards to our future as youth in this country, we only have two choices: to survive or to succeed. The youth who will choose to succeed and prosper in future are those who will take an entrepreneurial plunge and commit to focused goals.

What hinders advancement of youth entrepreneurs in Kenya and Africa?

One is lack of an environment that encourages youth entrepreneurs to start, grow and create advanced enterprises, for example: poor infrastructure, high energy cost and tax burden.

The government, for instance, introduced the VAT Act law that was intended to streamline VAT operations. It has placed a greater tax burden on youth entrepreneurs who are instead shutting down their businesses.

The government should be providing tax relief, subsidies, incentives and other support mechanisms to cushion our youth entrepreneurs instead of curtailing their competitive advantage.

Another major hindrance could be lack of access to entrepreneurial education and training from a much younger age to equip youths with the right skills to succeed in an entrepreneurial economy.

As a young woman, what challenges have you encountered in your entrepreneurial journey?

We live in a very patriarchal society. It entails women subordination. I have experienced instances whereby a client refuses to negotiate any transactions with me insisting on only discussing with my boss.

Although women make substantial contributions to their businesses and

household well-being, men largely control the revenue and use of the income. The failure to value women's work limits their bargaining power in economic transactions; the allocation of household resources, and wider community decision-making.

Women entrepreneurs also suffer

"Anyone can unlock their innovativeness and creativity using their knowledge, imagination and attitude"

systematic discrimination in the access to resources needed for growing their businesses such as access to credit from financiers. Women are usually more scrutinized as compared to their male counterparts as they lack the traditional collateral required.

What qualities should a person who is starting out in entrepreneurship possess to succeed?

A passionate, creative and innovative, focus - driven risk taker.

What role does mentorship play in business/life?

Mentorship plays an important role in uplifting people out of poverty by enabling businesses to grow and ultimately leading to job creation among other benefits.

I thank God for giving me mentors who provided me with great networking opportunities, media exposure, capital advisory, business plan development and many other benefits that have enabled EcoPost to grow and increase its social, environmental and economic impact.

The whole purpose of mentoring is for people to learn from one's challenges and mistakes. As a mentor, I try to share, guide, advise, give encouragement and even push my mentees sometimes in the

hope to support their plans, hopes and dreams.

It's a rewarding and worthy cause.

How important is innovativeness and creativity?

It's very important; it has enabled human beings to solve some of the world's greatest challenges and made living significantly easier.

It has built some of the most powerful brands in the world and it's important in competitive business environment.

Anyone can unlock their innovativeness and creativity using their knowledge, imagination and attitude and create impact on their habitat, resources or culture.

Is CSR part of your business, or how do you give back?

CSR is part of our EcoPost business. Our main goal is to help the society in addition to fulfilling our corporate interest. EcoPost Vision is to have a Green Africa free from poverty and our mission is to create sustainable jobs for people in the marginalized communities and conserve our environment.

EcoPost recycles waste to manufacture posts and lumber for various applications such as road signs, fencing, support beams, floor boards, and furniture among others. Basically things that were once made out of timber, EcoPost makes out of recyclable material.

These products are highly demanded and so far, EcoPost has created over 40 direct and 500 indirect jobs for people in the marginalized communities; withdrawn over 1.5 million kilogrammes of plastic waste from the environment; manufactured and sold thousands of alternative material to timber products and thus saved over 350 acres of forests while making profits.

CSR is very important in any company/ organization. If they do not consider being socially responsible, further environmental damage will occur and then there will be fewer healthy resources for future company success.

As an entrepreneur who identified opportunities in recyclable materials, do you think we are utilizing all available resources in the

country for business opportunities?

No. So much is still wasted or underutilized.

What key lessons have you learnt in your entrepreneurial journey?

To focus on making a difference; all work is honourable and everything is possible.

Finally, what is your take on environmental degradation in the country and how can we as Kenyans, especially the youth reverse the tide?

Environmental degradation in the country is causing severe biodiversity damage thus leading to an unhealthy ecosystem that will create a huge economic burden that we will have to bear.

We directly depend on healthy ecosystems. When we destroy our environment, we are destroying our livelihood and our future generations' livelihood too.

We need to take action; this is the time to really move out and do something new and innovative to reduce biodiversity loss and contribute to educating others about the importance of biodiversity in order to

*Change the way you look at things and the things you look at change.
~Wayne W. Dyer~*

make a change.

Lorna is the CEO of Eco Post, a company that manufactures durable fencing posts using plastic waste, an environmentally friendly alternative to timber. She founded the company in 2010. In 2012, Lorna won the 2011 Cartier Women's Initiative Awards on account of her entrepreneurial and environmental endeavours. In the same year, Lorna was named one of the 20 Youngest Power Women In Africa 2012 by Forbes and one of Africa's top 25 Women Achievers by The Guardian.

"I want to be a regional giant"

Alex Ndegwa

Wangige town in Kikuyu Constituency is a throbbing economic hub. The township, located 20 kilometres from Nairobi is famed for one of the busiest farmers' markets in Kiambu County. Every day of the week, the town hums with the sound of traders calling out to potential customers and the occasional whistle warning pedestrians of an oncoming pushcart. But it is on market-day Thursday that the town reveals its character. Shoppers from distant towns and villages show up, quick to purchase fresh farm produce in bulk. The narrow walks are clogged with shoes and other wares spread out on mats, while every spare wall assumes the role of cloth bazaar.

It is this frenetic pace and potential for entrepreneurial success that first drew Alex Ndegwa to Wangige town nearly a decade ago. Within that period, and more to the point, the last three years, Ndegwa has opened three branches of his investment-Smart Home Supermarkets. The third branch, opened late last year in Kiambu town is by far the largest and most modern of the three and puts into context

"There is no shortcut to success. You have to be strong for you to be successful in business"



Smart Home Supermarkets in Wangige

Ndegwa's remarkable journey as a businessman: with focus, resilience and a little thrift, there is no limit to what one can achieve.

The flagship store is located on the busiest street in Wangige town.

"I am happy with the progress we are making," says Ndegwa in his Wangige office.

The light statement hardly explains the process and cost of the growth Ndegwa has achieved. He pulls out a photograph of his initial investment—a small shop hardly a quarter of his Wangige store. The difference is jarring; it is hard to reconcile the well-spoken, confident businessman to the lean, young man in the picture; harder still to travel across the half-decade from the tiny store space to the current property.

"I was ready to take any risk, that's why I came here. I started from scratch with very little to my name," says Ndegwa.

On any given day, the shop receives a steady traffic of shoppers. The key, Ndegwa says, is exemplary customer experience and understanding shopper needs.

By developing a strong working relationship with residents, Smart Home Supermarkets has become an essential part of the day-to-day life of the community. "I like working with people; they support me fully. They get the same services they get from the giants in my shop," says Ndegwa adding that innovativeness has kept the business competitive. The supermarket has an incentive scheme that rewards shoppers with smartpoints that they redeem when needed.

