



Stanbic Holdings PLC

# REPORT TO SOCIETY 2021



**Stanbic *IT CAN BE***™  
A member of Standard Bank Group

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## Summary of our impacts



### How to navigate this report

The following icons refer readers to information across our report:



Refers readers to information in our other reports, which are available online.

This report is best viewed in Adobe Acrobat for desktop, mobile or tablet. Click to download or update to the latest Adobe Acrobat Reader and then links to <https://acrobat.adobe.com/za/en/acrobat/pdf-reader.html>

# Purpose of this report

Stanbic Holdings' purpose is to drive the growth of Kenya and South Sudan. We achieve our purpose by working through the seven focus areas of our social, economic, and environmental (SEE) framework. This enables us to deliver substantive impact in the markets we operate in. The areas are financial inclusion; job creation and enterprise development; infrastructure; trade and investment; climate change and sustainable finance; education and health.

Our annual Report to Society is a communication of the strategic outcomes we have achieved in each of our SEE impact areas directly through our commercial activities. We believe that it is imperative for our stakeholders to have a holistic and empirically grounded understanding of the broader impact we generate. This is an important way of deepening the relationships we share with our clients and society at large, and ultimately becoming more than a bank.

## Reporting boundary and approach

The report covers the primary socio-economic activities of Stanbic Holdings Plc (the Company), and it covers the financial year from 1 January 2021 to 31 December 2021, along with historical information and forward-looking statements, all of which provide context in respect of our strategy and operations. Our approach to this Report to Society is aligned to recognition of the aims and aspirations of the United Nations Sustainable Development Goals, United Nations Principals for Responsible Banking, and the African Union's Agenda 2063. The report also aligns to the National development agendas of Kenya and South Sudan.



# Who we are

## Stanbic at a glance

Stanbic Holdings Plc is a leading financial services organisation that serves the needs of clients across Kenya and South Sudan. With a proud track record in the region spanning over 100 years, we use our on-the-ground presence to unlock the potential of our clients through solutions tailored to a digital future.

### Our purpose

*The reason we exist:*

Kenya/South Sudan are our home, we drive her growth.

### Our vision

*What we aspire to be:*

To be a leading financial services organisation in Kenya and South Sudan, delivering exceptional client experiences and superior value.

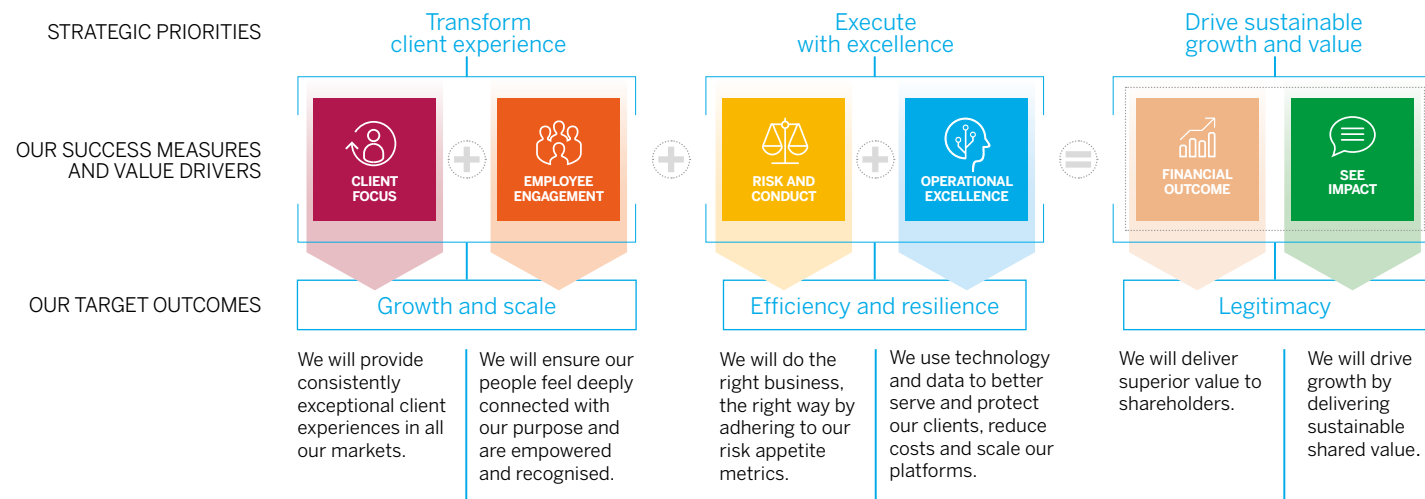
## Integrated sustainability

We are committed to being more than a provider of financial products and services – we are a catalyst for economic change. We view this as core to our purpose to develop commercially sound ways to address environmental and social challenges, accelerating economic growth, human development and making a better life for communities. Our objective is to create shared value – benefiting society while achieving targeted financial returns.

We embed social, economic, and environmental considerations into our lending decisions and business practices in a way that helps us to continue supporting our clients, whilst producing value for society at large. Our strategic value drivers are a crucial implementing agent to effectively embed SEE considerations in the work we do.

**We track the progress we make in executing our strategy through our strategic value drivers.**

We create value by living our purpose and achieving our vision through the diligent execution of our strategy. Our strategic value drivers measure our strategic progress, allowing us to focus on the value we aspire to create for all our stakeholders. The strategic value drivers also provide a set of actions that serve as inputs to generating value for society.



# Where we operate




<sup>1</sup> Kenya Population Growth Rate 1950-2022 | MacroTrends  
<sup>2</sup> Kenya GDP - 2021 Data - 2022 Forecast - 1960-2020 Historical - Chart - News (tradingeconomics.com)  
<sup>3</sup> South Sudan Population (2022) - Worldometer (worldometers.info)  
<sup>4</sup> South Sudan GDP - 2021 Data - 2022 Forecast - 2008-2020 Historical - Chart - News (tradingeconomics.com)

Fit-for-purpose infrastructure

**26**

**BRANCHES**




2020: 26

Fit-for-purpose channel

**57**

**ATMs**




2020: 55

Fit-for-purpose channel

**62**

**BULK NOTE ACCEPTORS**




2020: 55

Fit-for-purpose channel

**172**

**AGENT OUTLETS**



2020: 148


Digital capabilities

**MODERNISED BANKING PLATFORMS**



Recognised brand

**STANDARD BANK**  
**STANBIC BANK**  
**SBG SECURITIES**





## A message from Charles Mudiwa

### Chief Executive, Stanbic Bank

Our purpose is to drive the growth of Kenya and South Sudan. This is enhanced by our Social, Economic and Environmental (SEE) approach and the seven SEE focus areas.

Our aspiration to be a financial institution that is impactful in the countries and communities in which we operate was put on display in 2021. If there are words that could summarise our approach, it would be resilience, relevance and innovation.

**Resilience:** we are inspired by the resilience we have witnessed within the Group and among our clients and society in general. In particular, we have been encouraged by the adaptability and responsiveness we have seen among our clients even in the face of challenges occasioned by the pandemic and subsequent mitigation measures. Consistently, we have noted a marked level of grit as clients responded to the economic downturn and business challenges.

It is with great pleasure, that we noted a rebound in most sectors including those most impacted as the year came to a close.

**Relevance:** The role played by financial intermediaries was amplified by the pandemic and the need for rapid turnaround in addressing accessibility, interaction and usage of financial services in the midst of physical and social restrictions. This is not only about the use of technology but also the pace and breadth at which such technology was deployed ensuring the least disruption in client access to financial services and our operations.

The imperative for such rapid and rigorous transformation of banking capabilities was necessitated by the increased relevance of financial services to sustain our way of life and is validated by the government's designation of banking services as "essential services".

**Innovation:** In 2021, we enhanced the use of our technological transformation in the development and delivery of products and services. We launched several new solutions, mostly using a digital interface and channels to deliver value for clients. These solutions were in response to expressed client needs with a clear ambition to drive growth and create shared value.

Many of our stakeholders are familiar with our **seven SEE impact areas**.

## IMPACT AREAS



FINANCIAL  
INCLUSION



JOB CREATION  
AND  
ENTERPRISE  
DEVELOPMENT



SUSTAINABLE  
FINANCE AND  
CLIMATE  
CHANGE



INFRASTRUCTURE



TRADE AND  
INVESTMENT



EDUCATION



HEALTH

These are the core areas of our business in which we believe we have the greatest impact on society and the environment, and in which we commit to maximise benefit and minimise harm.

Digital onboarding of clients which has seen over 85% of accounts being opened digitally, resulted in a fourfold increase in account numbers opened daily. This was a key milestone in our innovation and transformation journey. We also launched, Unayo, our digital onboarding and account creation platform for individuals and businesses across multiple geographies in line with the Standard Bank Group footprint. This offering provides broader and more convenient access to banking solutions for those operating in diverse geographies. In response to lessons learnt during the pandemic and its impact on clients and society, we launched Smart Direct which offers income protection for as low as KShs 100 per month to secure and protect livelihoods and businesses.

Our intent is to continue developing and deploying products and services that address client needs and create societal value while being commercially viable. We are focused on accompanying business persons, especially women, on their adventure to creating and growing their enterprises as evidenced by our enhanced DaDa proposition that now includes bundled insurance products which are tailored to personal and familial needs. Additionally, we are growing our ecosystem approach working with anchor clients as a pivot point to enable us to finance entire value chains. This empowers businesses, that would often not be able to access much needed financing on their own, to benefit from the commercial relationships with our clients.

Fundamentally, this pandemic has clarified our perspective that creating societal value is a key imperative for our commercial success and the right thing to do.

**Charles Mudiwa**

Chief Executive, Stanbic Bank

## CASE STUDY

**Transforming my Beauty and Personal Care Business During Covid**

His and Her Sense was established when I lost my job in the NGO sector as a social worker. I looked for opportunities to start my own business and felt confident I could establish and grow a business focused on beauty and personal care products.

This is when His and Her Sense was born. We ran a successful business with loyal clients from 2013, but Covid saw our sales reduce in response to our clients cash flow constraints. We needed to pivot to protect the business when we saw a 50% decline in our sales.

We brainstormed and unpacked what we were good at, and noted we had a wealth of knowledge on how to import and distribute products. We could start importing products that clients needed, like vitamins, other wellness products, face masks. As everyone had

to wear a face mask, we explored ideas on how to import masks. As the largest supplier of masks was China, we approached the Stanbic China Desk, who connected us with suppliers.

Stanbic made it easy for us, especially as we had not done business in China before. We were connected with reputable suppliers, which allowed us to import masks into Kenya.

The whole world was affected by the pandemic though, so we still had challenges of working with lockdowns and border restrictions including the cancellation of internal flights and cargo flights into the country. But this pivotal decision to diversify our business kept our business afloat. We sold masks to individual clients as well as in bulk to pharmaceutical businesses.



“Stanbic China Desk helped us with financing, we have good credit, and can thus tap into a credit facility allowing us to manage the import of masks seamlessly. I have banked with other banks and the process with Stanbic was responsive. They listened to me as the customer, they wanted to help, when it was not possible to help, they explained why. Generally, they just make things happen for the customer.”

**Mr Lameck Mwanthi**  
Managing Partner



# Our Strategy

Our strategy is a definitive guide on where we want to go, and importantly, how we intend to get there. It is at the heart of our continued digital transformation and will shape how we create value for all our stakeholders and respond to their unique needs, concerns, and expectations. The future we envisage for ourselves remains unchanged and, as we accelerate the pursuit of our strategy, we are buoyed by the sheer potential of our sector, our people, and our clients.

## Our purpose

Kenya and South Sudan is our home, we drive her growth

## Our strategic priorities

### Transform client experience

Our client segments will:

- **DEFEND** our current client franchise and market positions
- **GROW** as we capture opportunities, with specific focus on our six prioritised ecosystems

We will transform client experience using digital technology, amplified by the human touch.

We aim to understand our clients as deeply and empathetically as we can, and then use our human skill and digital capabilities to help meet their needs and enable them to achieve their goals.

### Execute with excellence

Our Client Solutions, Engineering and Innovation capabilities will:

- **DELIVER** innovative and cost-effective client solutions
- **ENABLE** the group's platform
- **PARTNER** to drive value

We will execute with excellence, delivering innovative and cost-effective solutions in partnership with others.

### Drive sustainable growth and value

We will be purposeful in:

- Diligently **ALLOCATING RESOURCES**
- Delivering **ATTRACTIVE SHAREHOLDER RETURNS**
- Having a **POSITIVE IMPACT**

We will drive long-term, environmental and socially sustainable growth and value.


We will responsibly allocate our resources and strive to deliver positive impact.

Our success measures and value drivers



In executing our strategy our key focus areas for 2021 were:








- |   |  |   |
|---|--|---|
| <p><b>Re-imagining ourselves</b></p> <ul style="list-style-type: none"> <li>• Responding to market needs through innovative solutions that make us more than a bank.</li> </ul> | <p><b>Deepening our relationships with clients</b></p> <ul style="list-style-type: none"> <li>• Safeguarding our client relationships through a transformed client experience and value-added services.</li> </ul> | <p><b>Responsible Banking</b></p> <ul style="list-style-type: none"> <li>• Responding to the pandemic while ramping up operational efficiencies and providing ongoing community support.</li> </ul> |
|---|--|---|

 Additional information available in the Stanbic Group Holdings Plc Annual Integrated Report 2021 available on the company website

## Our impact areas

We have identified seven areas in which we believe we can best achieve our purpose, to drive Kenya and South Sudan's growth, while making a substantial positive impact on society, the economy and the environment.

We selected these areas based on their relevance to our core business as a provider of financial solutions, and the priority needs of people, businesses and economies.

OUR IMPACT AREA	 <b>Financial inclusion</b>	 <b>Job creation and enterprise development</b>	 <b>Environment and Climate Change</b>	 <b>Infrastructure</b>	 <b>Trade and investment</b>	 <b>Education</b>	 <b>Health</b>
OUR IMPACT	<p>We enable individuals, entrepreneurs and small enterprises to access relevant and affordable financial products and services, including payments, savings, credit and insurance, enabling them to transact conveniently and cost effectively, save and plan for the future, and deal with unexpected emergencies. These benefits, in turn, support economic development and reduce inequality.</p>	<p>We work with our clients, from micro-enterprises to large corporations, to support their growth and sustainability. We take the time to understand their challenges, priorities and aspirations, and design solutions to support their unique needs. This includes targeted support for small enterprises. We continue to partner with our clients to help them manage the economic impacts of the pandemic.</p>	<p>We are working to support Kenya and South Sudan transition to a lower carbon economy. We are also working with our clients to enable mitigation of climate change impacts, and to improve access to reliable and sustainable energy sources, a critical factor in Kenya and South Sudan's economic growth and poverty alleviation.</p>	<p>We facilitate the development of quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, and support infrastructure upgrades to improve sustainability and support economic development and human wellbeing. In all infrastructure development projects, we partner with our clients to ensure environmental and social risks are appropriately managed and minimised.</p>	<p>We facilitate trade and investment flows between countries, and with key global markets including China. Our clients benefit from our international payments expertise, and our trade loan, FX hedging and performance, and payment risk mitigation products.</p>	<p>We support access to inclusive quality education and to opportunities for life-long education and training, enabling Kenya and South Sudan's people to acquire the knowledge and skills needed to thrive in an increasingly digitised world. This includes providing innovative finance solutions for students and educational institutions and investing in the development of our employees.</p>	<p>We contribute to better health outcomes for Kenya and South Sudan's people by investing in our employees' health, safety and wellbeing, financing healthcare providers and the development of health-related infrastructure, and investing in health-focused corporate social investment (CSI) programmes to improve access to quality essential health-care services.</p>

## Our SEE Framework

Our SEE framework provides an overarching approach to cascading our selected impact areas into tangible actions and initiatives with measurable outcomes.

The SEE framework bridges our core business, our purpose, our SEE focus areas and the needs of our stakeholders and society at large.



### Social

This is the value Stanbic Holdings creates for society, both internally with our people and externally with other stakeholders, such as clients and governments to make life better.



### Economic

Stanbic Holdings drives economic growth by creating social and environmental value, which also leads to more innovative and profitable ways of doing business thereby being a catalyst for economic change.



### Environmental

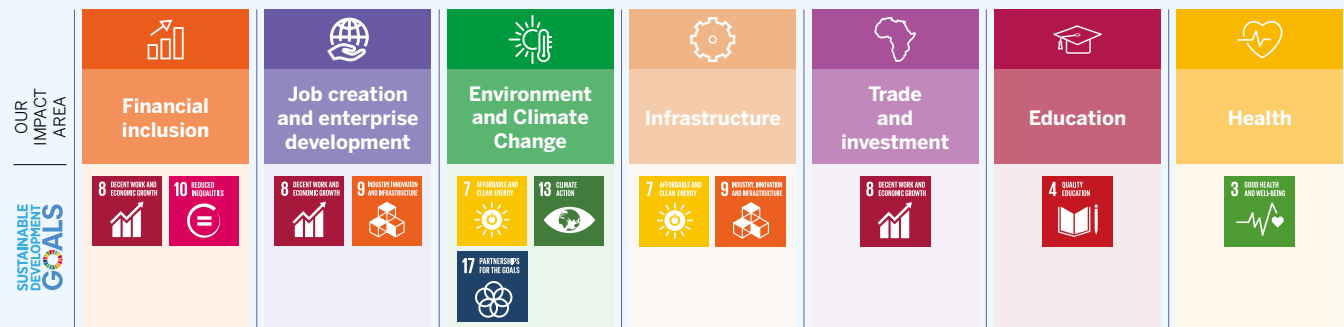
Stanbic Holdings' success depends on creating value for the environment through conscious and responsible lending.

The framework requires us to take a long-term view and to assess the positive and negative impacts of our business decisions, not just for the Group, but for the communities in which we operate. SEE impact management is central to the commercial strategies of our business lines and legal entities. It shapes how we do business, how we generate our income, and the products and services we offer our clients.

It also provides the opportunity to grow our business by providing innovative solutions that address societal, economic, and environmental challenges in our markets. We therefore understand that shared value means that for us to continue as a successful and sustainable business, we must measure value beyond financial outcomes.

### Linking SEE to the UNSDGs

As a purpose driven organization, we look to the SEE focus areas to land our purpose. These seven focus areas portray the specific themes that we have identified as offering the best potential for the creation of shared value. Our SEE Committee provides oversight in this regard and assists with the alignment of the focus areas to the commercial objectives of the Group. Clearly establishing these linkages supports our contribution to the UNSDGs.