The business has changed the lives and livelihoods of local youth who directly or indirectly benefit from Ndegwa's

entrepreneurial pursuit. Currently, the business employs close to twenty young people on permanent basis.

Sitting in his office in the Wangige shop, Ndegwa reflects on the journey he has taken. "The business didn't pick automatically, so I partnered with Equity Bank," he says. "Imagine having a stock of Ksh 80,000 and then get a boost of Ksh 200,000?"

As the business grew, Ndegwa sought to expand his footprint. "I went back to the Bank and told them I wanted to open a new branch. Within two weeks, I had the money."

Ndegwa strongly believes in the potential of young people and encourages them to maximize the opportunities around them. But he is quick to caution that the journey to the top is fraught with challenges. "There is no shortcut to success. You have to be strong for you to succeed in business."

Ndegwa's narrative doesn't have a bookend yet; these are only the early chapters. "I want to be a giant in this region and all over the country," he asserts.



Alex Ndegwa in his Wangige Office



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From tailor to raw animal feeds supplier

Bernard Owuor

Benard Owuor has carved a niche for himself as a supplier of animal feed raw materials. From his base in Ahero, Kisumu County, Owuor oversees the distribution of the material which range from Omena (silver cyprinid), rice and maize germ and cottonseed to various animal feeds manufacturers located across the country.

In a span of three years, Owuor, a tailor by trade has positioned himself as a significant supplier.

“I moved to Nairobi from Nyakach to apprentice for tailoring after finishing secondary school education in 2006,” starts Owuor, 27. But three years into the trade, he realized he was destined for something bigger.

An elder brother who had ventured in the animal feeds business albeit on a small scale advised Owuor to invest in the market. With savings from his tenure as a tailor and flush with a dream for a better life, Owuor moved back home.



Owuor at his warehouse in Ahero

“When a client places an order, even if it is a full trailer load, you have to deliver, otherwise someone else will get the cheque”

Research on distribution channels and the inner workings of the business followed. “I was new to this and had to learn as much as possible,” says Owuor. Soon, he received an order from a Nairobi animal feeds manufacturer. With an initial capital of Ksh 50,000, Owuor made his debut transaction. The profit from that deal convinced Owuor that his choice of business was well-advised.

Several orders followed, prompting Owuor to expand his net to source for materials. “Some clients would require sunflower germ; others fish meal or rice germ. At times it’s hard to source locally, so I travel to Uganda and Tanzania,” Owuor explains. The business, he adds, thrives on reliability. “When a client places an order, even if it is a full trailer load, you have to deliver, otherwise someone else will get the cheque.”

With more and more orders piling in his in-tray, Owuor decided to approach Equity Bank for financing. “I had this

big order from a manufacturer in Mombasa; an urgent consignment for which I was assured of a sizeable profit,” recounts Owuor. “I walked into my branch in Kisumu and in no time secured a loan of Ksh. 300,000. It was the maker.”

Owuor says that one of the challenges associated with the business is competition for raw materials. “You might get an order but find that other suppliers have pitched for the same commodity,” he says, but adds that competition is no hindrance, but a motivator to cast a wider eye.

Owuor recently bought a piece of land in Nyakach which he plans to develop. He has also bought six oxen for his father to assist in ploughing the family land. His sights are set on enlarging his distributorship. “It’s all about making sure you have ample stock and being dependable and having clear focus about what you want to achieve.”



Entrepreneurs graduate in Loiyangalani FiKA

More than 100 Marsabit County residents in the far flung Loiyangalani region in Marsabit County have graduated from a customized financial literacy training programme delivered by the Equity Group Foundation.

In keeping up with a growing demand for financial literacy in the region around Lake Turkana, this year’s Annual Lake Turkana Cultural Festival held at Loiyangalani culminated with the presentation of certificates to over 100 beneficiaries of Equity Group Foundation’s (EGF) Financial Knowledge for Africa (FiKA) programme.

The programme is a partnership between The MasterCard Foundation and Equity Bank implemented through Equity Group Foundation that leverages on Equity Bank infrastructure in Kenya to reach and train youth and women. The one and a half week intensive training programme saw traders and entrepreneurs from northern Kenya learn good financial management practices.

EGF has conducted FiKA training for

the Lake Turkana communities for the last three years during the cultural festival. Over 10,000 women and youth from Marsabit County have benefitted from this training.

This year’s training focused on entrepreneurship, mentorship and coaching to generate business ideas necessary for the trainees to manage their businesses and finances better. The training is part of the Bank’s strategy to empower traders and entrepreneurs by not only improving their financial knowledge and information but also skills, attitudes and behaviours required to make sound financial decisions.

Speaking at the FiKA graduation ceremony during the festival, Equity Bank’s Director SME Banking Rohit Kumar said; “Equity Bank is an all-inclusive financial institution whose business model aims at socio-economic empowerment of our people. The Bank has developed several products and services which have continued to deepen financial access and extend financial inclusion to all members of our society.

“As this programme imparts financial knowledge among our people, we expect to see further financial deepening and more uptake of financial services among our people, and particularly embracing a savings culture,” he added.

The World Bank estimates that approximately 800,000 Kenyans join the labour market each year, and only 50,000 succeed in getting professional jobs. Entrepreneurship is therefore seen as an alternative source of income amongst the youth.

“We believe that entrepreneurship is one of the key drivers of our economy and plays a key role in transforming the

lives and livelihoods of our people. We are glad to see 100 traders graduate from the entrepreneurship training today,” Rohit reiterated.

The Chief Guest Marsabit County Governor Ukur Yattani thanked the Bank for its continued support to the County. “Equity has been a good partner not only in training our people but also in supporting our young people with secondary and university scholarships. I commend all those graduating today after the entrepreneurship training and I urge them to use the knowledge they have acquired to improve their lives and those of their families.”



Entrepreneur redefines herself in pharmaceutical venture

Elizabeth Nadupoi Teeka

When Elizabeth Nadupoi forayed into the world of pharmaceuticals in 2011, it was both a learning and challenging experience. But three years on, her business is thriving.

"It has been a journey of gaining knowledge and getting the right people," says Elizabeth who is trained in Business Management.

Dressed in a white overcoat, Elizabeth looks right in place in her pharmacy shop located in Narok town. Business is brisk. Her three employees attend to a steady stream of customers.

"It's very busy right now. We are on our feet throughout," says Elizabeth with a smile.

It is a long way from Empongongi village outside Narok where Elizabeth grew up. After completing her secondary school education in 2007, she studied a basic computer course before enrolling for a business management course.

"Sometimes the business goes through a dry spell, but the rewards are worth it when you persevere"



Elizabeth attends to customers

"After graduating, I worked as an Insurance Agent in Narok town," narrates Elizabeth. "But I wanted something bigger."

In 2011, Elizabeth, who had already opened an Equity Bank account heard of the Youth Enterprise Club administered by the Bank through which she could benefit from credit facilities. She joined Pulunga Youth Group, a move she says set her on a transformational journey.