### Understanding our SEE Impact

We understand that our success is intrinsically linked to the societies in which we operate. It is a crucial component of our business strategy. We play an important role in society and SEE is about how we best understand and strategically maximise our value-creation impact in the region. As financial intermediaries, it is our purpose to drive sustainable growth and empower our stakeholders by acting as a catalyst for economic change. SEE helps us understand if we are achieving our purpose and building trust among our clients and other stakeholders. Managing our SEE value drivers helps us to:

- Identify business opportunities arising from societal, economic, and environmental challenges.
- Weigh up commercial versus societal impacts and make appropriate decisions on this basis – delivering what matters to our clients while enhancing the trust, reputation, and sustainability of the Group.
- Provide a balanced and objective account of our impacts to our diverse stakeholders.
- Raise awareness across the Group of the SEE impacts – positive and negative – that arise from our business activities.

## Diversified Integrated financial services offering

The pursuit of our purpose is contingent on our ability to meet the needs of our clients. In doing so, we create value through three key services.



### Corporate and Investment Banking

Corporate and investment banking services provided to clients, including governments, larger corporates, financial institutions, local and multinational corporates.

#### What we offer

- Transactional products and services
- Global markets
- Investment banking
- Lending
- Deposit taking
- Digital banking solutions
- Trade finance
- Chinese desk
- Bancassurance

#### Alignment to SEE Impact Areas

- Climate change and sustainable finance
- Infrastructure
- Trade and Investment

### Business and Commercial Clients

Our comprehensive banking solutions, designed to address the needs of small-to medium-sized enterprises (SMEs) as well as commercial banking clients ensure our clients are able to access a variety of products and services to transact, trade and fund their businesses.

#### What we offer

- Transactional products and services
- Lending
- Deposit taking
- Digital banking solutions
- Vehicle and asset financing
- Trade finance
- Chinese desk
- Bancassurance
- Foreign exchange

#### Alignment to SEE Impact Areas

- Financial Inclusion
- Job creation and enterprise development
- Health
- Education

### Consumer and High Net-Worth Clients

This segment provides banking solutions for individual clients, including High Net Worth individuals. Our various client platforms provide access to a variety of personal banking and wealth management solutions, including insurance, investments and advisory capabilities.

#### What we offer

- Transactional products and services
- Deposit taking
- Lending
- Vehicle and asset financing
- Bancassurance
- Mortgages
- Investments
- Digital banking solutions
- Trade finance
- Chinese desk
- Foreign exchange

#### Alignment to SEE Impact Areas

- Trade and Investment
- Financial Inclusion

# What success looks like

We view success as the measure of our ability to generate economic value in a way that produces value for society and contributes to the sustainability of our environment. As a result, it is our understanding of our direct and indirect impacts on the societies, economies, and environments in which we operate that enables us to make more informed, responsible decisions.



## Financial inclusion

Enable access to financial solutions that support economic development and reduce inequality.

### Key focus

- Improving access and affordability – convenient digital products and services, accessible even without a bank account.
- Rethinking security and collateral requirements for loans.
- Providing consumer education to enable people to manage their finances more effectively.
- Helping our clients save, invest and plan for the future according to their individual needs.



## Job creation and enterprise development

Support SME growth and job creation through finance, mentoring, training and market access.

### Key focus

- Helping small businesses access the tools and resources they need to become viable and sustainable .
- Providing financial products designed to meet the needs of SMEs and entrepreneurs.



## Infrastructure

Support infrastructure development for inclusive and sustainable industrialisation, partnering with clients to manage and minimise environmental and social risks.

### Key focus

Working with the government and development institutions to structure appropriate funding for crucial developmental infrastructure:

- Roads, dams, ports, waterways.
- Energy.



## Trade and investment

Facilitate trade and investment flows using innovative trade finance, cross-border payments and investment solutions.

### Key focus

- Facilitating trade and investment, particularly in the Africa-China corridor in conjunction with ICBC .
- Facilitate trade activities and access to trade financing.



## Environment and Climate Change

We are working with government and businesses to reduce their vulnerability and build resilience to the impact of climate change.

### Key focus

- Climate and green bond issuance.
- Financing sustainable product solutions.
- Reducing our own environmental footprint.



## Health

Partnering with NGOs to provide affordable access for individuals and communities to healthcare equipment and diagnosis.

### Key focus

- Facilitating cancer screening to aid in prevention and early intervention.
- Providing PPE for communities and staff to respond to the pandemic.
- Supplying and distributing hand washing stations to respond to the pandemic.



## Education

Support access to inclusive, quality education and lifelong learning opportunities .

### Key focus

- Supporting early childhood development.
- Supporting improved access to education and improved educational outcomes.
- Improving access to student finance.
- Supporting access to work opportunities and skills development.



CLIENT  
FOCUS



EMPLOYEE  
ENGAGEMENT



RISK AND  
CONDUCT



OPERATIONAL  
EXCELLENCE



FINANCIAL  
OUTCOME



SEE  
IMPACT

# Delivering our strategy

## SEE IMPACT AREA

## CLIENT FOCUS AND DEEPENING OUR CLIENT RELATIONSHIP

## RESPONSIBLE BANKING



### Financial inclusion

- Promotion of digital solutions
- Supporting SMEs
- Promoting savings and investment solutions
- Protecting wealth created through provision of insurance
- Increasing access to home ownership

- Educating the customer
- Enhancing levels of financial literacy
- Promoting diversity and inclusion in our client base
- Supporting the governments initiatives in this area



### Job creation and enterprise development

- Ongoing Covid-19 support
- Supporting growth of SMEs
- Extension of agency banking model
- Supporting corporate clients to leverage their value chains
- Investing in strategic partnerships to support our clients

- Loan restructuring
- Balancing need to assist the client while ensuring shareholder returns
- Supporting the governments initiatives in this area



### Infrastructure

- Provision of guarantees
- Provision of lending facilities

- Enhancing small business access to facilities allowing them to participate in large infrastructure projects
- Supporting the governments initiatives in this area



### Trade and investment

- Provision of guarantees
- Provision of lending facilities
- Facilitating networking

- Creating new routes to market for clients



## SEE IMPACT AREA

## CLIENT FOCUS AND DEEPENING OUR CLIENT RELATIONSHIP

## RESPONSIBLE BANKING



### Environment and Climate Change

- Structuring bespoke financial solutions for clients
- Increasing funding available for responsible investment initiatives in the energy space

- Empowering clients to make informed decisions around climate risk
- Building resilience within the client base
- Enhancing clients access to funding



### Education

- Upskilling our staff to respond to the changing needs of our clients
- Training of our clients to enhance their level of financial literacy and business acumen
- Providing funding to educational institutions and their staff

- Enhancing levels of education
- Driving enterprise growth
- Protecting the clients we serve
- Enhancing marketability of staff
- De-risking the business



### Health

- Ensuring the health and wellbeing of our staff
- Protecting the health of our clients
- Providing funding to the health care sector

- Providing the tools to staff allowing them to protect themselves and their families
- Supporting communities through health screening exercises
- Supporting government departments through the provision of resources



# FINANCIAL INCLUSION



# Financial inclusion



Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way. It refers to all initiatives that make formal financial services available, accessible and affordable to all segments of society.

## Result of lack of access to finance

- Poverty trap
- Income inequality
- Lower levels of growth



## Benefit to society

- Economic Growth
- Reduced levels of poverty
- Reduced levels of inequality



OUR FOCUS AREAS INCLUDE

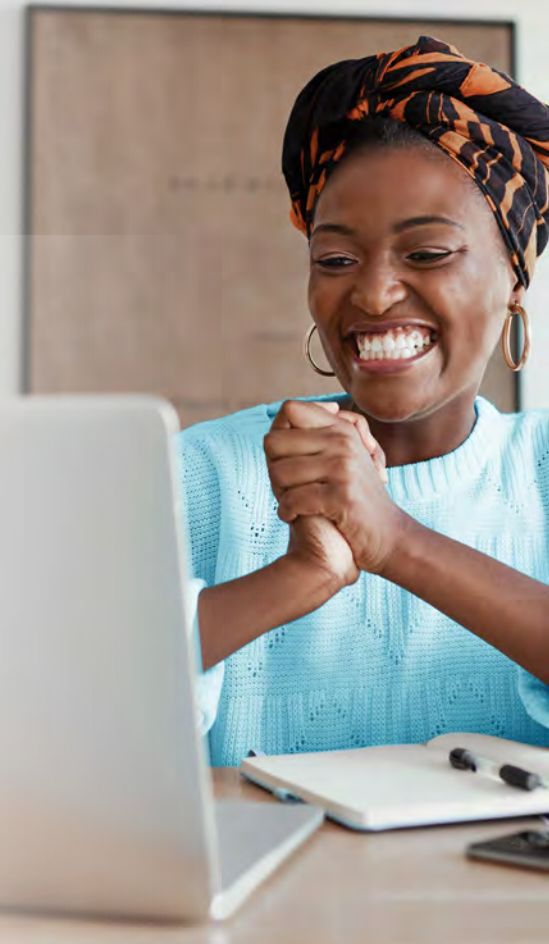
## Benefits for individuals

- Save for a purpose
- Drive entrepreneurial activities



## Tools to maximise benefits

- Mobile money services
- Payment cards
- Other financial technology applications





Financial inclusion has improved in sub-Saharan Africa predominantly driven by digital solutions such as mobile money and innovations in delivery models including agency banking. Kenya's inclusion rate stands at 82.9% according to the Kenya Economic Report (2020). Studies undertaken by Kenya Institute for Public Policy Research and Analysis, show a 26.7% improvement in the last decade. The main barriers to greater financial inclusion in Kenya are proximity to financial providers, level of trust in financial providers, excessive documentation, financial literacy and the cost of accessing financial services.

According to the World Bank's Global Findex data, only 8.6% of the adult population had an account in a financial services institution in 2018, compared to 42.6% for sub-Saharan Africa and 34.9% for the global low-income country average. Inclusion remains a dire need however, recent developments in provision of mobile money is expected to improve inclusion and foster growth in financial services.

Country	Kenya	South Sudan
<b>Financial inclusion rate<sup>1</sup></b>	82.9%	9%
<b>Savings culture</b>	13%	Not Disclosed
<b>SME contribution to GDP</b>	24%	Not Disclosed
<b>Poverty level</b>	35.5% of the population lives below the poverty line <sup>2</sup>	82% of the population lives below the poverty line <sup>3</sup>

<sup>1</sup> <https://microdata.worldbank.org/index.php/catalog/3271/related-materials>

<sup>2</sup> <https://borgenproject.org/tag/poverty-in-kenya/#:-:text=Around%2035.5%25%20of%20Kenya's%20population,the%20U.S.%20%241.90%20per%20day.>

<sup>3</sup> <https://www.worldbank.org/en/country/southsudan/overview#1>





## Strategic approach and success factors for financial inclusion

Strategic Approach	Measure of Success
<b>Partnerships established</b> <ul style="list-style-type: none"> <li>strategic partnerships</li> <li>identifying innovative ways to increase access to financial solutions</li> </ul>	<ul style="list-style-type: none"> <li>Strategic partnerships are in place to increase access to financial services</li> </ul>
<b>Strengthening the sector</b> <ul style="list-style-type: none"> <li>sharing knowledge</li> <li>identifying opportunities to collectively strengthen the sectors response to enhance levels of financial inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Active participation in industry bodies</li> <li>Active engagement with the regulator</li> <li>Publication of good practice and lessons learnt through annual reporting, website content and using social media platforms to educate stakeholders</li> </ul>
<b>Enhancing Access</b> <ul style="list-style-type: none"> <li>specific focus on supporting SME growth</li> <li>ensuring our services are accessible and inclusive</li> </ul>	<ul style="list-style-type: none"> <li>Increase in the number of SME with access to financial literacy training, sources of capital and opportunities to sell their goods and services</li> <li>Increase in the number of clients who are aware of new services and solutions on offer, demonstrated by increased uptake and active use</li> </ul>
<b>Deepening levels of financial inclusion</b> <ul style="list-style-type: none"> <li>achieving Kenya and South Sudan's development priorities</li> </ul>	<ul style="list-style-type: none"> <li>Partnership with government to achieve development priorities</li> <li>Ability to track contribution against our SEE focus areas</li> <li>Leveraging partnerships to achieve these objectives</li> </ul>
<b>Extending financial services to previously excluded groups</b> <ul style="list-style-type: none"> <li>supporting women and youth</li> <li>supporting differently abled individuals</li> <li>extending services to rural areas</li> <li>enhancing services to economic segments traditionally not able to access funding e.g., agriculture, small businesses</li> </ul>	<ul style="list-style-type: none"> <li>Launch of dedicated products aimed at supporting these excluded groups</li> <li>Increased representation of these previously groups in our client base</li> </ul>

### In 2021 this was Achieved through:



Implementing **accessible and affordable digital solutions** to under-banked and unbanked individuals



Implementing **digital solutions for entrepreneurs and small businesses** to support business formalisation and growth



Providing **affordable and convenient savings and investment solutions** to help individuals prosper



Providing **affordable and tailored insurance products** to help people and business owners cope with life's uncertainties



Providing **mortgages for the affordable housing market.**



Providing **consumer education and financial literacy** to help people make informed decisions



## Promotion of Digital Solutions

Building on our focus to respond, restore and rebound in 2021, client solutions were implemented with a focus on restoring growth. These solutions were designed to allow clients to respond to the economic impact resulting from country and regional shutdowns in 2020 and 2021 due to the pandemic.

The focus was on the extension of credit to catalytic sectors of the economy, and those sectors that had been affected by the pandemic. Although these focus sectors remain vulnerable to the dynamic shifts in the economy, substantial strides were made by companies to restore and rebound in 2021.

Research into what our clients need has provided insight into our blind spots, this has improved our delivery mechanisms in the market, our responsiveness to client needs, and the tailored approach to the provision of services. This has fundamentally changed how we attract and service clients.

The approach prior to building our new solutions was twofold, firstly to engage the client to understand their needs, and secondly the engagement of staff to understand our limitations in delivering solutions in our markets. Removing the barriers internally to the delivery of solutions was key. This ensured that the new solutions launched to market benefited clients.





## Transforming client Experience

OUR APPROACH TO THE MARKET IN 2021 ENABLED OUR CLIENTS ACCESS STANBIC ENHANCED SOLUTIONS CONVINIENTLY THROUGH OUR DIGITAL CHANNELS. CLIENTS NOW HAVE EASY AND QUICK ACCESS TO FINANCE, SAVING OR INVESTMENT SOLUTIONS ON A 24- HOUR BASIS. GREAT TO REPORT 90% OF ALL LOANS PROVIDED WERE ACCESSED THROUGH OUR DIGITAL CHANNELS.

Rethinking the role of the branch network, transforming them to advisory channels promotes additional value for the client. The branch network offers clients an avenue to co-create and unpack which solutions best address their needs. Tailoring packaged solutions was made possible by the breaking down of internal silos, and cross selling of products.

This de-risked the provision of lending facilities and maximised the long-term wealth generation opportunities for the client through the additional provision of savings, investment, and insurance products. We achieved internal operational efficiencies, reduced operating costs, and optimized Return on Equity (ROE). ROE is now being tracked per product, informed by the achievement of internally set key performance indicators and targets per client focused sector.

Key beneficiaries to this approach were SMEs who gained access to working capital facilities enabling the buying and selling of goods on our digital channels. The Mjeki platform further facilitated this process by providing access to financial services on a 24-hour basis. Retail clients benefited by the extension of credit in the form of salary advances to address short term needs, as well as long term financing. Stanbic will continue to focus on providing services across six priority ecosystems in the market.

The digital channels and self-service approach to banking has seen an increase in the number of accounts opened by 4 times per day in the retail banking space. This large uptake was only made possible through the coordination of developers, redesign of systems, putting everything on a cloud-based environment thus enhancing levels of elasticity in the system. Additionally, the success of the new product launches in 2021, as well as lessons learnt will be utilised to further enhance our performance in 2022.





## Unayo

DESIGNED TO LINK BUSINESSES AND PEOPLE WITH MUTUAL FINANCIAL INTERESTS ACROSS MULTIPLE GEOGRAPHIES, UNAYO IS AIMED AT ENHANCING FINANCIAL INCLUSION BY CONNECTING COMMUNITIES AND BUSINESSES TO HELP THEM GROW.

The platform leverages technology solutions to offer financial and non-financial services. It is completely digital and accessed via mobile devices. At its core are banking services with supporting lifestyle services offered via various partners. By joining Unayo, individuals and businesses can become part of this online community and connect to people, not just in Kenya, but also across Africa. Unayo also works towards the Group achieving their wealth generation goals for their clients.

### Enabling people to be part of the financial world:

- Transfer to other bank accounts.
- Transfer to other bank wallets.
- Send money to each other using mobile numbers or email addresses.
- Cash withdrawals.
- Cash deposits.
- Pay for goods.
- Bulk disbursements (for Businesses).
- Cross border remittances.

### Provides the opportunity for people to earn money by becoming an agent for UNAYO:

- Process Cash Withdrawals and deposits and earn commission.
- Earn commission for signing up new members.
- Accept payment for your goods.

### Key Outcomes for 2021

- Kicked off piloting in 5 major towns in Kenya.

### SEE Focus Area Supported



### SDG Supported







## Niko Sawa na Smart Direct

THE SMART DIRECT ACCOUNT LAUNCHED IN MARCH 2021, PROVIDES A HOLISTIC MOBILE AND INTERNET BANKING PLATFORM TO CLIENTS. THIS PLATFORM IS DESIGNED TO PROVIDE AN AFFORDABLE INTEGRATED SOLUTION TO CLIENTS.

The account includes an income protection facility for KShs 100 per month, which provides access to retrenchment cover, life insurance and funeral cover. Additionally, access is provided to attractive competitive rates on savings and investments, as well as banking solutions through access to a digital self service centres country wide 24/7.

This solution was designed around requirements identified by clients impacted by the COVID-19 pandemic. Stanbic's response to this demand focused on tailoring banking fees to the individual usage of the client. This product was well received in the market, with the client base taking up digital lending facilities through the platform.

### Features:

- Digital onboarding
- Instant digital loans
- Access to:
  1. Insurance cover
  2. Savings
  3. Investments

### Key Outcomes for 2021

- Over 29,000 accounts opened

### SEE Focus Area Supported



### SDG Supported





## Digital Onboarding

TO ENHANCE LEVELS OF ACCESS TO FINANCIAL SOLUTIONS TECHNOLOGY WAS DEPLOYED TO FACILITATE DIGITAL ONBOARDING OF CLIENTS.

Technological improvements have allowed the automation of onboarding processes replacing previous manual measures. This solution allows the Group to service clients more holistically, allowing easier access to new solutions, alternate payment and credit facilities. This allows a client to move away from manual to electronic payment solutions, fostering enhanced levels of client protection as well as wealth generation.