"After saving money in the group for a few months, I qualified for my first loan facility of Ksh 30,000," recalls Elizabeth. "I invested the money in cereal farming." Within a short time, Elizabeth had repaid the loan and applied for a new facility. With the money, Elizabeth and her husband, who is a trained Pharmacist, opened a small pharmacy outlet in Longisa town, Bomet County in 2011.

The business performed so well that the couple was able to open the Narok branch within the same year. With additional financing by Equity Bank, the new shop picked up quickly, rewarding the couple's investment.

"There have been challenges, sometimes business goes through a dry spell, but the rewards are worth it when you

persevere," says Elizabeth. She cites the financial education provided by the Equity Group Foundation for equipping her with prudent entrepreneurial skills.

"The best knowledge I have gained is interpreting the seasons and having a seasonality calendar," she says. "It's all about investing wisely during the peak season to cushion me during the lean ones."

Elizabeth, who has grasped the intricacies of the industry through constant learning on the job, plans to be a pharmaceutical wholesaler with an extensive distributorship in the foreseeable future. "My immediate goal is to secure a marketing vehicle that will assist me in distributing my merchandise. With the history I have with Equity Bank, I know this is possible," she announces.

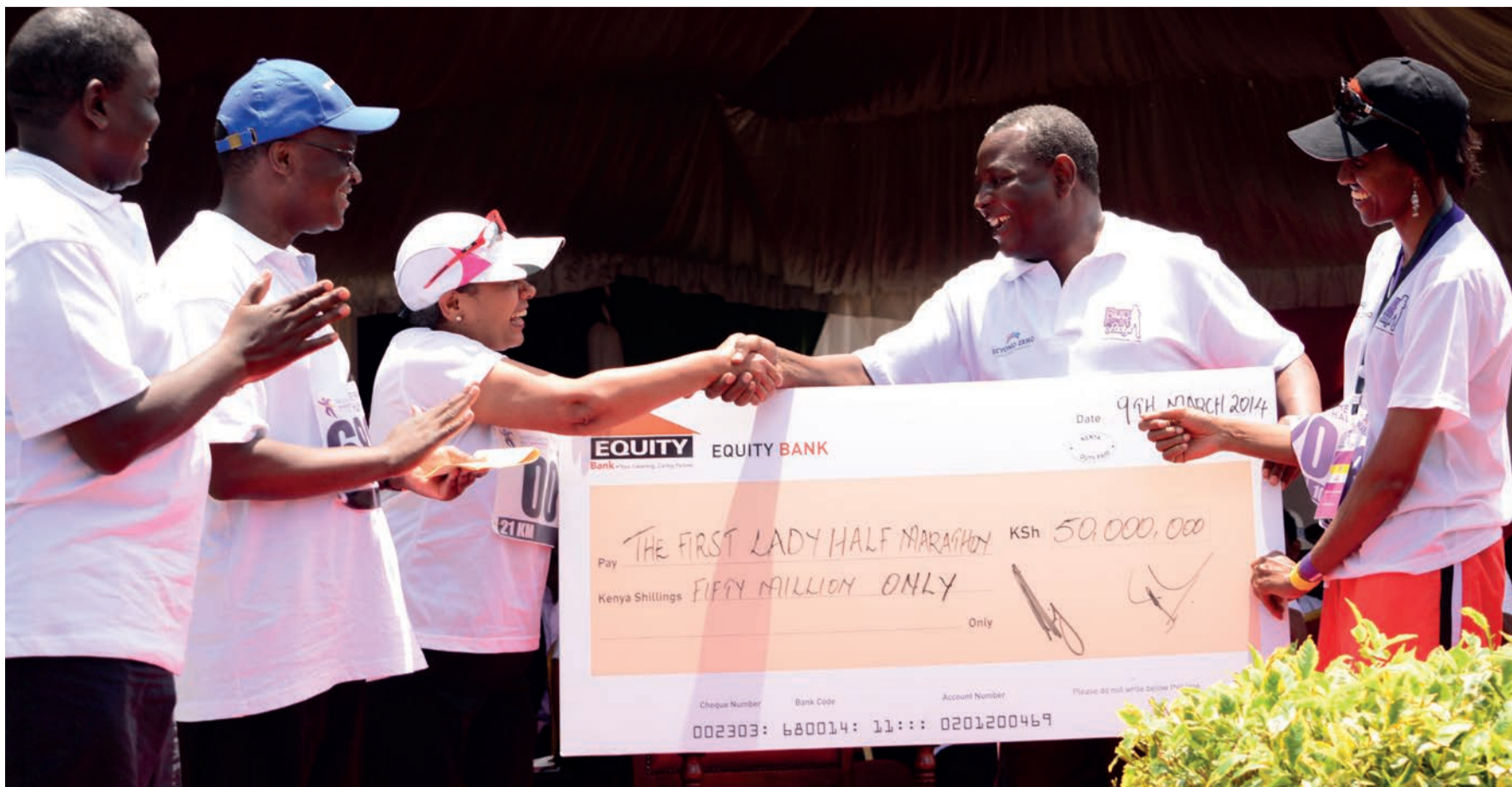
"The youth loans have been a godsend," reflects Elizabeth. "The interest rate especially is very affordable. The monthly installment has had little consequence on my finances; I feel no pinch at all, and that has allowed me to focus on my business."



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First Lady Margaret Kenyatta receives sponsorship cheque from Equity Bank team led by CEO Dr James Mwangi (centre) during the Beyond Zero Half Marathon



Dundori Secondary School Principal Lawrence Theuri (in beige jacket) receives school bus purchased through financing by Equity Bank. Behind the Principal is Equity Bank Nakuru Gate House Branch Manager Bonaventure Githae



President Uhuru Kenyatta awards scholarship letter to a student during the commissioning ceremony of the 5th edition of the Wings To Fly Program



Equity Bank CEO Dr James Mwangi (2nd right) is joined by, from left Adil El Youssefi, CEO Airtel Africa; Eng. John Waweru, Chairman Finserve Africa Ltd and John Staley, Chief Officer, Finance, Innovation and Technology during the unveiling of Mobile Virtual Network Operator (MVNO) strategy



Equity Bank women's basketball team in action against University of Nairobi Dynamites

Mpeketoni re-opens its doors

Equity Bank Mpeketoni branch re-opened its doors to customers after having been closed for about four months following the tragic June 15, 2014 attack of the town by armed militia.

Religious leaders from various denominations and faiths called on the Bank staff and the customers who had attended the ceremony to move beyond the attack and build a new life.

The religious leaders reminded the staff and customers to forgive those who committed the atrocities in order to find closure. The leaders also asked the staff and customers present to rid themselves of the anger and pain that resulted from the attack as these were not good for their well being.



Equity Bank Mpeketoni branch

The religious leaders also took their time to thank the staff and Bank for the good work they were doing before the attack and wished them well as they reopened their doors.

Pius Gitau, Equity Bank Mpeketoni branch Business Growth and Development Manager, thanked the religious leaders and customers for attending the ceremony and for their messages of goodwill. He also assured them of effective and efficient services at the Bank.



Bishop Zebedee Maina ministering to staff and customers after the Mpeketoni branch was re-opened



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Equity Bank South Sudan scoops best bank of the year award

Equity Bank South Sudan won Best Bank of the Year award in the Chamber awards organized by the South Sudan Chamber of Commerce, Agriculture and Industry.

The award was handed over to the managing director Paul Gitahi at Juba Grand Hotel. According to the organizers of the Quality award, Equity Bank took the top prize among the 27 banks in South Sudan because it has managed to create long lasting investment in South Sudan, provision of employment opportunity to the locals, capacity building through training, and supporting local communities and the business community through provision of financial literacy training. Equity was also cited for offering financial inclusivity and quality service delivery.

“We owe this award to our loyal and esteemed customers who have stood with us all long, making it possible for us to be the Best Bank 2014,” said Paul Gitahi after receiving the award. “Our promise is to rededicate ourselves to continue improving our services and product offering.”

Gitahi congratulated the staff for their performance and diligence in the quest of delivering quality services to customers.



Equity Bank S. Sudan Head office in the capital Juba

Agency Banking pays off for Embu entrepreneur

Eliud Kaara



Kaara serves a customer at his shop

In Kiamutugu town in Embu County, a young entrepreneur is thriving. Eliud Kaara, who runs a butchery business has diversified into agency banking and is now an Equity Agent, a business opportunity that has not only brought financial services closer to the town residents but also paid off handsomely for the entrepreneur.

Kaara, now branding himself as *Kijana Msafi* began his entrepreneurial journey as a hand in a butchery in Kiamutugu. He worked diligently, learning the butchery business and started saving with a purpose of investing in similar business one day.

“Handouts end up quickly. What endures is the wealth you have worked for”

After saving sufficient capital, Kaara, 32, opened a small butchery which he then used as a stepping stone to a bigger establishment. With business performing well, Kaara realized he could diversify his income channels by acquiring an Equity Agency licence. With a sound financial base

and adequate growth potential, Kaara was awarded an Agency.

“Being an Equity Agent would mean closer financial services to the people. Instead of them going to Embu town to do their banking, they could do that right here,” says Kaara. “When I applied for the Agency, that’s when things started. People were happy that they could open accounts here and do their banking.”

The Equity Agency enabled Kaara to boost his sales and to invest in another shop and second agency in Kamwana shopping centre, five kilometres away.

Proceeds from the butchery and the two Agencies allowed Kaara to diversify his business to electronic sales at a new outlet also in Kamwana. Riding in his new car, Kaara looks back with satisfaction at the strides he has made. “When I go to the branch, the Bank people see growth. I am driving my own car, and I already have another vehicle for the business.”

The enterprising youth attributes his success to passion, working hard, prudent saving and investing while still young.

“Handouts end up quickly. What endures is the wealth you have worked for,” counsels Kaara, adding that no matter where someone is in life, it is possible to rise.



Nikisafiri, sihitaji kubeba pesa, natoa hapa tu!

Equity Bank has partnered with agents countrywide to make banking more convenient and accessible. Visit your nearest Equity Agent to enjoy the following services;

- Open an Account • Withdraw Cash
- Deposit Cash • Pay bills • M-KESHO • Eazzy 247
- Top-up Airtime • Orange Money
- Third party payments (e.g. School Fees. Rent)
- Dormant Account activation
- ATM Card application (Visa, Auto Branch)

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Bank • Your Listening, Caring Partner

Agency Banking deepens financial inclusion

Though Equity Bank continues to invest in rolling out brick and mortar branches that are complimented by various delivery channels, the challenge of access to formal financial services remains a big impediment to financial inclusion. Kenyans (especially in remote areas) are forced to travel long distances and spend huge amounts on transport in order to access a branch. In addition to the cost of transport is the time spent commuting to and fro that could have been spent more productively.

To curb these challenges, the Central Bank of Kenya released a legislation that allows commercial banks to contract third party retail networks as agents. Upon successful application, vetting and approval, these Agents are authorized to offer selected products and services on behalf of the Bank. This relationship creates an Agency Banking business model.

The objective is to offer the full range of banking services to our customers without their having to visit a branch. This will provide the opportunity to access financial products and services at a location nearest to the customer, thus breaking down certain barriers to



Customers transact at an Equity Agent.

financial inclusion such as cost and accessibility.

With over 15,000 active Equity Agents spread throughout Kenya, agency banking accounts for 60% of all transactions across the Bank network.

Equity team crowned basketball queens



The jubilant Equity team moments after receiving the championship trophy

Equity Bank women's basketball team hoisted the 2014 Nairobi Basketball Association (NBA) championship trophy following a historic debut season.

Point guard Samba Mjomba was named the league Most Valuable Player (MVP) while Linda Mfuchi was awarded the trophy for most free throws made.

After a record-setting unbeaten regular season, Equity, who joined the pro ranks in April, met Strathmore University Swords in a best-of-five Finals series which began mid November. The Bank took game 1 in a lopsided 68-15 win and would go on to stamp an emphatic 71-26 game 2 win and sweep the series in a 73-19 game 3 blowout.

"I am very proud of the team," Coach James Maina said after the team was awarded the trophy. "From the start of the season, our goal was clear; we were going for gold."

Team Manager Louise Araka attributed the team's stunning debut season to focus and resilience. She expressed

confidence that the team, which now has been promoted to the Kenya Basketball Federation (KBF) Premier League, will fair even better in the tougher, more competitive stage.

"We are not just going to the Premier League to win the championship; our aim is to advance all the way to the Africa Cup championship in 2015," Araka said.

"It is all about upholding our brand, working hard, communicating and improving our skills," added Captain Eleanor Musundi. "The support we got from the Bank, through sponsorship, physical presence of the Bank management during our games is heartfelt."

The basketball team joined the NBA league following an impressive yearly run at the Inter-banks games where the team has hoisted the overall winners' trophy four consecutive times.



Samba Mjomba was named League MVP

Vijana Business Loan: an overview

The *Vijana* Business loan was established as a means through which the youth could access affordable credit facilities for their entrepreneurial endeavours.

The loans are disbursed through the Youth Enterprise Clubs (YEC). These clubs, comprising of 15-30 members provide a savings pool for club members that enables them to access loans.

For a minimum weekly savings of Ksh 100 per week, members build up collateral that serves as the basis for loan gauging, with members co-guaranteeing each other. Additionally, club members can use household goods or existing businesses to secure their borrowing. Following a savings window of three months, members become eligible for loans equivalent to 3 times of an individual member's savings.

The loans are for working capital, purchase of fixed assets and business premises improvement. Additionally, through the YEC's, entrepreneurs gain access to business training and advisory services.

What activities are funded?

Agro-based businesses (horticulture, dairy).