### Features:

- Access via internet or mobile phone
- Multiple products supported
- Available 24/7
- Ease and convenience
- All self service
- Access to online support if required
- Automated sign up for mobile banking

### Key Outcomes for 2021

- Over 85% of accounts opened digitally.
- Fourfold increase in the number of accounts opened daily.
- Total client base grew by 20% year on year.
- Active clients grew 31% year on year.
- Primary clients grew by 35% year on year.
- Turn Around Time (TAT): 15 minutes from 2 days.

### SEE Focus Area Supported



### SDG Supported





## Digital Lending

THIS SOLUTION PROVIDES INSTANT UNSECURED LOANS TO STANBIC RETAIL AND SME CLIENTS TO SERVICE THEIR IMMEDIATE CASH FLOW REQUIREMENTS.

Stanbic seeks to understand individual and business needs to ensure that the right lending facilities are provided to clients

### Features:

- Instant digital loans
- Available 24/7

### Key Outcomes for 2021

- Loans issued to the value of KShs 5.6billion.

### SEE Focus Area Supported



### SDG Supported





## Financial inclusion of SMEs

Stanbic Kenya Foundation partnered with donors to rebuild local economies by promoting the resilience and growth of MSEs through capacity building and access to finance.

The Group also developed the M-Jeki platform, an automated short-term loan facility accessed without having to visit a branch.

As a large Pan-African banking group, from a distribution perspective we have few branches and ATMs and have chosen to extend our footprint using agency banking. This solution provides basic services to our clients countrywide. The Stanbic Foundation supports the Group with further expanding this footprint by targeting SMEs suitable for integration into our systems. We strive to promote this convenient and cost-effective method of banking to our clients to enhance levels of financial inclusion especially in rural areas. The use of agency banking solves a key challenge for banks in reaching these underserved markets, by allowing for cash in and cash out transactions to take place without the investment of physical infrastructure. The services provided by these agents allow for basic banking to take place such as cash deposits and withdrawals and balance enquiries.

We intend to focus on extensively expanding this network in 2022, growing our network from the current 172 agents. The COVID pandemic did slow down our roll out of this initiative in 2021, but we are steadily picking up momentum and are confident we will achieve these goals.

**KShs 3.4 billion**  
Loans issued in support of DADAs

**KShs 9.7 billion**  
Loans issued in support of SMEs

**KShs 766 million**  
Disbursed to agents through the  
M-Jeki platform

**KShs 33 million**  
Grant funding provided to SMEs



## Agency Banking

AGENCY BANKING ENABLES UNBANKED PERSONS AND BUSINESSES, PREDOMINANTLY IN RURAL AREAS AND THOSE WITH LIMITED ACCESS TO TECHNOLOGY, TO ACCESS AND ENGAGE IN FINANCIAL SERVICES. WE IDENTIFY AND COLLABORATE WITH SMES TO PARTNER WITH US AS AGENTS ENABLING THE PROVISION OF KEY FINANCIAL SOLUTIONS SUCH AS CASH DEPOSITS, WITHDRAWALS, BALANCE ENQUIRIES, MINI-STATEMENTS AND BILL PAYMENTS.

By working with agents, we create convenience for clients in areas where we have limited branches while creating business opportunities for the agents. This enables financial inclusion and supports clients who are not technology savvy without having to visit our branches physically.

### Features:

- Cash Deposit
- Cash Withdrawal
- Balance Enquiry
- Mini-Statement
- Bill Payment

### Key Outcomes for 2021

- 172 agents outlets

### SEE Focus Area Supported



### SDG Supported





## M-Jeki

M-JEKI IS A DIGITAL DISTRIBUTED FINANCE SOLUTION FOR SMES CUTTING ACROSS TELECOMMUNICATIONS, OIL AND GAS AND MANUFACTURING TO BOOST WORKING CAPITAL NEEDS.

Stanbic aims to enhance financial inclusion activities through this partnership, enabling lower tier clients to access much needed finance. This solution assists SMEs as well as corporates they serve to limit risks around working capital management.

### Features:

- No minimum loan amounts.
- Loan limit of up to 3 times of average monthly commissions

### Loan Benefits

- Available 24/7.
- No financials required.
- Available for non-Stanbic clients.
- Quick onboarding turnaround times. – Maximum of 3 business days on receipt of all documents.

### Key Outcomes for 2021

- 434 dealers and agents supported
- KShs 19 billion in loans issued

### SEE Focus Area Supported



### SDG Supported





During the year, we partnered with the government to support Boda Boda riders. This initiative included the provision of financial grants and capacity building, aimed at assessing their level of financial access and empowering them to manage their finances prudently. Additionally, reflective jackets were provided to the riders to enhance their safety.



## Insurance products

Insurance is a financial instrument that, utilises risk pooling and loss compensation to facilitate economic process and the consolidation of capital. Insurance also enhances social mobility allowing individuals and families to overcome shocks that could affect their wealth and future income-generating capacities. Accessing insurance products and services can thus be the difference between individuals or families achieving the goal of social mobility.

### Insurance Products

STANBIC BANCASSURANCE INTERMEDIARY LIMITED PARTNERS WITH VARIOUS INSURANCE COMPANIES TO PROVIDE LIFE AND GENERAL INSURANCE SOLUTIONS.

In 2021, the company rolled out a fully digital Motor Insurance solution, dubbed Stansure, allowing vehicle owners to purchase motor insurance policies from the convenience of their mobile phones. The provision of digital access to insurance products aims to solve for client pain points, deepen insurance penetration in the country and grow our market share. Stansure continues to respond to a rapidly evolving digital landscape driven by changing consumer needs and lifestyles.

#### Features / Benefits of the Solution:

- 24/7 availability via Mobile Application
- Digital self-onboarding
- Customized quotes and policy purchase within 10 minutes
- Digital policy certificate delivery
- Online claims notification

#### Key Outcomes for 2021

- Flexibility to buy motor insurance in less than 10 minutes
- 24/7 availability creating convenience
- 100% paperless, no manual intervention

#### SEE Focus Area Supported



#### SDG Supported







## Mortgages



### Elevation of Mortgage Lending

As part of the Kenyan Government's **Big 4 Agenda** the provision of affordable housing is being supported through Stanbic's shareholding in the Kenya Mortgage Refinance Company (KMRC). KMRC was incorporated in 2018 as a non-deposit taking financial institution under the supervision of the Central Bank of Kenya, with the single purpose of providing long-term funds to primary mortgage lenders such as Banks, Micro Finance Banks and Saccos.

This funding is earmarked to increase available and **affordable mortgage loans** to Kenyans. The company is expected to comply with the Central Bank of Kenya (Mortgage Finance Companies) regulation 2019. The target set for 2022 is the disbursement of KShs 200 million for this purpose.

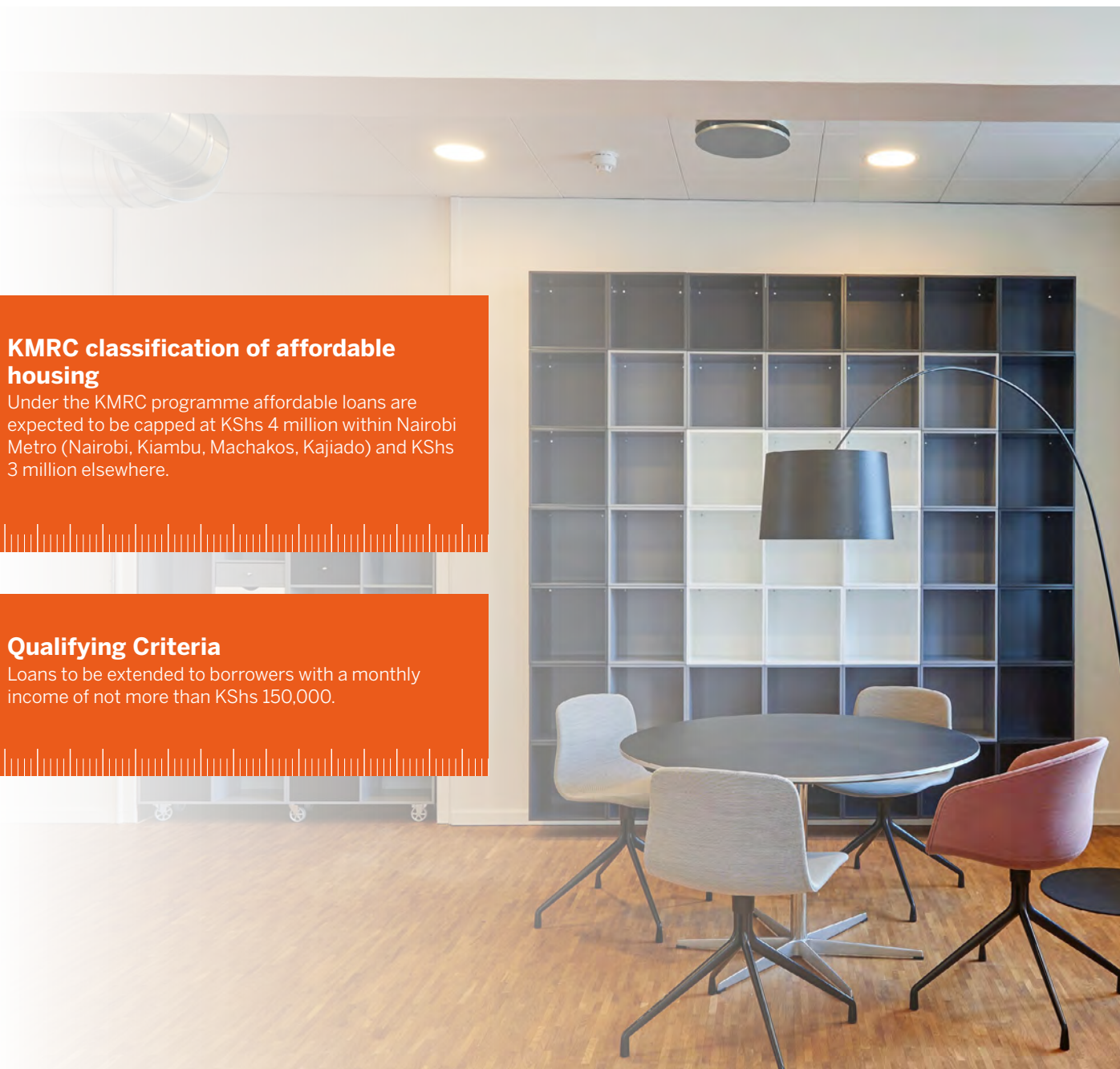
The KMRC programme is still in the process of being fully rolled out and several loan applications have been approved with most houses under construction. Stanbic has partnered with developers to provide properties at affordable rates to individuals, with the Group acting as funding partner. To date we have processed KShs 293 million affordable housing loans. These applications are in the process of registration and security perfection.

### KMRC classification of affordable housing

Under the KMRC programme affordable loans are expected to be capped at KShs 4 million within Nairobi Metro (Nairobi, Kiambu, Machakos, Kajiado) and KShs 3 million elsewhere.

### Qualifying Criteria

Loans to be extended to borrowers with a monthly income of not more than KShs 150,000.





Stanbic also has its own mortgage facilities, to further encourage the uptake of these existing facilities at commercial banking institutions, the Central Bank of Kenya has changed the risk weight on residential mortgage loans from 50% to 35%, making it easier for banks to lend to clients by reducing the cost of lending.

## Mortgages

**OWNING A HOME IS EASIER THAN YOU THINK**  
Get a home with the best deal in town for as low as Kes 8,750\* a month

**Nini iko kwa nyumba yenyu inatrip stima kila siku?** 😊  
Caretaker

**Hakuna kupark ndani leo** 😊  
Caretaker

**Mbona jina yangu iko hapo kwa gate na nimelipa rent?** 😞  
Baba Jayden

In partnership with **KMRC**  
KENYA MORTGAGE REFERENCE COMPANY

Stanbic Bank Kenya Limited is licensed and regulated by the Central Bank of Kenya  
\*Terms and Conditions Apply

SMS HOMELOANS to 22208 or call customer care on 0711 068 888 today

**Stanbic Bank IT CAN BE...**  
A member of Standard Bank Group

### Features:

- 105% mortgage financing.
- Property owner loan.
- Purchase residential property in major Kenyan cities with vacant land financing.
- Build a home with 100% construction financing.

### Key Outcomes for 2021

- KShs 6.8 billion disbursed.
- 609 mortgages issued.

### SEE Focus Area Supported



### SDG Supported



We understand people invest in property for different reasons, this solution supports people and businesses looking to purchase property as an investment, or own a home, with finance leveraged to buy, build or for refinancing purposes.

Our client base is diverse including first time home buyer, corporates and executive banking clients who are purchasing a home or buying property for investment and private banking and wealth clients who are similarly buying to invest or to use the property as a rental, generating income.

Future efforts will focus on expanding our reach to include lending to the SME sector, as sole traders to allow them to acquire a dedicated premises to operate out of, or to own a home. SMEs will be able to use their businesses cashflow as evidence that they can pay back the mortgage requested. Typical SMEs to be serviced in this manner include Doctors or other self-employed people.



## Diversity and Inclusion

We seek to enhance diversity and inclusion in our operations including our Board and staff and within our suppliers, clients, and communities. Diversity and inclusion enables us to draw from the wide array of perspectives, backgrounds and skills available in our countries of operation and ensuring we integrate our operations ensuring all stakeholders are valued, respected and treated fairly.

Stanbic Approach	Measure of Success
<b>Diversification within our decision-making bodies</b> <ul style="list-style-type: none"> <li>ensuring adequate representation of people by gender, ethnicity, age.</li> </ul>	<ul style="list-style-type: none"> <li>Diversity on the board with respect to gender, age, skills set, ethnicity and background. Assessment of diversity to be based on the ability to define and respond to risks adequately when they occur.</li> </ul>
<b>Diversification of our staff compliment</b> <ul style="list-style-type: none"> <li>ensuring adequate representation of people by gender, ethnicity, age.</li> <li>ensuring our staff represent the clients we service.</li> </ul>	<ul style="list-style-type: none"> <li>Diversity of our staff compliment commensurate with population demographics, with clients feeling they are adequately represented, and feel comfortable engaging with the Group.</li> </ul>
<b>Ensuring equity and inclusion within all strata in the organisation:</b> <ul style="list-style-type: none"> <li>during workshop sessions.</li> <li>during succession planning.</li> <li>when allocating benefits.</li> <li>when providing training.</li> <li>when looking to promote.</li> </ul>	<b>Continually improving eNPS, demonstrating:</b> <ul style="list-style-type: none"> <li>Management's willingness to engage,</li> <li>The ability for staff to advance in their careers</li> <li>Equal access to education and tools</li> <li>Equal benefits</li> <li>Staff feeling, they are being heard and can lay a grievance without fear of reprisal</li> </ul>

### Staff and Board diversity and inclusion

Diversity and inclusion in the workplace are important. The Group has set targets around gender parity, as well as an additional focus on the inclusion of youth aged 18 – 34 and differently abled people. Almost half of our staff compliment are women. Our hiring practices remain inclusive and fair.

Women in the Workplace	2021	2020	Staff Compliment	2021	2020
Staff Compliment	46%	47%	Differently abled staff	1%	1%
Governance Bodies	57%	50%			
Board representation	55%	55%			

### Suppliers' diversity and inclusion

We have been deliberate in identifying and working with women led businesses among our suppliers, to enable them to unlock increased business opportunities with us. We have a target of increasing our women suppliers from the current 14% to 17% in 2022. In a bid to achieve this target, we undertook skills development trainings through webinars enabling our women suppliers to improve their positioning for opportunities issued by the Group.



## Diversity and inclusion in clients and communities

### Diversity

Diversity from a client and community perspective highlights our efforts to impact on different sections of society especially those that are marginalised and requiring targeted interventions through our products and services as well as the programmes of the Stanbic Foundation.

Targeted groups include:

Gender profile	Marginalised sectors
Women in Business	Agriculture
Working women	Youth
Board representation	People with disabilities
	SMEs

### Inclusion

Inclusion indicates the specific interventions we have undertaken to improve the ability of excluded sections of society to access financial services to meet their financial needs and achieve their financial aspirations. We view finance as a key catalyst for transformation and enabling integration supports improvements in livelihoods and living conditions for financially excluded persons.

Tools leveraged include:

Tools	
Dada training	Dealer finance models
Bespoke product development	Training and development
Mentorship	Roll out of agency banking
Partnerships	Leveraging the ecosystem banking model
Grant funding	
Mortgages	
Insurance provision	

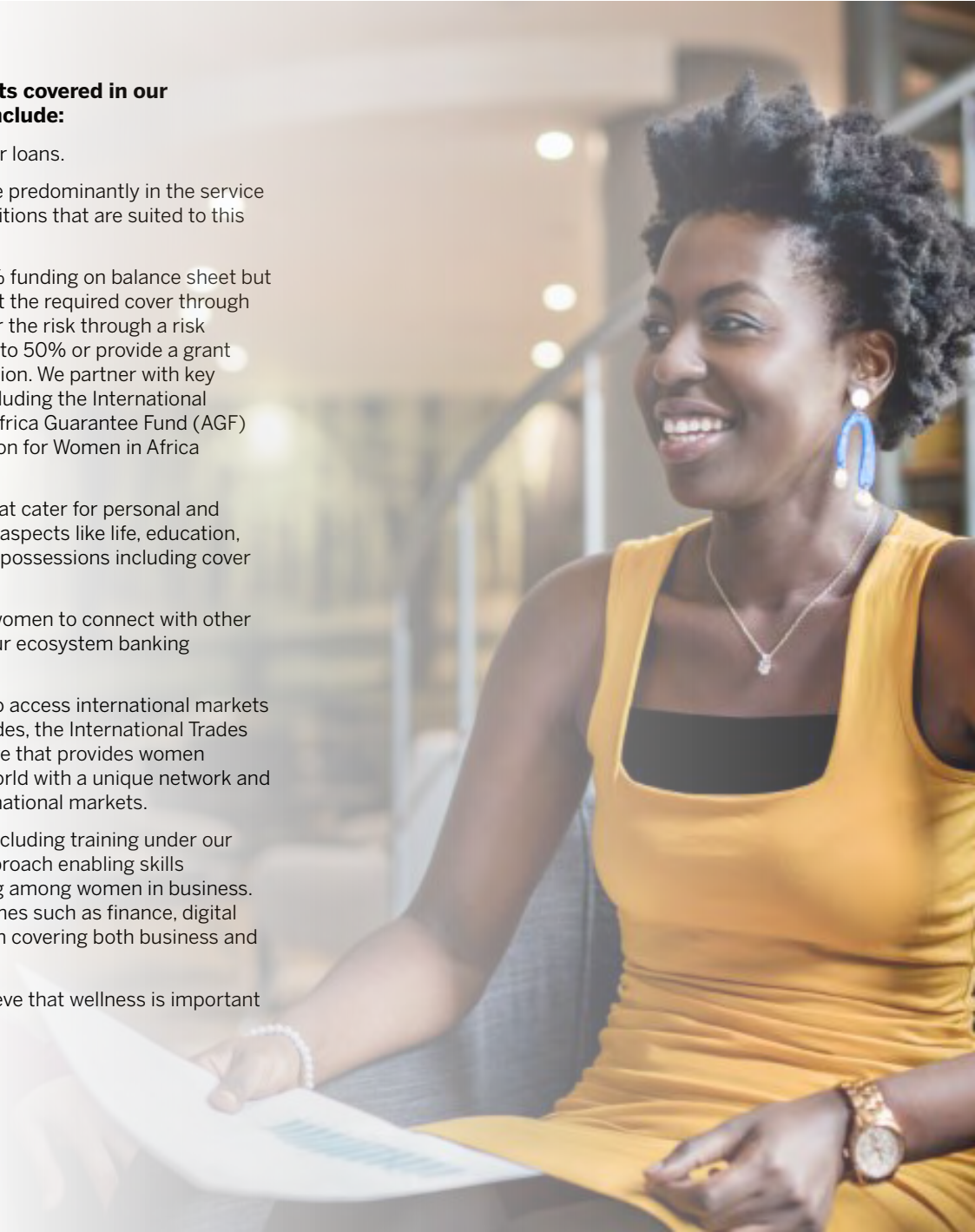


## Doing more for women

DADA is more than banking. While we offer the same propositions as the core Group products, we have tailored the DADA proposition to specific characteristics of women ensuring our services are bespoke and responsive. We are proactive in pursuing women in the places where they are doing business particularly informal trade and offer propositions that take their vulnerabilities into account including loan, guarantee and grant funding. In particular, we offer financial literacy trainings to enable women to develop and enhance their financial and managerial skills while also positioning themselves to benefit from Group products.