Service-related businesses e.g. salons, cafes, telephone, computer bureaus etc.

Trade related businesses.

Manufacturing businesses.



Features

Loans of up to Ksh 100,000 with graduation as follows:

- 1st loan-maximum of up to Ksh 30,000 repayment period 12 months
- 2nd loan-maximum of up to Ksh 50,000 repayment period up to 6 months
- 3rd loan-maximum of up to Ksh 70,000 repayment period of 9 months
- 4th loan-maximum amount of Ksh 100,000 repayment period up to 12 months

To sustain the growth of entrepreneurs who have either exhausted the maximum lending limit under the *Vijana* loan, and also accommodate those who have exceeded 35 years of age and are ineligible for the *Vijana* facility, the Bank has rolled out the *Vukisha* loan.

Vukisha, which translates to bridge serves as the springboard that many youths are increasingly using to propel their entrepreneurial ventures to higher levels. This loan product, whose main caveat is the ability of the borrower to repay, allows for up to Ksh 500,000 payable in 24 months.

Determined to succeed

Maureen Ambasa

When Maureen Ambasa dropped out of college in 2006 due to lack of school fees, she could have easily given up. But as often happens in life, the setback would serve as an opportunity to a bigger dream that has opened doors for her. The way she puts it, she simply got to a fork on the road, and took the right turn.

"I took a job as a waitress at a restaurant in Mbale town," recounts Maureen. "I have been a fan of the culinary arts, but hadn't found an opportunity



to develop it. I wanted to open my own restaurant."

The pay was meagre; Ksh 200 per day, but Maureen was determined to realize her

dream. Through careful spending, she was able to save Ksh 16,000 and quit her job.

"I secured a 14m by 9m shed in the town where I sold food from," says Maureen with a laugh. "I remember buying a *debe* (container) of potatoes, a half kg of meat, a half kg of maize flower and some onions and I was on the way."

By 2007, Maureen had made enough profit and was looking to expand her business. She bought a fryer and started selling sausages and chips. Then an opportunity presented itself; there was a struggling eatery in town that had been neglected and the owner wanted to lease it out. "It was then that I approached Equity Bank Mbale branch where I held a bank account for a loan facility," narrates Maureen. "I walked in, explained that I needed to expand my business and I got a Ksh 50,000 loan. I bought seats, tables and revamped the place."

Additional financing by the Bank covered rent expenses for a whole year and eased operations. The premises could accommodate 30 patron at a time. The new place became so popular that Maureen had once more to expand to cater for her increased clientele. "I began offering outside catering to offices here in the town;



Maureen outside her restaurant in Mbale town

"By providing employment to young people, I am empowering them to lead decent lives"

financial institutions and government offices," reports Maureen.

The growth of her business was anchored on customer service and dependability. Her establishment, aptly named Cheers is one of the most popular eating places in town with 18 staff on its employ. "In this industry, you can't afford to be lax on customer satisfaction," Maureen affirms. "Once people know your brand is consistent, you can hardly go wrong."

Within three years of her entrepreneurial journey, Maureen saw her diligence pay off. In 2009, Brand Kenya

recognized her with The Kenya Change Generation Award, citing her exemplary achievement in promoting the youth agenda towards the realization of Kenya's national development goals.

For the 31 year-old entrepreneur, the journey is getting more delectable by the day but that's no reason to sit pretty. "In the next three to four years, I want to own the biggest hotel in Mbale," Maureen says matter-of-factly. "A huge country hotel."

These days, in addition to overseeing the operations of the restaurant, Maureen also serves as a nominated Members of County Assemblies (MCA) representative for Vihiga County.

"I want to be a role model for the youth," says Maureen, whose business employs 18 young people. "By providing employment to youth, most of whom haven't been able to join secondary school, I am empowering them to lead decent lives."

Maureen speaks warmly of the support she has received from Equity Bank. "The Bank has been with me throughout. They have walked with me on my journey; I credit my growth to the Bank."

Casting a wider net

Edward Cheruiyot

At twenty four years of age, Edward Cheruiyot is already an employer. Cheruiyot runs a cyber café and a phone and accessories shop in Kericho town.

Cheruiyot moved to Kericho town from nearby Motobo village to seek a better life after his secondary school education. Three years down the road, the young entrepreneur is relishing the fruits of entrepreneurship.

His is a story of growth and seizing opportunities:

Since completing high school, it was my desire to be an entrepreneur. This was however hard to achieve due to the fact that I had no capital. I was lucky to be employed at a telecoms shop as a service attendant.

From the small commission I got as payment, I used to make small deposits into my Equity Bank account having been trained on the importance of savings. Later in the year 2010, the proprietor left me the shop when he moved out to acquire another

shop within Kericho town. The turnover from the business, despite being low, coupled with patience and the financial lessons acquired from financial literacy training offered by Equity Bank, played a key role in my endeavours.

Most of the time I had to plough back the profits to increase the initial float of Ksh 35,000. In 2013, I set my goal; to expand my business by diversifying in phone and phone accessories.

This goal became a reality when I got a business loan of Ksh 50,000 from Equity Bank. I serviced the loan well knowing that I needed to build my relationship with the bank for future support. And when I went back for a top-up while almost clearing the facility, I was glad to receive an additional Ksh 80,000 that enabled me acquire another shop for the accessories and phones.

This facility not only eased my working capital but also enabled me to acquire a photocopier machine that has



Cheruiyot outside his cyber café in Kericho town

"From a mere shop attendant to an employer...this I owe to my Bank"

greatly helped supplement my income flows. Towards the end of 2013, I saw the prospects of engaging in computer and Internet services. I took the risk of acquiring space and transferred the flagship shop to the premises knowing that Equity Bank would grant me a facility to acquire the computers and additional photocopier.

I am glad right now I have seven computers which I acquired using an additional loan from the Bank. The business has picked up immensely. I plan to take up additional business opportunities that may arise in the near future.

One fascinating thing that gives me tremendous satisfaction is looking back

from where I have come from; being a mere shop attendant three years ago to being an employer. All this progress I owe to Equity Bank.

New dawn as 2,000 students join the *Wings To Fly* Program



The 2015 *Wings to Fly* class in a group photo with the President and invited guests

Mzee Makeke Punyua sat proud in the designated parents/guardian section in the cavernous gymnasium of the Moi International Sports Centre, Kasarani in Nairobi. It was hard to miss him, even this deep in the stands: a brightly-coloured traditional Masai sheet draped his shoulders, colourful beaded adorned his neck.

Punyua had boarded a bus from Ntulele, Narok, 144 kilometres southwest of Nairobi at the crack of dawn. His adopted son, Nicholas Nteresian was among 2,000 students who would be receiving the *Wings To Fly* scholarship in a commissioning ceremony presided over by HE President Uhuru Kenyatta mid January, and the old man couldn't miss the occasion for anything.

Presently, a video appeared on the giant screens. A few frames in, Punyua recognized one of the subjects; there on the screen was none other than his boy Nteresian, talking about his dreams, telling his story and thanking *mzee* Punyua for adopting him.