### Some of the tailored aspects covered in our engagement with women include:

- Waiver of 10% deposit for car loans.
- Appreciating that women are predominantly in the service sector and designing propositions that are suited to this proclivity.
- When lending, we offer 100% funding on balance sheet but where the client cannot meet the required cover through their balance sheet, we cover the risk through a risk guarantee mechanism of up to 50% or provide a grant through the Stanbic Foundation. We partner with key institutions in this regard including the International Finance Corporation (IFC), Africa Guarantee Fund (AGF) and Affirmative Finance Action for Women in Africa (AFAWA).
- Bundled insurance covers that cater for personal and family needs and reaches to aspects like life, education, funeral, and loss of personal possessions including cover for family members.
- Providing opportunities for women to connect with other business persons through our ecosystem banking proposition.
- Enhancing women's ability to access international markets in partnerships with She Trades, the International Trades Centre (ITC) flagship initiative that provides women entrepreneurs around the world with a unique network and platform to connect to international markets.
- Nonfinancial interventions including training under our learn, connect, and grow approach enabling skills development and networking among women in business. Our trainings also cover themes such as finance, digital training and legal information covering both business and personal aspects.
- Cancer screening as we believe that wellness is important for financial prosperity.





## Enhancing outcomes for women



### Prisons Service

We signed a Memorandum of Understanding with the Kenya Prisons Service targeting provision of financial training and ICT skills for female prison officers and female prisoners through DADA.

Prison officers were assisted in opening bank accounts while prisoners received financial literacy and ICT training. The intervention also included donation of computers to enable prisoners develop skills that would make it easier for them to reintegrate back into society.



### Kenya Women Teachers Association (KEWOTA)

The Kenya Women Teachers Association (KEWOTA) is a welfare society and community for female teachers in Kenya. The association consists of female teachers employed by the Teachers Service Commission (TSC), privately employed female teachers, Early Childhood and Development Education (ECDE) female teachers, Special Needs Education (SNE) female teachers and other women in the education sector.

Stanbic Bank supported the association by providing financial training and cancer screening.



# JOB CREATION AND ENTERPRISE DEVELOPMENT





# Job creation and enterprise development



Our financial solutions are integral to supporting the business sector and catalysing growth in Kenya and South Sudan. We aim to be a responsive financial provider that understands the needs of our clients and provide relevant financial solutions that empower their aspirations.

In particular, we work with SMEs to understand their challenges and priorities, to be able to provide them with appropriate financial solutions, targeted business support as well as mentoring and training to drive their growth and expansion into new markets. We also use this knowledge to develop digital solutions that meet their unique needs.

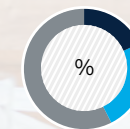
Over the past two years, the Covid pandemic has provided an opportunity for us to proactively support our clients with loan restructures and relief measures, highlighting our commitment to accompany them even in the most difficult periods. This remained a priority as the world endured a second year of the Covid-19 pandemic.

Country	Kenya <sup>4</sup>	South Sudan <sup>5</sup>
<b>GDP Growth Rate</b>	1.74%	-3.6%
<b>Unemployment rate</b>	6.6%	12.7%
<b>Population size</b>	53.7 million	11.19 million
<b>Minimum wage</b>	13,572 KShs per month	ND
<b>Inflation rate</b>	5.08%	-8.52%

<sup>4</sup> <https://tradingeconomics.com/kenya/unemployment-rate>

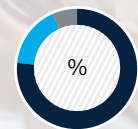
<sup>5</sup> <https://www.afdb.org/en/countries/east-africa/south-sudan/south-sudan-economic-outlook>

Kenya - Sector Contribution to GDP



● Agriculture	23
● Industry	17
● Services	54

South Sudan - Sector Contribution to GDP



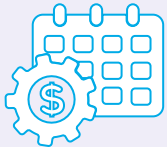
Agriculture	6
Industry	70
Services	15





Stanbic Approach	Measure of Success
<p><b>Prevent social harm</b></p> <ul style="list-style-type: none"> <li>Rigorous risk screening</li> </ul>	<ul style="list-style-type: none"> <li>Educating clients on their risk profiles to help them manage their ability to obtain finance and grow their businesses.</li> <li>Understanding the client base and integrating this knowhow into new product innovation.</li> <li>De-risk the Group, ensuring shareholder returns, and sustainable business growth.</li> </ul>
<p><b>Strengthening internal capacity</b></p> <ul style="list-style-type: none"> <li>Inclusive hiring practices</li> <li>Focus on culture management to foster the correct behaviour and protection of our clients</li> </ul>	<ul style="list-style-type: none"> <li>Developing a diversified team which can respond to a dynamically shifting operating environment.</li> <li>Staff engaged in delivering on the strategy of the Group.</li> <li>Achievement of our SEE impact focus area objectives.</li> </ul>
<p><b>Tailor products to high impact sectors</b></p> <ul style="list-style-type: none"> <li>Specific focus on supporting SME growth and job creation</li> <li>Ensuring our services are accessible and inclusive</li> </ul>	<ul style="list-style-type: none"> <li>The transition of our SME clients to larger corporate clients.</li> <li>Long term customer loyalty.</li> <li>Increased client referrals facilitating sustainable business growth at the Group.</li> <li>Ability to support a client's broader ecosystem through extension of financial services to a corporate client's full value chain.</li> </ul>

## In 2021 this was Achieved through:



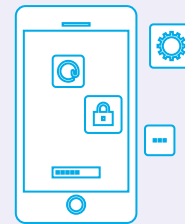
**Providing loan restructures and relief measures for clients** hard hit by the pandemic and national lockdowns



Providing **tailored support for SME clients**, including access to finance and skills development, access to markets, and cash flow solutions, through our incubators and our enterprise development team



**Understanding and strengthening client value chains** by solving for challenges faced by suppliers, distributors, employees and consumers



**Partnering with fintechs** to deliver improved access, convenience and affordability for our clients and ensuring they have everything they need in one place



**Partnering with small-scale farmers and other stakeholders in the agriculture value chain** to improve productivity, profitability and food security



## Loan restructuring



### Supporting Our Clients

Close to 90% of clients have resumed normal loan repayments. In 2021, the Group focused on continuing to drive the provision of digital solutions to these affected clients, this was facilitated through the waiver of digital fees as required by the regulator. Although this resulted in a reduction in income for the Group, the repurposing of the Stanbic digital platforms, using cloud solutions and artificial intelligence, allowed us to limit this impact.

The extension of the government directive not to list clients with the credit bureau for loans less than KShs 5 million and in default was also adhered to in the year. This presented a challenge around accessing credit information on clients, more so the retail business segment.



### COVID Support

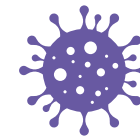
The pandemic continued to impact clients in 2021. Various initiatives were implemented to assist clients, including the restructuring of loans, deferment of interest, as well as the provision of payment holidays.

Most of these applications were processed in 2020, with the normalisation of lending behaviour noted during 2021. This was specifically notable for clients operating in the retail space, such as the tourism and hospitality sectors who were heavily impacted by COVID-19 in 2020. Additional support provided to the SME sector included the linkages or partnerships fostered with other businesses enhancing their access to new markets.

Certain clients also benefited from the pandemic, Stanbic needed to ensure ongoing support for these growing businesses. This was provided through the extension of loan facilities, leveraging partnership networks, and provision of guarantees.

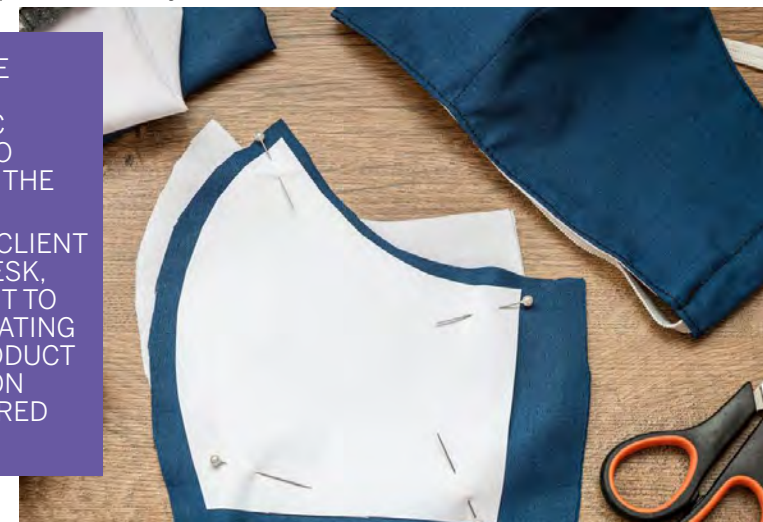
Government initiatives during the pandemic focused on large infrastructure development which were also supported by Stanbic. This provided much needed economic stimulus in the economy and job creation opportunities. Stanbic provided signature lending and transaction advice to the power and infrastructure space. This specifically supported the development of the Nairobi express way.

The promotion of our digitisation agenda and launch of new products to market with digital capabilities, have further supported our clients affected by the pandemic. This has resulted in faster processing of applications, further lowering of the Group's cost of operations, assisting with the adjustment of our risk appetite linked to clients in distress. Stanbic has seen a lot of clients transitioning to these digital solutions due to ease of access and enhanced levels of client experience. We also provided grant funding to companies requiring assistance during the COVID-19 pandemic in the year.



A STRUGGLING PERFUME COMPANY IMPACTED BY THE COVID-19 PANDEMIC REPOSITIONED ITSELF TO IMPORT FACE MASKS TO THE MARKET.

STANBIC ASSISTED THE CLIENT THROUGH THE CHINA DESK, CONNECTING THE CLIENT TO SUPPLIERS, AND FACILITATING THE IMPORT OF THE PRODUCT THROUGH THE PROVISION OF FINANCE, AND REQUIRED GUARANTEES.





## SME Empowerment

### Credit Guarantee

The Government through the Public Finance Management Regulations (2020) set up a Kshs 3 Billion stabilization facility to enable participating banks extend credit to SMEs. This initiative forms part of a credit guarantee scheme to support SMEs recovery from the impacts of the pandemic by providing access to financing through a risk sharing arrangement. This is a core part of the agenda of the Business and Commercial Clients division's continued focus on supporting small businesses.

### Health SMEs training

In 2021, we delivered training to 845 health care SMEs on business resilience as part of our support to this critical sector. Training took the form of one-on-one engagements, webinars and making use of the Microsoft training e-platform. Training focused on entrepreneurial skills and financial wellness.

### Accelerate Grant Fund

The Accelerate Grant fund is a partnership between the Stanbic Foundation and the United States African Development Foundation (USADF) to offer grants of between Kshs 2 – 5 million, to SMEs to enable them enhance their internal systems and capabilities. The grant competition was open to SMEs, cooperatives and producer groups and attracted 534 application representing 15 counties in Kenya comprising several sectors including agribusiness, technology, recycling, agro-processing and healthcare.

The grant funds are being issued under the Accelerate Program whose aim is to position Kenyan businesses for success while addressing the skills gap in the country by boosting entrepreneurship and employability of citizens through digital literacy and upskilling, career development and providing funds (grants) and access to markets.

The fund partners unveiled seven recipients who cumulatively received Kshs 33 million in grant funding.

#### SME engagement

- Guarantee Scheme
- Grant making programme
- Training

#### Target

- USD 1 million
- Provide grant funds to SMEs
- Support SMEs through government guarantee scheme

#### 2021 Achievements

- Raised USD 1.4 million against a target of USD 1 million.
- 7 Grant winners announced in November 2021
- 845 MSMEs in the Health sector trained in Business Resilience post COVID





## Future ni digital

This initiative aimed at equipping 50,000 owners of Micro and Small Businesses (MSEs) with the skills required to manage their businesses and adapt to the increased use of digital tools in business through blended training including in-person and online learning through the platform futurenidigital.com. It is a partnership with Microsoft, the Ministry of Industrialization, Trade and Development and its agencies and the Africa Centre for Women in ICT (ACWICT).

The overarching agenda of this initiative is to empower individuals and businesses for a more digitally connected world enabling them take advantage of the tools they require to succeed. It recognises that technology is a major differentiator for businesses and MSEs are particularly disadvantaged by low adoption of digital tools. Digital adoption and transformation is therefore critical in enabling these business to be future fit and resilient.

In 2021, the initiative delivered training to 728 trainers and 50,807 trainees covering basic, intermediate and advanced digital skills as well as business and entrepreneurship skills. Skills provided through the programme include digital literacy, Microsoft 365, cloud computing, coding, data analytics and Azure Fundamentals. We have signed Memorandums of Understanding (MOUs) with four counties, Nakuru, Laikipia, Mombasa and Meru. We leveraged on this relationship to gain traction in the delivery of this initiative in these counties.

As a bank, we seek to elevate businesses and individuals and empower them to achieve their dreams. Many enterprises in the country are still struggling to recover from the effects of the global pandemic, and we have seen that having digital skills is key to survival. Building the capacity of Kenyan citizens by providing access to resources and knowledge is in line with our objectives as part of our non-financial support.

Future ni Digital. Kaa mbele  
na digital skills and get future  
ready!





## Client value chains

### Integrated Financial Services Organisation (IFSO)

The banking sector is active in developing solutions for the broader corporate client ecosystem. Stanbic too is developing tools to support corporate clients through the deployment of an ecosystem model. We focused on providing specific services including lending and insurance since these are critical to enabling our clients to optimise their ability to service their entire value chain. This will deepen our relationship with our corporate clients and integrate the delivery mechanisms of service offerings across our three client service divisions.

This initiative is strongly supported by the board, with ongoing reporting required on how we are aligning ourselves to service the entire ecosystem, the request is to ensure that the corporate and investment banking segment of the business are holistically approaching the needs of clients and are pulling in services where needed from other divisions to respond to identified needs. The only limitation with respect to the provision of services is the adherence to internal boundaries set around risk appetite, and to ensure the approach remains aligned to the Group's overall business strategy.

The IFSO approach has indeed deepened our relationship with our clients. Understanding our client pain points, how they operate and how best to embed our services into their operations has identified opportunities for mutual synergies. This is already resulting in the increase in revenue generation opportunities for the Group, as well as more value generated for our clients.





## Partnerships

Increasingly, we are working in partnership with both commercial and non-business organisations to create win-win interventions aimed at creating shared value for our clients. These partnerships are critical for supporting financial interventions especially when the commercial imperatives are weak. In addition, working through our Foundation, we have created effective partnerships to support SMEs to recover and thrive in the post pandemic environment.

Using our accomplishments this year as a basis, we are going to continue to find innovative ways to improve our efficiency as a business. This will include listening to our clients more than ever before, designing tailored solutions that align with their needs and working on further bolstering our platform business. To that end, we will secure more partnerships this year that are geared towards improving our client experience. We will also explore regional collaborations to leverage key capabilities across the banking sector. As our digital transformation continues at pace, we will focus on data-driven mechanisms to enhance our revenue streams, with our innovation team continuously scouring for opportunities. These initiatives will ensure that we are positioned to grow in the next year and continue to invest in Kenya/South Sudan as our home, driving her growth.

### Partners



Republic of Kenya  
**Ministry of Industrialization  
and Enterprise Development**



**Microsoft**



UNITED STATES  
AFRICAN  
DEVELOPMENT  
FOUNDATION



Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

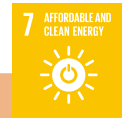




# INFRASTRUCTURE



# Infrastructure



Infrastructure deficit remains a major concern for countries on the African continent. Investments in energy, water, transport and telecommunications infrastructure are crucial to facilitate economic growth and create opportunities for job creation and human development, while public infrastructure, like schools and housing, is needed to help people improve their standards of living and future prospects. The Organisation for Economic Cooperation and Development (OECD) notes that countries on the continent struggle to fill the gap in infrastructure finance which is paramount to achieving their sustainable development objective.<sup>6</sup>

We work with governments, development finance institutions and other commercial banks to finance large-scale infrastructure projects, addressing Kenya's infrastructure gaps and enabling inclusive and sustainable industrialisation. We partner with our clients to ensure environmental and social risks are appropriately managed and minimised.

Government initiatives focused on large infrastructure development which were also supported by Stanbic. This provided much needed economic stimulus in the economy and job creation opportunities. Stanbic provided signature lending and transaction advice to the power and infrastructure space. A key project that was supported in the year was the Nairobi Expressway.

<sup>6</sup> OECD (2021), "Sustainably financing infrastructure in sub-Saharan Africa - What role for the DAC?", OECD Development Policy Papers, No. 36, OECD Publishing, Paris, <https://doi.org/10.1787/b0c9647c-en>.







Stanbic Approach	Measure of Success
<p><b>Fostering strategic partnerships</b></p> <ul style="list-style-type: none"> <li>• Signing up to government initiatives to provide guidance and funding to develop road and power projects in Kenya</li> <li>• Connecting SMEs to Corporates to deliver on the infrastructure development mandate set by government</li> </ul>	<ul style="list-style-type: none"> <li>• Number of active transactions</li> <li>• Increase in the number of SMEs participating in these types of projects through accessing finance from the Group</li> <li>• Meeting the objectives defined with government</li> </ul>
<p><b>Facilitating the successful development of public private partnerships</b></p> <ul style="list-style-type: none"> <li>• responding to requests from corporates to support SMEs and smaller contractors</li> <li>• extending required financial literacy training, guarantees and financing to these groups to allow them to participate in consortiums</li> </ul>	<ul style="list-style-type: none"> <li>• Value of facilities extended in the market to support the development of roads and power projects</li> </ul>
<p><b>Fostering economic growth and access to power in communities who remain off-grid</b></p> <ul style="list-style-type: none"> <li>• Extending access to funding for off-grid power solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing the number of clients accessing funding to access off-grid power solutions</li> </ul>

**In 2021 this was Achieved through:**



**Provision**  
of bank guarantees

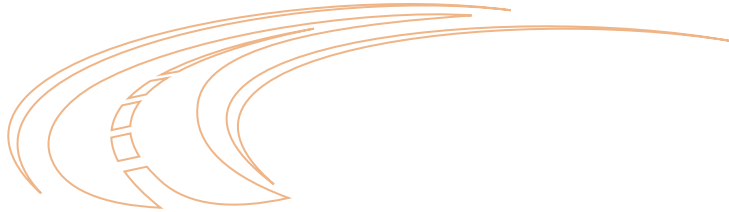


**Provision**  
of lending facilities





## Roads



According to the East African Community's (EAC's) Corridor Diagnostic Study, the Northern Corridor, which is anchored by the Port of Mombasa, is estimated to need USD 2.1 billion in investment, while the Central Corridor served through the Port of Dar es Salaam will need USD 2 billion. Overall, the region needs USD 20 billion to bring the region's transport infrastructure up to standard, which includes road and rail upgrades and expansion, airport and ports, as well as an overhaul of the bureaucracy at border posts, which can delay trade.

Kenya's existing road network is comprised of 63,575 kilometres of classified roads and 114,225 kilometres of unclassified roads. Out of the total 177,800 kilometres of road networks, both classified and unclassified, only about 16,902 kilometres is paved with the rest unpaved. A total of 5,681 kilometres of this road network has been identified under Vision 2030 for various interventions including rehabilitating, dividing, resealing and tarmacking.

South Sudan's road network is classified as underdeveloped. The total estimated track length in South Sudan is approximately 90,200 kilometers, which includes approximately 14,000 kilometers of primary and secondary roads, and 6,000 kilometers of tertiary tracks. The current interstate and international roads network consist of around 5,000 kilometers of gravel roads with approximately 300 kilometers of sealed roads. Currently only one international road, the 192 kilometers stretch between Juba-Nimule on the Ugandan border is sealed.

Stanbic is a major player in the infrastructure sector with strong participation in the development of roads. In 2021, we supported the road annuity programme, a pioneer initiative in collaboration with the Department of Roads which aims to build 5,000 kilometers of new roads. Funding under this programme is through a Private-Public-Partnership (PPP) model and the first transaction was concluded in the course of the year. We have earmarked support to projects in Western and Central Kenya where repayment shall be through levies paid at toll stations. Our role includes financing and also issuing contract guarantees which are also covered by the Multilateral Investment Guarantee Agency (MIGA).

In further support of these projects our commercial banking team provides subcontractors with funding on these projects. Government has a requirement that primary contractors need to ensure that 40% of all sub-contractors are locally sourced. Stanbic assists local SMEs to secure financial and contract guarantees allowing them to tender for these projects.

<sup>7</sup> <https://www.privacyshield.gov/article?id=Kenya-Construction-and-Infrastructure>

<sup>8</sup> <https://dlca.logcluster.org/display/public/DLCA/2.3++South+Sudan+Road+Network>



## Energy

Africa is home to 17% of the world's population, but it accounts for only 4% of global power supply investment. It is estimated that only 58% of the continent's population has access to electricity and two-thirds of Africa's existing grids are considered unreliable. For Africa to achieve its SDGs relating to energy, its generation capacity will need to be doubled by 2030 and multiplied fivefold by 2050. If unmet, this energy demand-supply gap will be detrimental to Africa's standard of living and will greatly hinder economic growth.

New off-grid energy solutions hold the potential to provide much of Africa's currently marginalised rural population with access to affordable electricity. To date, however, funding off-grid solutions on a sufficiently large scale has inhibited the potential of these solutions to transform Africa's rural economy. In Kenya, approximately 50% of the population has access to electricity. In rural areas, it is as low as 5% - with firewood accounting for 77% of the total energy consumed. Stanbic arranged USD 55 million funding in Kenya and Uganda for M-Kopa, the world's leading off-grid pay-as-you-go energy company. This is the largest off-grid funding of its kind in Africa

The improved affordability of the technology, with most solar units being the size of an A4 piece of paper, has resulted in businesses like M-Kopa no longer having to rely solely on equity funding like other start-ups. Instead, the affordability of the product, along with the scale of take up, means that M-Kopa has been able to expand its funding sources to include substantial commercial bank finance. For Stanbic, supporting M-Kopa in raising their single largest debt funding ever, entirely against their own balance sheet, was a landmark transaction in a new and rapidly changing sector

Further Stanbic is supporting companies that are seeking to diversify their power sources so as to reduce costs and enhance reliability. Most of these companies are looking to complement their main grid power source with renewable power especially through solar energy. The Group has developed a product to enable clients to enhance their energy options and improve their performance, especially manufacturing businesses.

<sup>8</sup> Africa Energy Review 2021



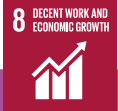


# TRADE AND INVESTMENT





# Trade and investment



In the East Africa region, trade and investment barriers are hindering economic integration, complicating efforts to reduce poverty. Efforts have been put in place to streamline customs union protocols, simplifying, standardising, and harmonising trade information and documentation. Further protocols being introduced to reduce dumping and anti-competitive behaviour, and facilitating re-exportation of goods, removal of tariff barriers to trade and the introduction of standards and measures for trade goods, this is said to foster increased trade and investment across the region.

In 2020 Kenya was the number 64 economy in the world in terms of GDP (current US\$), the number 103 in total exports, the number 77 in total imports, the number 152 economy in terms of GDP per capita (current US\$) and the number 80 most complex economy according to the Economic Complexity Index (ECI).



## The top exports of Kenya are:

- Tea (\$1.2B),
- Cut Flowers (\$596M),
- Refined Petroleum (\$308M),
- Gold (\$262M), and
- Coffee (\$229M).

## The top imports of Kenya are:

- Refined Petroleum (\$2.13B),
- Palm Oil (\$671M),
- Broadcasting Equipment (\$521M),
- Packaged Medicaments (\$477M), and
- Cars (\$403M),

## Exporting mostly to:

- Uganda (\$940M),
- Pakistan (\$515M),
- Netherlands (\$503M),
- United States (\$496M), and
- United Kingdom (\$435M).

## Importing mostly from:

- China (\$4.86B),
- India (\$1.95B),
- United Arab Emirates (\$1.34B),
- Japan (\$755M), and
- Saudi Arabia (\$632M)<sup>10</sup>.

<sup>10</sup> <https://oec.world/en/profile/country/ken>



#### The top exports of South Sudan are:

- Crude Petroleum (\$701M),
- Gold (\$111M),
- Forage Crops (\$22M),
- Onions (\$4.28M), and
- Scrap Iron (\$3.68M).

#### The top imports of South Sudan are:

- Cars (\$78.5M),
- Delivery Trucks (\$52.3M),
- Other Edible Preparations (\$45.9M),
- Sorghum (\$38.7M), and
- Raw Sugar (\$35.9M).

#### Exporting mostly to:

- China (\$677M),
- Uganda (\$86.7M),
- United Arab Emirates (\$57.1M),
- Italy (\$24.3M), and
- India (\$2.08M)<sup>11</sup>.

#### Importing mostly from:

- Uganda (\$357M),
- Kenya (\$216M),
- United Arab Emirates (\$192M),
- China (\$156M), and
- United States (\$38.9M)

We facilitate trade and investment flows within Kenya and South Sudan, across the African continent and between key international markets including China, Stanbic has developed innovative trade finance solutions and facilitated cross-border payments and investment solutions.

Country	Kenya <sup>12</sup> (2021)	South Sudan <sup>13</sup> (2021)
<b>Balance of trade</b>	KShs (168 883) million	SSP (2633.5) million *
<b>Imports</b>	KShs 235 233 million	SSP 7926 million
<b>Exports</b>	KShs 66 351 million	SSP 5293 million
<b>Remittances</b>	USD 350,562,000	6.7% of GDP <sup>14</sup>
<b>Foreign Direct Investment</b>	KShs 55 787 million	4.4% of GDP <sup>15</sup>

\*Data for 2017

<sup>11</sup> <https://oec.world/en/profile/country/ssd>

<sup>12</sup> <https://tradingeconomics.com/kenya/unemployment-rate>

<sup>13</sup> <https://tradingeconomics.com/south-sudan/balance-of-trade#:~:text=Balance%20of%20Trade%20in%20South,6165.30%20SSP%20million%20in%202012.>

<sup>14</sup> <https://migration4development.org/en/resources/remittances-and-diaspora-engagement-south-sudan#:~:text=Remittances%20contribute%20to%206.7%25%20of.and%20Horn%20of%20Africa%20Region.>

<sup>15</sup> <https://www.scrip.org/journal/paperinformation.aspx?paperid=107200#:~:text=South%20Sudan%20is%20among%20the,2.348%25%20of%20the%20nation's%20economy.>



## Strategic approach and success factors for trade and investment

Stanbic Approach	Measure of Success
<b>Provision of funding</b> <ul style="list-style-type: none"> <li>Assisting with working capital management requirements</li> </ul>	<ul style="list-style-type: none"> <li>Increase in the number of clients who access funding this way</li> </ul>
<b>Facilitating transfers across borders</b> <ul style="list-style-type: none"> <li>Assisting with remittances</li> <li>Assisting with foreign currency transfers</li> </ul>	<ul style="list-style-type: none"> <li>Increase in the volume of funds transmitted between the parties</li> </ul>
<b>Facilitating transfers within the country between supplier and buyers</b> <ul style="list-style-type: none"> <li>Assisting with fund transfer</li> <li>Assisting with foreign currency transfers</li> </ul>	<ul style="list-style-type: none"> <li>Increase in the volume of funds transmitted between the parties</li> </ul>
<b>Holding matchmaking events to introduce suppliers to buyers in international markets</b> <ul style="list-style-type: none"> <li>Held in person or virtually</li> </ul>	<ul style="list-style-type: none"> <li>Successful partnerships fostered facilitating international trade</li> </ul>

### In 2021 achieved through:



**Provision**  
of trade finance

**Supporting**  
domestic trade

**Supporting import** and  
export activities

**Digital matchmaking** to  
connect our clients to **trade**  
**opportunities**



## Trade finance

We provide trade finance for companies engaged in local trade and import or export businesses. A key focus has been on regional trade within the East African region by facilitating domestic and cross border trade. We support the regional governments efforts at enhancing trade across the East African community and work closely with the Ministry of Trade and Enterprise Development in doing so.

### Credit insurance

We also provide trade credit insurance including partnership with the African Trade Insurance Agency (ATI). We support clients who are unable to meet the full requirements with financing. In that way, we enable these businesses to benefit from credit insurance though they may not have traditional collateral, thus reducing their liabilities and increasing their access to finance.

Overall, we offered Letters of Credit (LCs) and guarantees worth KShs 78.7 billion to our clients in the year.

### Distributor financing

Distributor financing allows the Group to make use of historic financial data to extend financing to SMEs. A pilot study was launched in the oil and gas sector in 2021. This was extremely successful, with plans to extend this offering further in 2022 to other manufacturing and agricultural businesses.

### Pilot Study

#### Sector: Oil and Gas

##### Desired Outcome

- 168 oil marketing companies with extensive dealerships across the country were targeted. These businesses service specific locations and have a dedicated customer base.
- The working capital provisions for existing filling stations owned by the operators were utilised to leverage funding to purchase additional product and extend their footprint by building and operating new filling stations. This extends their footprint and the businesses ability to generate additional income.
- By analysing the sales volumes existing working capital provisions in place, we can allocate funding limits allowing the business to automatically apply to extend credit. This facility is then treated as a revolving facility.

##### Desired Impact

- Economic Stimulus
- Increasing fuel supply to users in the economy
- Enhancing job creation opportunities

### Remittances

Across the continent, we are enhancing borderless payments. We can make transfers through the Group's platform across countries in real time. The first phase focuses on cash payments and withdrawals as we focus on enhancing the product to include digital payments. We are working to enhance our capabilities in the remittance space through partnerships with leading players and an improved proposition.



### Domestic trade

In line with our ecosystem approach, we worked with anchor clients to provide business expansion and working capital financing to their distributors, who would not qualify for financing on their own either due to weak collateral or inadequate financial records. We provide balance-sheet based financing to enable these businesses to meet their financing needs and expand their businesses focusing on sales volumes and cashflow management.

### Digital matchmaking

The Kenya China trade corridor remains a major emphasis of our trade finance services. In 2021, we saw an increase in agriculture-based business in the coffee, avocado, tea, macadamia and cashew nuts business. We organised virtual events for clients including an economic and trade expo enabling them to meet and source business with clients in China. We continue to create awareness and provide information and access to market for those interested or engaged in this corridor.





# ENVIRONMENT AND CLIMATE CHANGE

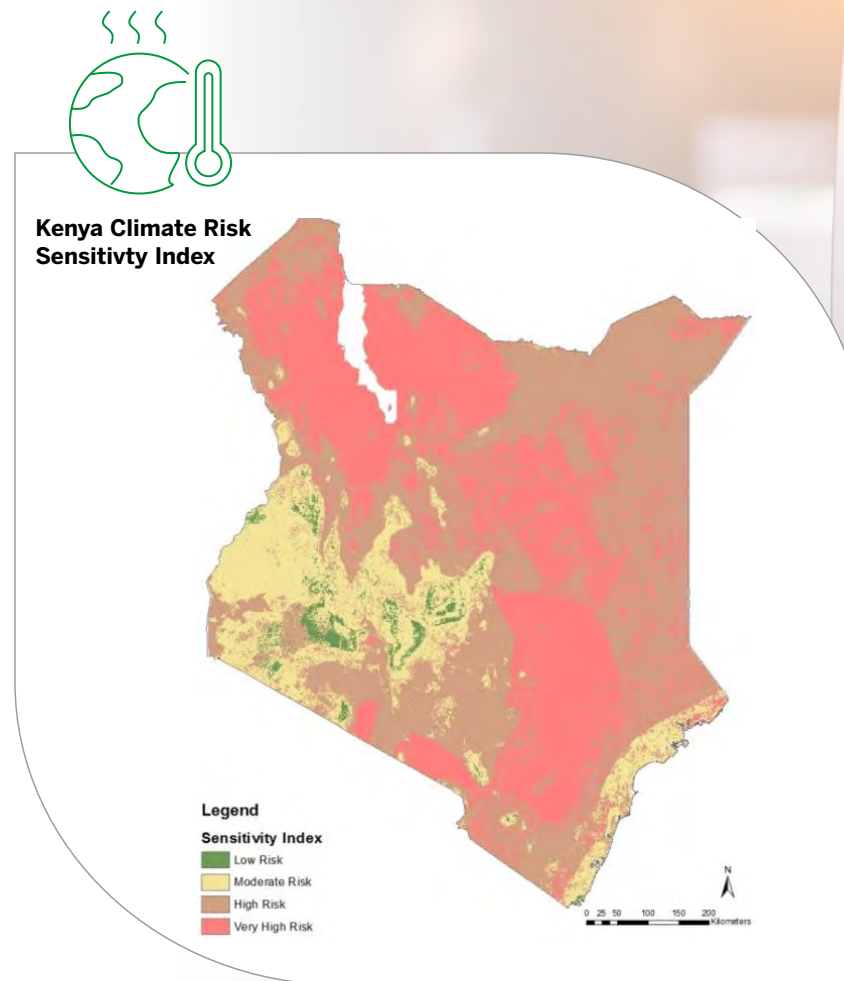


# Environment and Climate Change



Africa is the most vulnerable continent to climate change impacts under all climate scenarios above 1.5 degrees Celsius. Despite having contributed the least to global warming and having the lowest emissions, Africa faces exponential collateral damage, posing systemic risks to its economies, infrastructure investments, water and food systems, public health, agriculture, and livelihoods, threatening to undo its modest development gains and slip into higher levels of extreme poverty <sup>16</sup>.

We issued sustainability-linked loans, structured to incentivise borrowers to improve their sustainability or transformation profiles. We are working to better understand and manage our exposure to climate risk and assisting our clients to do the same. We are committed to working with African governments and businesses to reduce their vulnerability and build resilience to the impacts of climate change, and to facilitate the development of renewable sources of energy and energy efficiency across the continent.



<sup>11</sup> <https://www.afdb.org/en/cop25/climate-change-africa>



## Strategic approach and success factors for Environment and Climate Change

Stanbic Approach	Measure of Success
<p><b>Teach by knowing</b></p> <ul style="list-style-type: none"> <li>We act responsibly to conserve natural resources.</li> <li>We minimise our carbon footprint</li> <li>We take active steps to understand the ultimate impact of our financing.</li> </ul>	<ul style="list-style-type: none"> <li>Staff understanding the need to conserve our natural resources.</li> <li>Staff seeing how they can support clients by unpacking their needs in this space, drawing on knowledge gained through the implementation of internal processes.</li> </ul>
<p><b>Active prevention of environmental harm</b></p> <ul style="list-style-type: none"> <li>We undertake rigorous screening of clients prior to extending facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Understanding the environmental and social risks in our client base prior to lending to them.</li> </ul>
<p><b>We extend green financing</b></p> <ul style="list-style-type: none"> <li>We invest in sustainable growth.</li> <li>We prioritise national development priorities.</li> <li>We contribute to the development of sustainable cities.</li> <li>We contribute to economic development.</li> </ul>	<ul style="list-style-type: none"> <li>Our investments promote sustainable growth.</li> <li>Our investments help our communities and governments to become more resilient and achieve their objectives around environmental and social stewardship.</li> </ul>
<p><b>We focus on enhancing our client experience</b></p> <ul style="list-style-type: none"> <li>Our client needs are at the heart of our innovation.</li> <li>We do business as cost effectively as possible.</li> <li>We ensure our solutions are easy to use</li> <li>We make sure client data is safe and secure.</li> <li>We aim to secure the lifetime loyalty of our clients by providing exceptional service.</li> </ul>	<ul style="list-style-type: none"> <li>We can respond to the needs of our clients in a responsible manner.</li> <li>We are educating our clients on how to grow and be more sustainable businesses.</li> <li>We have repeat clients who chose us above our competitors because we provide them with added value services.</li> </ul>

### In 2021 achieved through:



Working with our clients to develop appropriate solutions to **mitigate and adapt to the effects of climate change**



**Providing financial products and services that support positive social and environmental outcomes**, including green and social bonds, ESG-linked loans, sustainable trade solutions and impact investing



**Providing environmental and social lending and advisory experience** in respect of project finance, export credit and corporate finance product offerings



Working with our retail banking clients to adopt **greener solutions for their homes and businesses**.