The convergence of fate and chance that made Nicholas Nteresian a member of the Punyua family occurred seven years ago. Nteresian, an orphan, had accompanied his friends on a grazing trip in Ntulele. It so happened that on that day, the area chief was rounding up school-age children and taking them to school. That is how he found himself sitting in class.

When the bell sounded to end the school day, Nteresian, who had no real

home to call his own, followed one of the boys he had befriended at school. That boy was Makeke Punyua's son Saitoti Punyua. Nteresian followed Saitoti home the following day, and the next. *Mzee* Punyua realized he had become fond of the inquisitive, intelligent boy. "He became my son," Punyua, a herder, says. "I decided to adopt him."

Since then, Nteresian has been living in the Punyua family. With a new family, he flourished both as a person and student, scoring 365 marks in the 2014 KCPE exam. "I want to become a banker," Nteresian, 15, is seen saying to the camera.

Like Nteresian, and similar to previous editions of the program, an overwhelming majority of the students who received the *Wings To Fly* scholarship in 2015 came from very needy backgrounds and had overcome tremendous cultural, physical and emotional hurdles to appear in the top five percentile in the national KCPE exams. In the documentary, and also the individual testimonies of the students, a common, singular theme was apparent: resilience.

"We have more and more children from poor backgrounds who are performing very well academically. These are Kenyans who can play a key role in breaking the poverty cycle if they are afforded a chance to pursue their education," said Equity Group Foundation chairman Dr. James Mwangi.

The desire by *Wings To Fly* hopefuls to better their lot through education was evident in the massive volume of

"It is through such partnerships that the children of this great nation – who are the beneficiaries – can prosper"
~President Kenyatta

application forms – well over 20,000, received in Equity Bank branches and Agents across the country.

The commissioning of the 2015 cohort of *Wings To Fly* made the total number of students who have been awarded the scholarship since its inception of the programme in 2010 to 10,377. Equity Group Foundation and The MasterCard Foundation, with support from USAID, UKAid and KfW and other organizations and individuals have been implementing the scholarship program for top performing yet needy - orphan or vulnerable - students in the locations across Kenya where Equity Bank has a branch.

Speaking at the commissioning ceremony, President Kenyatta confirmed that the government would continue facilitating private sector partnerships that promote education access. He commended Equity Group Foundation for supporting education in the country.

"Although the government is tasked with the mandate to ensure education for all, it is through such partnerships that the children of this great nation – who are the beneficiaries – can prosper. The gains of the *Wings To Fly* program are not lost to us," he said.

Through the comprehensive scholarship, school expenses such as tuition, and other costs associated with attending a secondary school - boarding, books, uniform, transport costs, pocket money are covered. The students also have the opportunity to receive mentoring and leadership development to equip them for excellence.

The MasterCard Foundation CEO and President Reeta Roy encouraged the pupils to take with them their good performance to their next level of education.

"You are a chosen lot and must remember that though you have had to struggle to this point, you have our support and should have the hope that you will realize your dreams one day. Education is the best gift we can present to you to help you achieve all that you have set your heart to as it is the channel through which you can shape your bright future," she said.

When Nteresian and his father boarded the bus home that January evening, he had in his pocket his scholarship letter, and every reason to look forward to life. But it wasn't merely a scholarship; for Nteresian and his peers, the scholarship meant a ticket out of life's crippling straitjackets. It was the dawn of a new day.

Equity Group Foundation: creating tomorrow's leaders today

In just four years, Equity Group Foundation (EGF) in partnership with The MasterCard Foundation, UKAid, USAID, KfW and Equity Bank have enabled 10,000 *Wings To Fly* Students to gain access into secondary school, a task that without their assistance would have proved tough, for those less fortunate in our society. Through investment in education, the *Wings To Fly* partners through EGF hopes to transform society, by giving scholars the opportunity to not only gain global exposure, but access to education resources and enhanced leadership training.

This, they believe will result in the cultivation of a crop of leaders who are not only globalized citizens, but in being so, leaders who are well equipped to make a positive contribution in championing the social and economic development of Africa.

The successes of the program are exemplified by the pioneer class of 2010, whose four year high school journey came to an end in November 2013 after sitting their Kenya

Certificate of Secondary Education (KCSE). The group recorded a 91% college matriculation rate.

EGF has also supported over 1965 scholars in the Equity African Leadership Program (EALP) which has



EALP scholars at an induction event

seen 32% of scholars study or graduate with degrees in Engineering and Computer Science; 25% with degrees in Medicine and Dentistry; and 23% with degrees in Business and Economics. A further 150 students have been given access to some of the world's leading ivy league universities, including Harvard, Yale, Stanford, and Princeton.

Convinced that the *Wings to Fly* program will ultimately transform every village in Kenya, Equity Group Foundation has committed to roll out a second phase of the *Wings to Fly* program.

In this phase, and owing to the positive embrace that the program has received from Kenyans, Equity has made a provision for every individual and organization to participate in scaling up the impact of this program; through the creation of a donation platform where everyone wishing to touch the life of a deserving and bright Kenyan child can make a donation. Re-affirming EGF's commitment to education as a pillar for development.

Banking on the youth: budding fashion designers win Equity Bank prize and training opportunity

A group of 40 upcoming fashion designers graduated today from an Equity Bank-organized financial literacy course, setting the stage for their formal entry into the world of business.

The 40 upcoming designers, who were also the finalists in the Bank's Vijana Na Equity; Design your Destiny fashion design competition, successfully underwent a 30 hours comprehensive financial training programme custom-designed for players in the creative sector.

The group, which is now ready to claim a share of the local fashion design and apparel retail market estimated at more than US \$330m a year, according to the Kenya Association of Manufacturers (KAM), will also enjoy access to a Ksh 100million seed fund to support the whole clothing and textile ecosystem which includes agriculture, ginneries, spinners, fabric traders, and fashion and design through lease hire and asset finance facilities from Equity Bank.

Speaking during the event, Equity Group CEO Dr. James Mwangi said that the clothing and textile industry holds enormous potential and value for Kenyans in creating employment, supporting tourism, and urged Kenyans to support the "Buy Kenya Build Kenya" initiative by the government.

The Financial Literacy course is delivered by the Equity Group Foundation under its Financial Knowledge for Africa (FIKA), programme which seeks to raise financial literacy levels across Africa and covers topics such as; budgeting, savings, marketing and sales strategies, debt management, financial negotiations and banking services & products selection.

Armed with such financial management skills, Dr Mwangi who was accompanied by the Association of Fashion Designers of Kenya Chairperson Sally Karago, noted that the designers are now set to launch their careers in the lucrative fashion design field.