## Climate Change

Sustainability is key to Stanbic, some of the activities undertaken in 2021 to enhance sustainability include:

### Reduced energy usage

- Installed solar water heating in the kitchen used by our staff.
- Installed green tech in our workspaces to reduce energy consumption:
  - LED Lights which produce less heat and require less energy.
  - Air Conditioning systems were changed. New devices conserve energy do not release heat, and require less power usage.
  - Installation of sensor lighting systems in common areas. The lights only come in when a person walks into the space. This includes the boardrooms.
- Developed an energy policy for the Group:
  - Introducing smart metering system to monitor consumption of water and power for each space.
  - Once the information has been assessed deliberate interventions will be set to manage power and other utilities in a more efficient manner.

### Promoting Sustainability

- Engaged with vendors on employee demographics and numbers.
- Used the financial fitness academy to educate clients and communities on principles of sustainable development.
- Focused on the delivery of products to market that address key social and environmental needs, with a focus on energy usage and climate adaptation:
  - Green bond issuance.
  - Sourced and provided funding for green projects.



## Green Bond Issuance

In 2019, Acorn Project (Two) Limited Liability Partnership (“Acorn”) set up a KShs 5 billion Medium Term Green Note (“MTN”) Programme. The initial tranche closed in November 2019 and was listed on the Nairobi Securities Exchange (NSE) and London Stock Exchange (LSE) in January 2020.

In May 2021, Acorn sought and was granted approval by the Capital Markets Authority (CMA) to upsize the MTN programme from KShs 5 billion to KShs 5.7 billion.

In July 2021, Acorn issued the second and final tranche of KShs 1.438 billion 3-year senior, secured, rated and guaranteed, fixed rate bond in the Kenyan debt capital markets.

The funds are being used to construct eco-friendly, purpose-built student accommodation for students.

The bond maintains its green certification by the Climate Bonds Initiative as it meets the international green building standards for water, energy and construction materials, ensuring lower operation costs and a lower carbon impact.

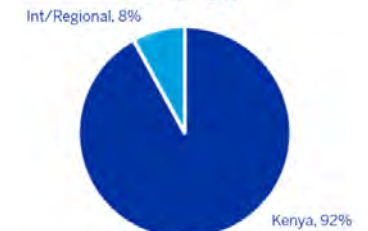
The Acorn Green Bond is rated B1 Global by Moody’s Investor Service and is listed on the Nairobi Securities Exchange and the International Securities Market of the London Stock Exchange.

Stanbic acted as the Lead Transaction Advisor and SBG Securities Limited was the Lead Placement Agent for the programme.

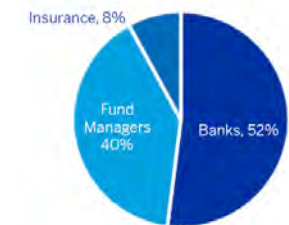
### Features:

- Tailored to need.
- Stanbic acting as lead arranger and placing agent on the Acorn Project.

#### By Geography



#### By type



### Key Outcomes for 2021

- KShs 1.4 billion 12.25% notes due in 2024.

### SEE Focus Area Supported



### SDG Supported





## Sustainable Finance

Our dedicated Sustainable Finance team works to offer a broad spectrum of product solutions that range from debt management to advisory and support services. We have a clear agenda on advancing the acceptance and use of renewable energy sources among our clients. A key challenge here is to develop suitable financing proposition through our asset finance products to drive increased uptake of renewable energy assets particularly solar energy to reduce contributions to climate change.



### Sustainable Finance - Greenlight Planet Initiative

Stanbic alongside Citi, CDC Group and Norfund partnered to provide a USD75M equivalent KShs denominated Sustainability-linked Borrowing Base and Term Loan Facilities for Greenlight Planet Kenya, Africa's leader in off-grid solar home solutions.

In addition, Stanbic together with Standard Bank South Africa acted as Sustainability Co-ordinator and executed the FX conversion to facilitate the repayment of Greenlight Planet Kenya's hard currency parent loan, in turn aiding local currency funding.

The transaction is one of the first sustainability-linked deals in Kenya and strengthens the growing trend of syndicated sustainable finance deals in the region.

Through 3 key metrics we measure and stretch Green Light Planet's impact goals for financial inclusion, clean energy (avoidance of CO<sub>2</sub>), and gender equality.



#### Features:

- Greenlight Planet is a for-profit social business that designs, distributes, and finances solar home energy with an under-served population in mind.

#### Transaction impact

- Expand access to off-grid solar solutions to off-grid communities throughout Kenya.
- Support Greenlight Planet Kenya's ambitions to reach an additional 10 million households globally in the next five years by enabling households to afford "pay-as-you-go" solar home systems through digital financing.
- Help to drive the decentralisation of clean energy consumption across the continent.

#### SEE Focus Area Supported



#### SDG Supported





## Advising our clients

### Responsible Lending

Going forward all lending greater than USD 1 million will require the business or individual to automatically undertake an ESG screening exercise. The screening criteria utilised during this process are aligned to the IFC performance standards. The screening tool deployed will identify action items to close out by the client to qualify for the facility requested.

These screening protocols were initiated in mid-2021. Quarterly reports on the screening undertaken is provided to the board. The board has focused on the identification of how best to mitigate climate related impacts associated with lending in this way.





## CASE STUDY

### Partnering with Stanbic to expand my business

I am excited to expand my business with the funds received through the Accelerate Programme. I was one of 7 winners of the grant funding application I made in 2021. I am a Mechanical Engineer with over 20 years of experience working in the oil and gas sector.

When I found myself unemployed during Covid in 2020, and finding it difficult to find a new position, I looked for opportunities to start my own business. With my wife we purchased a dairy processing business, where we produce yoghurt.

We process milk we purchase from three co-operatives which in turn support over 3,000 small farmers. We sell our product to small corner shops, mostly through van sales, it is estimated that we are servicing over 5000 small shops currently.

With this funding received I plan to expand our product line. By diversifying our product line, I hope to enhance the robustness of our business and improve our working capital management. As small new business owners, we have not been able to partner with other funders, the support received from Stanbic has provided this much needed support.

Even though I was not a Stanbic customer at the time of the award the interaction with Stanbic was engaging and business friendly. I have now opened an account with them, and am looking forward to leveraging this relationship going forward.







# EDUCATION



# Education



Education enables people to survive and thrive and is the most effective investment in the fight against poverty, helping to improve socioeconomic development. Education prevents the transmission of poverty between generations by providing greater opportunities to earn, as well as helping to move other socioeconomic indicators in a positive direction. Education is also associated with more peaceful communities, greater civic engagement and stronger democracies<sup>17</sup>

The World Bank's Education Status Report for South Sudan highlights the challenges faced by the country as it makes efforts to transform its nascent education sector including concentration of children in the early grades, a high proportion of overage students and repetition and dropout rates. For Kenya, reforms to the new Competency Based Curriculum and 100% transition are impaired by infrastructure requirements and affordability for parents.

We support access to inclusive, quality education, promote lifelong learning opportunities and enable Kenyans and South Sudanese to harness educational opportunities.

Country	Kenya	South Sudan
<b>Literacy Rate</b>	82%	27%
<b>Primary School dropout rate</b>	22%	23%
<b>Secondary school dropout rate</b>	11%	61%
<b>Government spend of GDP on education</b>	5.3%	1.5%

<sup>17</sup> IIEP, Analysis of the Education System, country reports; UNESCO, Education for people and planet, Global Education Monitoring Report, 2016; The Education Commission, The Learning Generation Report, 2020.



Stanbic Approach	Measure of Success
<p><b>We empower our clients</b></p> <ul style="list-style-type: none"> <li>Ongoing support of the financial fitness academy</li> <li>Roll out of financial literacy programmes</li> </ul>	<ul style="list-style-type: none"> <li>Our clients are informed of their rights</li> <li>Our clients know how to protect their wealth</li> <li>Our clients are better equipped to grow their businesses</li> </ul>
<p><b>Ongoing capacity building of our staff</b></p> <ul style="list-style-type: none"> <li>Realising our strategy</li> <li>Positioning our staff to respond to the fourth industrial revolution</li> </ul>	<ul style="list-style-type: none"> <li>We can realise our strategy</li> <li>Our staff see us as an employer of choice</li> <li>Our staff are well equipped to respond to the changes in delivery models being introduced in the financial services sector</li> </ul>
<p><b>Provide capital</b></p> <ul style="list-style-type: none"> <li>Assisting clients to invest in their own development and the development of others</li> <li>Assisting institutions to provide good quality education</li> </ul>	<ul style="list-style-type: none"> <li>Our clients are empowered to invest in themselves</li> <li>Our clients are positioned to respond to future challenges</li> <li>The education sector has been strengthened through the improvement in infrastructure and equipment provision</li> </ul>
<p><b>Foster partnerships</b></p> <ul style="list-style-type: none"> <li>Strengthening existing partnerships to deliver on this mandate</li> <li>Developing new partnerships</li> </ul>	<ul style="list-style-type: none"> <li>We have a network of partners which ensure we can reach our clients across our jurisdictions</li> </ul>

## In 2021 achieved through:



**Financial Fitness Academy (FFA)** a training that supports individuals understand how to better manage their wealth. **Partnership with Microsoft** and establishment of the e-learning platform [www.futurenidigital.org](http://www.futurenidigital.org) for community training as well as up skilling people who have lost jobs due to covid.



Focusing our CSI **funding on education programmes** including sponsorship of SOS Children's Village and Palmhouse Foundation.



Investing in employee **skills development** specifically digital skills through Sales Force.



## Educating our clients

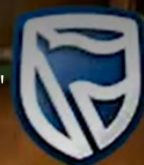
### Financial Literacy

The financial fitness academy continues to focus on enhancing levels of financial literacy in the market. Consumer education is key to empowering individuals and businesses to become responsible borrowers, thereby contributing to their financial stability and to financial inclusion more broadly.

In 2021 we conducted 20 training sessions reaching 1,300 clients. After the training provided, we have seen clients take up products with the Group, the measure of success from the Group's perspective will be clients actively transitioning to utilising multiple banking products, becoming fully integrated in the banking system. This will also be measured by them becoming active users of these products over several years. This will ensure long term achievement of financial wealth for the client, and their ability to plan for the future.



"Helping me to improve  
online digital marketing skills"  
Edwin Mukirira



We continue to educate clients that there are various mechanisms they can utilise to access financial services. We realise most clients who stay far away from traditional branches, need access to a different type of banking solution, agency banking and digital and mobile solutions are key to extending this access. Parents for example can now pay school fees without having to travel far distances. Stanbic tools facilitate internal transfers to a school account, supporting parents who live remotely to pay through an agent, with payments reflecting immediately at the school.

### Educating our agents

We provided education for our agents to empower them to manage their businesses and engage in sound financial practices. Among the aspects covered in the training included customer experience, fraud protection, business etiquette and how to market products. We also emphasised financial practices that would improve their business performance and allow them to access Group products and services.

### Educating our supply chain

We have provided a strong focus on DADA empowerment of women in business as a key aspect of our FFAs. In addition, we are at conceptual stage in setting a quota for Persons with Disability as we also look to support their integration into our procurement activities.



## Educating our communities

### Palm House

Over the past 11 years, Stanbic has partnered with the Palmhouse Foundation to sponsor young bright needy students through their four years of secondary school education. Currently, 24 students have been enrolled in various secondary schools across the country with 40 having successfully completed their secondary education since the inception of the program. **Throughout the year, Stanbic employees are constantly involved in the mentoring of these students during the school holidays and are involved in the selection process.** The annual scholarships are so far valued at KShs 1.28 million for the four students for four years of secondary education.



### SOS Children's Village

Stanbic continued to partner with the SOS Children's village in Buru Buru Nairobi through sponsorship of two houses. The sponsorship caters for the education and upkeep of 20 children of different ages throughout the year to the value of KShs 1.8 million.

SOS Children's villages is the largest child welfare organization in Kenya that takes care of orphaned and abandoned children. They are driven by the vision of providing 'a loving home to every child'.





## Driving the Relationship Model

THE NEWLY FORMED CLIENT SOLUTIONS TEAM WAS FORMED TO FACILITATE A MORE INTEGRATED APPROACH TO SERVING CLIENTS.

The client solutions team is a support service ensuring a universal approach to client solution provision. The business heads are seeing the benefits of the support provided by client solutions, as interventions made are driving on-selling and the integration of service provision to clients.

To further support these efforts, in 2021, the Group focused on the upskilling of sales staff to improve articulation of new solutions on offer. Client focused teams can express the benefits of solutions on offer including mortgages, insurance, and investments products to clients. This is further supported by individual client service segments who are brought in to address technical questions raised by clients. The breaking down of silos within the Group has raised the concern about soft selling in departments which traditionally were not client facing. The remuneration and recognition of these new activities undertaken by these departments is being discussed. The alignment to shared value drivers and culture is required to complete our transformation journey in this area. We will continue to address the expectations of our staff to ensure we can realise our goals. The board has signed off the strategy for 2022, it is envisaged that strategic growth of the franchise will come from the enhancement of our relationships with clients.

## Capacity Building

We also utilised the FFA to provide non-banking benefits to staff, training programmes were developed tailored to the specific needs of our staff, including how to invest, save and plan for the future. The staff participation in our FFAs is done at no additional cost to the bank but empowers and upskills our staff.

Creating the means to learning from home is also underway, with 4 different learning management systems having been implemented. These are well understood by staff, allowing online learning with a mentor, replacing traditional workshop sessions, with self-learning activities also taking place. Stanbic has partnered with various universities to offer a subsidised degree course to staff, a partnership with toastmasters further supports staff with presentation skills.

A training programme called trail blazers was launched specifically for the sales force, this training provided much needed skills around trade, credit risk as well as ecosystem banking.

The different learning modules were tagged as either being mandatory or additional, with the additional focused training aimed at closing gaps observed in individual skills sets.

Upskilling staff will remain a priority, especially as we continue to invest in new technology to deliver our services to the market. Focused training on the support of these technical innovations, the transition to cloud-based solutions, data science is key. For our sales force, skills transfer in cyber security risks and robotics, specifically the use of bots, is needed to further drive improvement of risks management and to drive internal operational efficiencies.



## Inawezakana Unicaf Scholarship Opportunities

In the context of the first tenet of Our People Promise, 'Driven to Win', we have provided opportunities for employees to apply for this scholarship opportunity.

### Employees who have registered for the Degree programs:

- Doctoral degree programs 2.
- Master's degree programs 23.
- Bachelor's degree program 28.

### % Break-Down by Gender:

- Female 60%.
- Male 40%.

The following programs are on offer and are aligned to our Future Skills Framework, hence, provide opportunities for our people to Reinvent themselves for the fast-changing digital landscape.

### Digital Skills Related Degree Programs

- MSc in Data Science.
- MSc in Big Data Technologies.
- MSc in Information Security and Digital Forensics.

The Group will continue to support all staff to be agents of change, this is extended through our new brand positioning ensuring we enable our staff to realise their dreams, be change makers and be bold, be able to support clients and by being more client focused. Outcomes being tracked around our performance include employees becoming more responsive to existing clients. Especially for our sales force ensuring they understand the bank strategy and why we are building skills to respond and be agile. This will continue to be supported by the deployment of change leaders to support staff.



## Sustaining and creating jobs internally

We continue with our commitment to our staff ensuring that they retain their jobs and are also enabled to engage in meaningful and impactful employment.

69 new staff joined the organisation, this included the onboarding of technology focused hires, with the objective of supporting the Group in the areas of behaviour science and data science. The Group has partnered with The Room, a network of thought leaders across Africa which is assisting with the identification of much needed talent for the organisation. New key appointments were also made to the Kenya Leadership Council (Executive Team) to bolster our need for new skillsets in the organisation, these appointments also ensure alignment with required regulatory guidelines



"Always leave a place better than you found it. Continuous improvement, continuous development. Be ready to learn. Be ready to enrich yourself with knowledge."

**Edward Mugo**

### Career growth:

I joined the Group in 2009 as an MIS officer and have taken up different responsibilities. I am currently a Manager, Card Issuing. What I can say is that opportunities will always come, always put your hand up. Once you get the opportunity, work hard to deliver.

### What gives you fulfilment in your work:

In my role, I help clients to fulfil their needs by giving them the right solutions enabling them to grow. When a customer comes to me with a problem and I am able to solve it, then I feel that my input as an employee makes a difference.

### What is your take on team work:

It takes teamwork to achieve meaningful impact. Within a team we have different people with different personalities, different skills and abilities. You cannot be a one-man show. When we work together we are able to deliver solutions much faster.

### What scenarios describe the IT CAN BE spirit?

As long as it is possible. It is physically possible, biologically possible, then IT CAN BE.