The Bank, he said will provide tailor made financial solutions for local fashion designers among other players in the local creative arts scene. He further pledged that the bank will partner with the fashion industry in Kenya in taking it to the next level through supporting initiatives like the proposed Kenya International Fashion week which will provide a



Arnold Wachira explains his winning design to Sally Karago, Chairlady of the Association of Fashion Designers of Kenya, and Equity Bank CEO Dr. James Mwangi during the Grand Finale of *Design Your Destiny* fashion competition

marketing platform for local fashion designers.

"By providing financial literacy lessons to such a talented and youthful group, Equity Group is seeking to equip them with the necessary skills required to navigate through the dynamic financial environment. Fashion Designers equipped with financial literacy skills, we believe will be better placed to exercise prudence and even harness available financial resources including credit products," Dr. Mwangi said.

Within the Vijana na Equity scope, the Bank will be seeking to support upcoming fashion designers and other sectors in the creative arts and innovation fronts to attain their dreams while enjoying commercial returns.

The top 40 aspiring fashion designers were picked from over 195 entrants in the contest that was conducted mainly online. The five-judge panel from the industry included Sally Karago, Chairlady of the Association of Fashion Designers of Kenya, Katungulu Mwendwa a young Kenyan fashion designer and fashion blogger Franklin Saiyalel.

Arnold Muriithi, 23 a budding fashion designer was picked

for the top honour, managing to walk home with Ksh150, 000. Arnold, who also got an invitation by "In the Bag" to attend for free the 2015 Hub of Africa Fashion Week in Ethiopia will also receive a round ticket and accommodation support from Equity Bank. The other winners included Sheila Omondi, Latif Muqqadam and Chebet Lesan who were picked for the first, second and third runners' prizes respectively while Kevin Ouma and Chebet Lesan won the most promising designer awards.

Over and above the prizes, the contestants with promising work will be legible for internships in some of the leading fashion design houses in Nairobi. The leading contestants will also receive business development mentorship support from the Equity Investment Bank portfolio managers.

"Through the Vijana na Equity initiative, we are setting off on a journey to nurture the youth and transform their dreams to be entrepreneurs in the creative scene," Dr. Mwangi said. "This is aligned with Equity Bank's purpose to transform lives by maximizing opportunities for our existing and prospective clients," he added.

Supporting entrepreneurship and ingenuity

To support innovation and nurture business ideas among the youth, Equity Bank and Equity Group Foundation in 2012 established the Equity Innovators Program which is a key cog of the Equity Africa Leaders Club (EALP).

Equity Innovators encourages students under EALP to explore their innovative and creative side and use these talents and skills to develop new businesses or innovative solutions in the work place. The Equity Innovators Program is open to all Equity Scholars interested in starting their own businesses or being successful professionals who are able to come up with innovative solutions in the profession of their choice.

Scholars are taken through basic training that will equip them with the information and experience they require as a starting point to succeed as entrepreneurs. Scholars receive theoretical training from courses available on eQademy and practical training through Case Study Analysis, Group Projects and Group Business Plans.

Scholars then make decisions on their most preferred areas of enterprise. Equity Innovators then awards the



Young entrepreneurs present their business concept.

"We hope to keep giving impetus to our young innovators, so they see validity in their endeavours. ~ Michael McCreary~"

most innovative and viable business ideas with funds to enable take off.

"We plan to offer free business and legal advisory to our young entrepreneurs so that their business ideas are fully optimized," says Dr James Mwangi, Equity Group Foundation Chairman, who is also the Patron of Equity Innovators. "It's all about removing barriers that could hinder growth."

In 2013, the Program held the inaugural Innovators

awards with the aim of rewarding innovative business ideas. The event, which was held at the Serena Hotel, revealed a glut of creative entrepreneurial ideas among youth. This inspired the 2014 event which recorded over 70 business entries. "We hope to keep giving impetus to our young innovators, so they see validity in their endeavours. The cash tokens will enable the businesses to take off," says Michael McCreary, Senior Programs Manager at the Equity Group Foundation.

Equity best bank in East Africa

Equity Bank has been named the Best Bank in East Africa. Equity emerged the winner ahead of 115 contenders from Kenya, Uganda, Tanzania and Rwanda.

Flanked by Equity Bank staff the CEO Dr James Mwangi received the trophy at the annual Banking Awards 2014 held in May. He paid glowing tribute to Equity Bank staff for the commitment and dedication to the course of social economic transformation of East Africans. "The award is a strong statement of our commitment to our vision of seeing the lives and livelihoods of our people are transformed," he said.

Equity was also named the bank with the lowest charges as well as the Best Bank in product marketing. In total Equity received 6 trophies at the inaugural Think Business Banking Award East Africa edition. The other awards were first runners in both best bank in Mobile Banking and Best Bank in Agency Banking. Equity was second runners up Best Bank in Asset Finance.

Speaking on the judging criteria, a member of the judging panel Angela Ambitho said the survey involved interviewing customers on loyalty, corporate image, first point of interaction and access to banks among others. "We looked at areas that we felt were critical to customer satisfaction," she said highlighting some of the questions customers were asked. "We looked at areas of trust and corporate image. Do they like the brand you have as a bank? Are they proud to be associated with your brand? Would they associate with the brand in future? Do they like your advertising and communication?" said Ambitho.

Tracing Equity Bank's journey of success, Dr Mwangi said the triumph shows the power of patience in commitment to a course. "It has taken us 21 years to rise up to this level. Since we became a bank, it has taken 9 years to move up the ladder from the entry point to become the Best Bank in East Africa," he said.



Equity Bank CEO Dr. James Mwangi receives Best Bank in East Africa award accompanied by senior management

Equity Group now listed on the Rwandan bourse

The Rwanda Stock Exchange (RSE) has officially welcomed Equity Group Holdings in its banking securities counter. The Group has joined the nascent Rwanda Stock Exchange (RSE) as part of its regional development strategy.

The cross listing of the Equity Group Holdings counter on the Rwanda Stock Exchange marks a major milestone for the firm, which is seeking to enhance its integrated financial solutions delivery capacity.

At the Rwanda Stock Exchange, Equity Group Holdings has now listed for trade 3,702,777,020 issued ordinary shares, at a par value of Rwf 3.76 (Ksh 0.50) following the regulatory approval of the Capital Markets Authority of Rwanda. At a market capitalization in excess of US\$2billion, Equity Group Holdings becomes the largest listed company at the Rwandan bourse.

Speaking at a bell ringing ceremony hosted as a curtain raiser to the ongoing two-day Capital Markets East Africa International 2015 conference and witnessed by Rwanda President Paul Kagame, Equity Group Holdings Managing Director Dr James Mwangi welcomed the Bank's customers and partners in Rwanda to acquire the firm's shares and share in its success.

The Rwanda Minister for Finance Claver Gatete while welcoming Equity Bank's listing noted that developing countries stand to gain from their capacity to mobilise development resources through the capital market avenue.

"This is a momentous occasion for Equity Group Holdings, as we invite and extend an opportunity to the local investors a chance to share in our success as part owners of East and Central Africa leading financial services provider," Dr James Mwangi said.