Stanbic  
Bank

# HEALTH





# Health

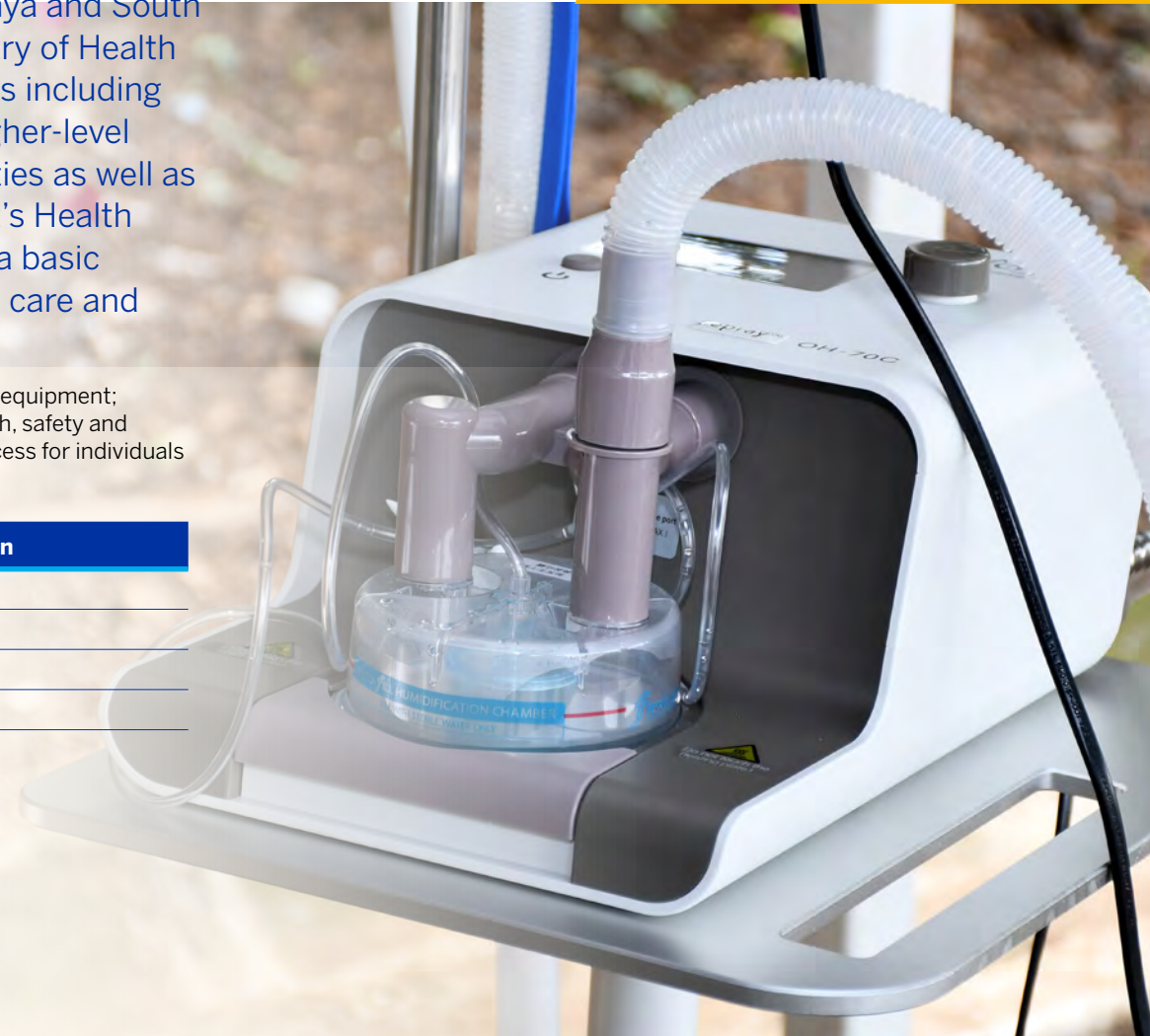


A well performing public healthcare system is necessary for Kenya and South Sudan to achieve universal health coverage. In Kenya, the Ministry of Health underscores the need for improvement in a range of health areas including accelerated staff recruitment, better links between local and higher-level health facilities, timely funding and supply of medical commodities as well as coordination and management<sup>18</sup>. The South Sudan government's Health Sector Strategic Plan (HSSP) 2017–2022 prioritizes delivery of a basic package of health and nutrition services through primary health care and financial protection.

We contribute to better health outcomes by financing healthcare providers, infrastructure and equipment; providing business development support to healthcare practitioners; and investing in the health, safety and wellbeing of our people and communities. We also partner with NGOs to provide affordable access for individuals and communities to healthcare equipment and diagnosis.

Country	Kenya	South Sudan
<b>Covid Deaths</b>	5,649	138
<b>Hospital beds per 1000 people</b>	1.4 (2010)	ND
<b>Number of doctors per 1000 people</b>	0.16 (2018)	ND
<b>Number of nurses per 1000 people</b>	0.42 (2014)	ND

ND = Not determined



<sup>18</sup> <https://www.afro.who.int/news/keeping-universal-health-coverage-path-kenya>

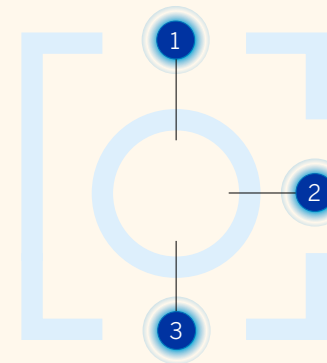


## Strategic approach and success factors for health

Stanbic Approach	Measure of Success
<b>Supporting our communities</b> <ul style="list-style-type: none"> <li>Investing in health and safety</li> <li>Investing in preventative health screening</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring our clients and their communities have access to primary health care including through awareness raising</li> </ul>
<b>Supporting our staff</b> <ul style="list-style-type: none"> <li>Providing them with medical cover</li> <li>Investing in their health and safety</li> <li>Focusing on their overall wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>Keeping our staff safe and can respond to challenges that they face</li> <li>Having staff who are happy and engaged in the workplace</li> </ul>
<b>Providing finance</b> <ul style="list-style-type: none"> <li>Supporting health care practitioners</li> <li>Supporting the financing of infrastructure</li> <li>Supporting the financing of equipment</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened our health care sector</li> <li>Enhanced access to health care services</li> </ul>
<b>Providing business development support</b> <ul style="list-style-type: none"> <li>Supporting health care practitioners</li> </ul>	<ul style="list-style-type: none"> <li>Growth of health care practitioner businesses</li> </ul>

### In 2021 achieved through:

**Interventions to protect our employees**, keep them healthy, and promote their mental and physical wellbeing during this difficult and unprecedented time



**Financial solutions** to support health care providers and manufacturers of medical equipment and sanitisers

CSI initiatives in response to the **Covid-19 pandemic**





## Protecting our staff



Employees are our most important assets, protecting their health and wellbeing is important for the long-term resilience and sustainability of the business. After an assessment of working requirements, a large proportion of employees were enabled to work from home (over 68%). Working from home had both advantages and disadvantages. For instance, employees saved the time it would have taken them to commute to the office and instead used this time to do more work. However, virtual meetings negatively impacted physical interactions.

To mitigate this impact activities were held during the year to ensure ongoing engagement. These engagements were done at a business level as well as social level to foster employee wellbeing. Hourly, weekly calls with teams ensured all employees remained up to date on new developments in the Group.

Virtual celebrations were held to acknowledge events such as the birth of a baby, weddings, and birthdays.

In 2021, 89% of staff took up the opportunity to become vaccinated, a vaccination programme rolled out at our premises in collaboration with the Ministry of Health and KAPSA. This facilitated both employees and their families to become vaccinated. Many more inoculation sessions were held to distribute vaccines.

Employees directly impacted by the pandemic were supported, this extended beyond just providing medical insurance cover for them and their dependents. Health providers actively reached out to staff to determine their wellbeing. During 2021, we reported the loss of one employee directly ascribed to the pandemic.

**Our overall approach to supporting Employees during 2021 included:**

### Employee Wellbeing

- Hotline in place to assist employees who felt challenged.
- Psychological support provided when needed.
- Webinars held to protect employee mental health.
- Assistance provided when sick.
- Staff who lost loved ones were supported.

### Employee Resilience

- Vaccination programme rolled out to staff and relatives.
- Provided Personal Protective Equipment.
- Equipped staff to work from home.
- Empowered staff to ensure their work environment was always safe.
- Provided staff with access to healthcare and insurance cover.
- Educated staff and raised awareness on risk factors to look out for and how to protect themselves from exposure.

### Employee Awareness

- Training provided to outline risks.
- Raising awareness that staff need to be sensitive to the needs of their colleagues.

### Employee performance

- Keeping our clients front of mind including their safety.
- Provided employees with equipment, furniture, and internet access to allow them to work from home.
- Thursday morning meetings held with employees to check in and discuss problems with work outputs and any other challenges being faced.



## Protecting our Community



KHF aims to tap into its experience in working with the private health sector to support health providers effectively collaborate with the government in the management of COVID-19. Some of the interventions include:

- Enhancing access to personal protective supplies with a focus on both surgical and N95 masks (156 000 masks donated).
- Equipping health workers (5 100 gloves and 550 overalls donated).
- Assessing the capacity of Private Sector Health Facilities to handle the pandemic
- Assessing supply chain requirements to meet the needs of the health system.

The private sector plays a key role in the growth and development of the country, and Stanbic recognizes the need to be part of the solution. Equipped with the capacity to support the social pillars of the country by providing resources, capital and knowledge, Stanbic stepped in to finance this COVID-19 response.

As the country continues to fight the virus, the donations will go a long way in strengthening the public health system in the long run.



### South Sudan Sanitary Towels donation

Stanbic South Sudan through the Stanbic Foundation partnered with the NGO Forum and its member organization, Stromme Foundation, to donate over 2,200 sanitary towels to young girls sitting their final school certificate exams.

Stanbic has been at the forefront of championing gender equality through the He for She Campaign. The campaign is founded on the belief that achieving gender equity is a moral duty and a business imperative. We believe that girls have a bright future and corporates must embrace their responsibility to promote their development.

The 2016 UN Report estimated that 1 in 10 girls in Sub-Saharan Africa misses school during their menstrual cycle due to an inability to access affordable sanitary products.

Access to quality and affordable sanitary products is a challenge for many girls in South Sudan and many developing countries.

Stanbic is committed to scaling this initiative in the future in order to empower young girls by supporting them to manage their menstrual hygiene with dignity and confidence.

### Tunza Clinic Cancer Screening

Stanbic partnered with the Population Services Kenya (PSK) to help create awareness about early detection of breast cancer in order to support in reducing the number of deaths. The initiative was rolled out across various Tunza Health Clinics in the country, reaching over 10,000 women from low-income areas in Nairobi, Mombasa, Nakuru, Kericho, Meru, Laikipia and Kiambu where residents do not have access to affordable healthcare and also where they tend to stay away from hospitals due to the high cost of healthcare in the country.

It is noted that early detection of cancer presents a higher chance of survival, therefore the initiative also sought to educate and empower women to carry out regular self-breast examinations.

Breast cancer in Kenya accounts for 12.5% of all new cancer cases (GLOBOCAN, 2018). Stanbic remains committed to supporting this pillar in the healthcare system.





## Providing Funding

Certain clients benefited from the pandemic particularly those in the healthcare and online sectors. Stanbic provided ongoing support for these businesses who were growing and innovating. This was provided through the extension of loan facilities, leveraging partnership networks, and provision of guarantees.

We worked with medical institutions and doctors to access needed medical provisions and equipment including state of the art equipment competently addressing the health challenges faced by those infected by Covid. We provided finance worth USD 15 million in 2021 for health-related projects, this included the purchase of an MRI machine.





## CASE STUDY

### Assumption Sisters of Nairobi-Upendo Village

**Sister. Doctor Florence Muia**  
Executive Directress

Assumption Sisters of Nairobi Upendo- Village is a Faith Based Organisation who support people affected and infected by HIV and Aids. We provide survivors interest free grant funding, which recipients use to start small income generating projects to take care of orphaned children, allowing them to move on with their lives. Where possible we try and extend the lives of parents, through nutritional supplements, to allow them to take care of their children themselves, but when this is not possible, we support these children through various programmes.

We continue to look at the development of income generating programmes, this includes providing families with dairy goats, and the rearing of indigenous chicken. We have grown these programmes through soft loans and grant funding. Donor funding is often sourced from outside of the Country, but is also sourced locally. This has allowed us to educate these children who are disadvantaged or may be HIV positive themselves. We approach this assistance package holistically, encouraging them to take medication regularly and focus on access to nutritional supplements. We run a dispensary which serves our clients and the broader community as well. The dispensary is equipped with a laboratory, pharmacy and dental clinic to support our community.

We have been partnering with Stanbic since 2014, when they assisted us with the furnishing of our counselling room. This allows us to support those affected by HIV and Aids as well as individuals impacted by gender-based violence. This counselling room provides a safe place to receive the support they need during their healing journey. The room had no equipment, Stanbic helped set up the room to facilitate the counselling we do.

In 2017 they also provided funding to extend our water bottling facility. This is another one of our income generating programmes. Initially started in 2014, we wanted to expand the facility in 2017 this required the expansion of the building allowing us to include a new machine.

We have formed a strategic relationship with Stanbic. In supporting our children, a bank account is opened for each child, where we deposit funding monthly. This allows our child guardians to access funding monthly to provide them with their basic needs. As they provided us with the best offer for these services required, 150 accounts have been opened for our children with Stanbic. The accounts do not incur any charges as long as the guardians only transact using the account once a month. This allows us to maximise each cent provided to help the child and families.

We have been engaged with Stanbic since 2008, we feel Stanbic's approach to their clients is good, we can approach the bank managers to negotiate terms, they always listen to our needs, and often also negotiate on our behalf for better exchange rates when we received external funding. We always receive quick service, and there are very few queues. Staff are courteous and we are proud to be associated with this bank, it is our Bank.



# Summary of our Impacts

## Alignment to regulatory requirements

### South Sudan

Economic activity in South Sudan is dominated by the oil and gas sector. The key players in this sector are foreign companies therefore, the South Sudanese Government is focused on promoting local content which involves fostering of the local companies through capacity building. The local companies that are awarded contracts struggle to access much needed finance. This has led them to sell their contracts on to foreigner contractors at significant discounts. Stanbic providing finance to these local companies along with capacity building, should limit this from happening. Solutions proposed to support building capacity in this sector included the roll out of training to SMEs on basic financial management, bookkeeping, general financial and computer literacy. The Stanbic Foundation intends to support in the roll out of these initiatives.

### New reporting requirements

Nairobi Stock Exchange is requiring all listed entities to provide ESG disclosures annually. These disclosures need to be sufficient to demonstrate awareness of ESG issues and corporate sustainability. The objective of these disclosures is also to promote sustained capacity building to promote the integration of ESG into business strategy, and reporting of ESG performance in a consistent, transparent, and principle-based approach to meet stakeholder expectations. Stanbic commits to providing these ESG disclosures and ensuring they are aligned to the GRI Standards.

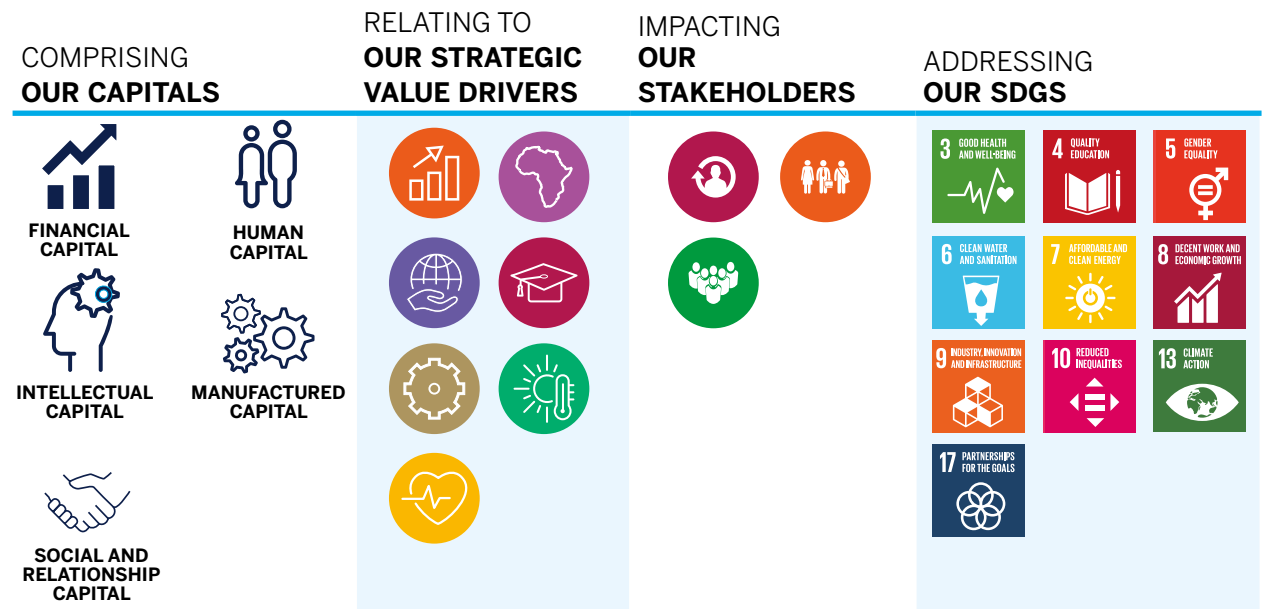
The Central Bank of Kenya has similarly requested implementation of climate-related risk management processes in the Group. These processes should allow Stanbic to:

- Embed the consideration of the financial risks from climate change in our governance arrangements.
- Incorporate the financial risks from climate change into our existing financial risk management practice.
- Develop an approach to disclosure on the financial risks from climate change.

These requirements are being communicated internally to staff to ensure we meet these requirements.

## Achievement under our SEE Focus Areas

As a purpose driven organization, we look to the SEE focus areas to land our purpose, the SEE Committee assists with the alignment of the SEE focus areas to the commercial objectives of the Group. Clearly establishing these linkages supports our contribution to the SDGs.



## SEE Shared Value

Our SEE management approach is guided by our purpose, our core business and the needs of our society. It requires us to take a long-term view and to assess the positive and negative impacts of our business decisions, not just for the Group, but for the communities in which we operate. SEE impact management is central to the commercial strategies of our business lines and legal entities. It shapes how we do business, how we generate our income, and the products and services we offer our clients. It also provides the opportunity to grow our business by providing innovative solutions that address societal, economic and environmental challenges in our markets. We therefore understand that shared value means that in order for us to continue as a successful and sustainable business, we must measure value beyond financial outcomes.