Equity Bank Rwanda is now one of the leading commercial banks in Rwanda licensed and regulated by the National Bank of Rwanda. Equity Bank Rwanda Limited commenced its operations in October 2011.

Equity Bank and American Express launch the first American express cards in Kenya

Kenyans can now unlock the rich rewards and benefits offered by the new American Express Green and Gold Cards



Dr. James Mwangi Group CEO Equity Bank (right) and Mr. Andrew Stewart AMEX Vice President & General Manager - Turkey, Middle East & Africa after the launch of Equity Bank American Express Cards

Equity Bank and American Express have announced the launch of the first American Express Cards in Kenya.

Equity Bank now offers Kenyan consumers the Equity Bank American Express® Green Card and the Equity Bank American Express® Gold – both of which carry rich rewards and benefits.

The partnership gives Equity Bank the exclusive rights to issue American Express cards in Kenya, Uganda and Tanzania. Equity Bank also acquires merchants on to the American Express network in these countries

The Equity Bank American Express Green Card and the Equity Bank American Express Gold Card have been designed specifically with Kenyan consumers in mind and they have the opportunity to choose between the two Cards based upon their personal travel, lifestyle and financial needs. The Green Card offers a range of retail and lifestyle benefits and is ideal for those who will mainly use their Card to spend at local merchants in Kenya. The Gold Card offers an additional tier of travel and lifestyle benefits and is particularly suited to those who are more frequent travellers or more likely to spend on leisure such as dining out.

Cardmembers can use their American Express Cards at millions of shops, restaurants, hotels around the world, as well as on American Express' global network of ATMs.

The Gold Card also offers an additional tier of travel and lifestyle benefits including Priority Pass which gives Cardmembers access to over 700 airport lounges worldwide and to offers at local hotels. It also offers Cardmembers a range of additional lifestyle benefits, such as enrolment in the American Express Global Dining programme, giving Cardmembers access to specially selected offers at restaurants at home and abroad.

Andrew Stewart, Vice President and General Manager, Partner Card Services Turkey, Middle East and Africa commented, "We are excited to partner with Equity Bank to launch the first American Express Cards in Kenya. This is an important milestone for our business and brings an opportunity to offer tailored products for Kenyan consumers characterised by outstanding rewards and benefits. This marks a key step in our growing partnership with Equity as we work together to meet the needs of a rapidly evolving payments landscape in the country."

Dr. James Mwangi, Equity Bank Group CEO said, "At Equity Bank, our mission is to best serve and meet the financial needs of our more than nine million customers, our association with American Express, a world leading payments company, is therefore part of this mission to deliver nothing but the best card solutions."

Equity Bank Group has made significant investments in its diaspora remittances, merchant acquiring infrastructure and banking and transaction processing by connecting to leading global payment systems.



Rwanda Minister for Finance Claver Gatete ringing the bell to signal the trading of Equity Group shares at the RSE as Dr James Mwangi (middle) and RSE Chief Executive Officer Pierre Celestin Rwabukumba look on

Equity Bank Group 3rd Quarter Profits Soars by 26%

Equity Bank Group announced that its profit after tax for the third quarter of 2014 grew by 26% to Ksh 11.2 billion up from Ksh8.9 billion in the same period last year.

With a complement of 9.2million customers, the Bank's net income recorded enhanced growth during the trading period ending September 2014, in what Equity Bank Group CEO Dr James Mwangi attributed to growing economic activity across the region.

Additionally the bank's strategy to grow its alternative strategic income streams was further re-affirmed with a growth of 23% being realized against the Bank's net interest income growth of 9%. Merchant business commissions posted a 69% growth while insurance, custodial and brokerage fees rose by 35%. Diaspora remittances grew by 19% and foreign exchange trading income grew by 15%.

The Bank's agency banking network also maintained its rapid development and now has 15,875 agents, representing a 70% year

on year growth. Plans, Dr Mwangi said, are also underway to expand the agency offering to include other services including Insurance and air ticket sales.

Further confirming the Bank's growing reputation as an economic development financier, Equity Bank's loan book grew by 30% to Ksh206.7 billion up from Ksh158.6billion and was supported by a 27% growth in deposits of Ksh243 billion up from Ksh192 billion and a 38% growth in long-term debt.

investment in energy, roads, ports, airports, railways and revival of manufacturing and construction sector will offer enormous banking opportunities going forward," an optimistic Dr Mwangi said. He also observed that the changing global perception about Kenya and rebranding of the East Africa as an oil rich region and relocation of global brands' African head offices to Nairobi together with the upgrade of the UNEP office into a class 1 status UN Office will enhance business attractiveness of the region.

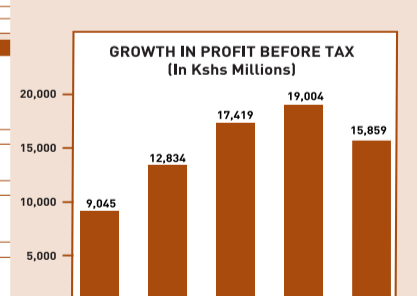
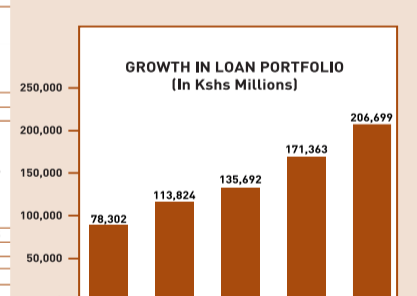
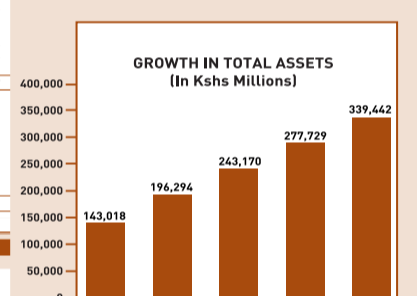
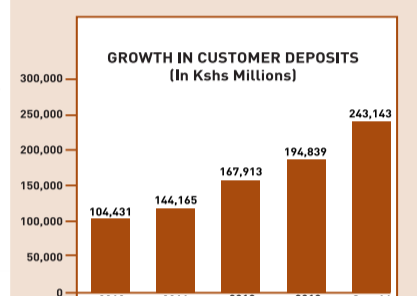
"Recent Vision 2030 infrastructure

EQUITY BANK GROUP

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2014



STATEMENT OF FINANCIAL POSITION, STATEMENT OF COMPREHENSIVE INCOME, OTHER DISCLOSURES, and RATIO table. Includes data for 30th Sept 2013, 31st Dec 2013, 31st Mar 2014, 30th Jun 2014, 30th Sept 2014, and GROUP CONSOLIDATED figures.



These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institutions website www.ke.equitybankgroup.com

Signed: DR. JAMES MWANGI, CBS CHIEF EXECUTIVE OFFICER /MANAGING DIRECTOR

Signed: MR. PETER K. MUNGA, CBS CHAIRMAN

Equity Bank Limited is regulated by the Central Bank of Kenya