Stanbic Approach	Measure of Success
<p><b>Partnerships established</b></p> <ul style="list-style-type: none"> <li>• Strategic partnerships with government</li> <li>• Strategic partnerships with development finance institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Clear objectives set through memorandum of understanding signed between the parties</li> <li>• Successful implementation of desired objectives</li> </ul>
<p><b>Strengthening the sector</b></p> <ul style="list-style-type: none"> <li>• Sharing knowledge</li> <li>• Identifying opportunities to collectively strengthen the sectors response to simulating economic growth</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in working groups, industry bodies</li> <li>• Regular stakeholder engagement and knowledge sharing</li> <li>• Regular engagement with the regulator to facilitate roll out of initiatives</li> </ul>
<p><b>Enhancing Access</b></p> <ul style="list-style-type: none"> <li>• Specific focus on high impact sectors in the economy</li> <li>• Tailoring solutions to meet sector specific needs</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to track performance across our client base to understand the benefits derived from our solutions on offer</li> <li>• Ability to articulate this data internally to enhance our strategy and approach to the market, further maximising our impact</li> </ul>
<p><b>Strengthening internal processes</b></p> <ul style="list-style-type: none"> <li>• Ensuring robust returns to shareholders</li> <li>• Ensuring growth of the business to increase support that can be provided to clients</li> <li>• Growth of the business strengthening support to government initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Growth of the business</li> <li>• Realising returns to our shareholders</li> <li>• Increase of our client base and elevated levels of client engagement and positive experience with the brand</li> <li>• Realising economic growth within the countries we operate</li> </ul>

### In 2021 achieved through:

- Focused provision of financial services to high impact sectors in the economy
- Contribution made to the Kenyan governments Big4 Agenda
- Strengthening our capacity and ability to deliver







## Financial inclusion

### OUR IMPACT

We enable more people and businesses to access affordable financial products and services, enabling them to manage day-to-day transactions, facilitate trade. For individuals we enable financial planning (saving and planning for the future), providing financial support to deal with unexpected emergencies. For entrepreneurs, we partner to achieve business growth.

### WHAT WE ARE DOING

- We work to ensure our financial services are accessible and inclusive.
- We support SME growth.
- We partner strategically to identify innovative ways to increase credit access and financial deepening.
- We are committed to improving the financial services industry.
- We partner to support Kenya and South Sudan's development priorities.

### CHALLENGES ADDRESSED

- Slow down of our Agency Banking network rollout due to COVID-19 as we reduced cash in and out transactions.
- Slow down of our Agency Banking network rollout reducing our access to rural areas of the country.
- Looking for new ways to validate the credit worthiness of clients especially on newly launched digital channels due to the moratorium issued by the Kenyan Government to not list clients at the credit bureau.

### 2021 ACHIEVEMENTS

- 1,065 women trained in 2021.
- Established Government and bilateral partnerships - MOUs signed for 5 counties.
- 20% growth in new clients onboarded.
- 31% growth of active clients.
- 35% growth in primary clients.
- 17% growth in lending.
- 11% growth in deposits.
- Over 29K DADAs onboarded with KShs 4.1 Billion loans issued since inception.
- Digital lending for more convenient access to credit funding.



• SDG Target 8.3 – Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.



- SDG Target 8.6 – Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
- SDG Target 10.6 – Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions.
- SDG Target 10.b – Encourage official development assistance and financial flows, including foreign direct investment.

### IMPACTS TO SOCIETY

**It has been found that annual household consumption expenditure increases by US\$ 0.22 for every additional US\$ 1.22 borrowed by women from credit programs, compared with US\$ 0.13 for man <sup>19</sup>.**

KShs 739.3 million of additional household consumption expenditure realised through lending to DADA clients.

<sup>19</sup> Empowering Women through Microfinance: Evidence from Tanzania, Kato, M & Kratzer, J, ACRN Journal of Entrepreneurship Perspectives, February 2013



## Job creation and enterprise development

### OUR IMPACT

We work with SMEs to understand their challenges and priorities, so that we are able to provide them with appropriate financial solutions, targeted business support as well as mentoring and training to drive their growth and expansion into new markets. We also use this knowledge to develop digital solutions that meet their unique needs.



### CHALLENGES ADDRESSED

- SMEs access to market enabling them to leverage existing value propositions.
- SME access to working capital finance.
- SME lack of financial literacy and business planning capabilities.

### WHAT WE ARE DOING

- Our financing supports job creation.
- We actively try to prevent social harm through rigorous risk screening.
- We support businesses that have inclusive hiring practices.
- Enable more people and businesses to access affordable financial products and services, enabling them to manage day to day transactions, save and plan for the future, deal with unexpected emergencies and for entrepreneurs, to achieve business growth.
- Providing tailored support to SME clients, including access to finance and skills development, access to market, and cash flow solutions.
- We provide loan restructuring and relief measures for business clients hard hit by the pandemic and national lockdowns.
- We understand and are strengthening client value chains by solving for challenges faced by suppliers, distributors, employees and clients.
- We are partnering with fintechs to deliver improved access, convenience and affordability for our clients and ensuring they have everything they need in one place.

### 2021 ACHIEVEMENTS

- Undertaking E&S screening of clients which includes compliance to local regulations and adherence to local content on large projects.
- Launched KShs 60 million, 0% interest SME revolving fund to support SMEs affected by the pandemic.
- Issued KShs 33 million grant funding to SMEs countrywide.
- Launched tailored products to assist SMEs to access funding and transact digitally.
- 430 computers donated to MSMEs and SMEs.



• SDG Target 8.3 – Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro, small and medium-sized enterprises, including through access to financial services.



• SDG Target 9.3 – Increase the access of small enterprises to financial services, including affordable credit and their integration into value chains and markets.



• SDG Target 17.17 – Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships data, monitoring and accountability.

### IMPACTS TO SOCIETY

**Every US\$ 1 invested in Micro and Small Enterprises (MSEs) generates on average an additional US\$ 12 in the economy. Of the US\$ 12 more than 41% benefits those outside the enterprise<sup>20</sup>.**

**Mobile money adoption can increase income within an MSE by at least 5%<sup>21</sup>.**

KShs 1.1 billion in economic stimulus realised

KShs 658.4 million in economic stimulus realised outside of the enterprise

<sup>20</sup> From Poverty to Prosperity: Understanding the Impact of Investing in Small and Medium Enterprises, SEAF, 2014

<sup>21</sup> Morawczynski O, Pickens M (2009) Poor people using mobile financial services: observations on customer usage and impact from M-PESA. CGAP: Washington, D.C



## Infrastructure

### OUR IMPACT

We work with governments, development finance institutions and other commercial banks to finance large-scale infrastructure projects, addressing Kenya's infrastructure gaps and enabling inclusive and sustainable industrialisation. We partner with our clients to ensure environmental and social risks are appropriately managed and minimised.

### WHAT WE ARE DOING

- Providing enabling finance to realise the government big 4 agenda.
- Extension of credit for the development of:
  - Roads.
  - Energy.
  - Housing.
- Supporting contractors to respond to the needs created in the market through these initiatives.

### CHALLENGES ADDRESSED

- Providing SMEs access to finance to enable them to participate in infrastructure projects, thus increasing local content of larger Public Private Partnership arrangements.
- Identification of infrastructure projects that are well managed and planned to facilitate the provision of funding.

### 2021 ACHIEVEMENTS

- Participation as founding member in the KMRC promoting access to affordable housing provision in the country.
- Provision of funding to contractors linked to the development of large road projects across Kenya.
- Partnering with the Kenyan Department of roads to launch the pioneering road annuity programme which aims to build 5,000 km of new roads. The first transaction was closed in 2021.
- Extended funding in the renewable energy space, this includes manufacturing companies to reduce the overall cost of power supply and enhance reliability of supply.



• SDG Target 7.1 – Access to affordable, reliable, sustainable and modern energy for all.

• SDG Target 9.a – Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support.



• SDG Target 9.3 – Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

### IMPACTS TO SOCIETY

**Selected evidence on the growth benefits of infrastructure development across 39 African countries (1960 -2005) which looked at the impact of ICT, roads and electricity sector improvements, indicates that with infrastructure stock accumulation and quality improvement this will result in a 0.99% increase in GDP growth<sup>22</sup>.**

**Most noteworthy is that gaining access to electricity from mini-grids and solar from home and business appears to create about 5 times as many non-energy jobs than the direct jobs created by the energy sector, this has a specific impact on broadening economic activities in rural communities<sup>23</sup>.**

**It is noted that a dollar of public investment in the transport sector leads to 1.5 dollars of economic activity<sup>24</sup>, and 35,000 jobs are created for every \$1 billion spent on transportation. Further unpacked for every construction job created, an additional 0.76 job is created in other sectors, with an additional 97¢ realised in indirect and induced spending in the economy<sup>25</sup>.**

**Research has shown that for every US\$ 100 spent on housing finance activities in Africa, US\$ 36.50 are added to per capita GDP while US\$ 225 are added to GDP.**

Estimated direct jobs supported 2,180

Estimated indirect jobs supported 1,660

Increased economic activity stimulated at KShs 7 billion

<sup>22</sup> [https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African\\_Economic\\_Outlook\\_2018\\_-\\_EN\\_Chapter3.pdf](https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African_Economic_Outlook_2018_-_EN_Chapter3.pdf)

<sup>23</sup> <https://www.forbes.com/sites/jamesellsmoor/2019/07/15/renewable-energy-is-a-rapidly-growing-source-of-skilled-jobs-in-africa/?sh=629d232a7818>

<sup>24</sup> <https://blogs.worldbank.org/ppps/effectiveness-infrastructure-investment-fiscal-stimulus-what-weve-learned>

<sup>25</sup> <https://www.enr.com/articles/7975-economic-multiplier-effect-makes-transportation-tops>

<sup>26</sup> Housing Finance and Inclusive Growth in Africa: Benchmarking, Determinants, and Effects, Nguena, Tchana Zeufack, World Bank Group, December 2016



## Trade and investment

### OUR IMPACT

We facilitate trade and investment flows between Kenya and key global markets including China, through the provision of innovative trade finance solutions and cross-border payments and investment solutions.

### WHAT WE ARE DOING

- We are drivers of local and international trade
- Facilitate trade in Kenya.
- Facilitate regional Inter-Africa trade.
- Support the Kenya China Trade Corridor through creation of a platform to connect and facilitate partnerships.
- Accessing global markets through organising match making events or trade exports.

### CHALLENGES ADDRESSED

- Clients lack of understanding around implementation of business processes to accommodate international trade.
- Clients access to funding to bridge the working capital requirements prior to committing to international trade agreements.
- Clients need to access performance guarantees.

### 2021 ACHIEVEMENTS

- Extending finance to distributors in the market through supply chain financing, KShs 19 billion loans issued.
- Making use of new methods to determining credit worthiness such as sales volumes and cash flow management, to facilitate extension of credit to these small distributors, allowing them to grow and expand their footprints.
- Providing much needed access to the China market to agricultural producers. Facilitated through holding virtual events, enabling clients to source contracts.
- Extending trade credit insurance to clients to reduce their liabilities and enabling increased access to finance.
- LCs and Guarantees extended to clients to the turn of KShs 78.7 billion.



- SDG Target 8a – Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries.

### IMPACTS TO SOCIETY

**The expansion of African trade aims to boost economic growth and reduce poverty. Increased trade and investment benefits an individual business by allowing them to expand and diversify their participation in international value chains. When these efforts are multiplied across several businesses and across various sectors this drives poverty reduction and can transform economies.**



## Environment and Climate Change

### OUR IMPACT

We issued sustainability-linked loans, structured to incentivise borrowers to improve their sustainability or transformation profiles.

We are working to better understand and manage our exposure to climate risk and assisting our clients to do the same. We are committed to working with African governments and businesses to reduce their vulnerability and build resilience to the impacts of climate change, and to facilitate the development of renewable sources of energy and energy efficiency across the continent.

### CHALLENGES ADDRESSED

- Ability to address climate risks within our portfolio requires the onboarding of a new and diverse skill set.
- Updates are required to our risk management systems to properly categorise these risks.



- SDG Target 7.1 – Ensuring access to affordable, reliable, sustainable and modern energy.
- SDG Target 13.1 – Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
- SDG Target 13.3 – Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

### WHAT WE ARE DOING

- We act responsibly to conserve natural resources and minimise our carbon footprint.
- We expand green financing, investing in sustainable growth and development priorities.
- We take active steps to ensure we understand the ultimate impact of our financing.
- Actively prevent environmental harm through rigorous screening.
- Doing business that is cost-efficient and easy for our clients.
- We aim to secure the lifetime loyalty of our clients by providing exceptional service.
- We ensure our client data is safe and secure.

### 2021 ACHIEVEMENTS

- Lead arranger for KShs 1.4 billion Acorn green bond of which proceeds will be used to construct eco-friendly student accommodation.
- Together with other partners, facilitated USD 75 million sustainable finance facility to support Green Light Planet's objective of expanding access to off-grid solar solutions to 10 million households in the next 5 years.
- Total area covered with LED lights is 71% of our leased and owned premises.
- Over 85% of our air conditioners are running on green gas.
- Installation of sensor taps on in our office buildings.
- In the process of acquiring green certification of our office buildings.
- Currently holding KShs 943 million in green assets.
- Group is holding KShs 80 billion in government bonds.
- Group has currently invested over KShs 40 billion to support the Kenyan Government's Big4Agenda.
- 100% of CIB clients were screened using ESG criteria.
- Bi-annual review of the Stanbic E&S framework and ESG policy.

### IMPACTS TO SOCIETY

**The finance sector is in a unique position to incentivise the transition to sustainable ways of doing business through only agreeing to lend to invest in and insure businesses that manage their environmental and social risks and impacts. This approach allows us to preserve the planet and strengthen society for future generations.**



## Education

### OUR IMPACT

We support access to inclusive, quality education; promote lifelong learning opportunities; and enable Kenya to harness the opportunities associated with the Fourth Industrial Revolution.

### WHAT WE ARE DOING

- We are committed to financial deepening.
- We empower our clients with financial fitness and literacy programmes.
- We support access to inclusive, quality education, promote lifelong learning opportunities and enable Kenya to harness the opportunities associated with the Fourth Industrial Revolution.

### CHALLENGES ADDRESSED

- Continuing to provide training during the pandemic, in line with COVID-19 protocols.

### 2021 ACHIEVEMENTS

- 1,300 individuals trained through the Financial Fitness Academy in 2021.
- Over KShs 3 million spent on education to support needy children.
- Over 50,000 SMEs and individuals trained on digital skills.



- SDG Target 4.4 – By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
- SDG Target 4.b – By 2020, substantially expand globally the number of scholarships available.

### IMPACTS TO SOCIETY

**ROI to society from US\$ 1 spent ensuring secondary school completion is US\$ 4<sup>27</sup>.**

**Impact of 1yr of tertiary education on income is an increase of 20.2%. Impact of 1yr of secondary education on income is an increase of 17.7%<sup>28</sup>.**

<sup>27</sup> Benefits and Costs of the Education Targets for the Post-2015 Development Agenda, Psacharopoulos, P., Copenhagen Consensus Center, July 2014

<sup>28</sup> Returns to Investment in Education: A Decennial Review of the Global Literature, Psacharopoulos, P & Patrinos, H, World Bank, April 2018



## Health

### OUR IMPACT

We contribute to better health outcomes by financing healthcare providers, infrastructure and equipment; providing business development support to healthcare practitioners; and investing in the health, safety and wellbeing of our people and communities.

### WHAT WE ARE DOING

- We finance health providers, infrastructure and equipment.
- We provide business development support to healthcare practitioners.
- We invest in the health, safety and wellbeing of our people and communities.

### CHALLENGES ADDRESSED

- Being able to provide ongoing support in light of the COVID-19 restrictions on group gatherings.

### 2021 ACHIEVEMENTS

- Partnership established with Kenya HealthCare Federation.
- Masks issued: 156,000.
- Gloves issued: 5,000.
- Overalls issued: 500.
- 10,012 cancer screenings undertaken.
- 845 SMEs trained in the health sector.



• SDG Target 3.8 – Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines.



• SDG Target 3.c – Substantially increase health financing and the recruitment, development, training and retention of the health workforce.

• SDG Target 6.1 – By 2030, achieve universal and equitable access to safe and affordable drinking water.

### IMPACTS TO SOCIETY

The estimated Return on Investment (ROI) to society of preventative healthcare programs is between US\$ 0.26 and US\$ 2.12 <sup>29</sup>.

A WHO 2018 Report cited that for every US\$ 1 invested in scaling up interventions to address NCDs in low- and lower-middle-income countries, there will be a return to society of at least US\$ 7 in increased employment, productivity and longer life <sup>30</sup>.

Based on the spend on health care initiatives it is estimated that the ROI to society is between KShs 25.9 billion and KShs 211.2 billion respectively.

Based on our contribution to cancer screening in communities, this is estimated to have resulted in a KShs 46.5 million return to society.

<sup>29</sup> The return of investment for preventive healthcare programmes: A calculation framework for GSK's Partner-ship for Prevention, RAND Corporation, 2017

<sup>30</sup> Saving lives, spending less: a strategic response to noncommunicable diseases. Geneva, Switzerland. World Health Organization; 2018



## Financial inclusion

### DADA Team collaboration

The Foundation worked with DADA team to engage with the Kenya Prisons Service. The team interacted with both the officers and prisoners at the facilities. Donations were provided to officers, and they were assisted with opening accounts. Prisoners received financial literacy training. This was rolled out as a specific request from female prisoners.

A dedicated programme targeting youth and women, focused on the provision of digital training on ICT. Working with the DADA team enabled the participants to open new DADA accounts.

Open air market traders selling fresh produce were trained on financial fitness in December 2021. Many of these traders took up the opportunity to become registered on the Unayo platform. The Foundation worked closely with the innovation team on this programme, with this initiative being extended in 2022 with a focus on co-operatives.







## Job creation and Growth

The deployment of SME grant funding across various counties facilitated the growth of these enterprises, enabling them to move from being SMEs to larger commercial entities. The first cycle of KShs 33 million in grant funding was issued in November 2021.

During the year, we partnered with the government to support Boda Boda riders. This initiative included the provision of financial grants and capacity building, aimed at assessing their level of financial access and empowering them to manage their finances prudently. Additionally, reflective jackets were provided to the riders to enhance their safety.





## Health

Cancer screening was undertaken during the year. This is the 3rd year we are partnering with NGOs to extend this service to community members. 10,012 people were screened during 2021.

Covid-19 Vaccinations were extended to community members through a Stanbic initiative. Stanbic promoted this programme during the vaccination of their staff. Stanbic promised that for every employee who was vaccinated the organisation would make 3 additional doses available to the public. This initiative was rolled out prior to vaccines becoming free to Kenyans.





## Education

Various initiatives were rolled out under the education pillar through the foundation. These included donations of educational equipment and direct training provision.

Equipment was donated in the form of computers. These computers were provided to an orphanage, to enable learning. These donated computers further build digital skills, assisting these children to become ready for an increasingly digital world.

Training was provided through the financial fitness academy (FFA). This training was undertaken using FAA certified trainers, these sessions traditionally focused on the upskilling of clients, was extended in 2021 to market traders and staff. Training focused on how to make money, save, invest, and create a legacy.



## Nakuru City Marathon

Unlocking the spirit of Kenya through the sponsorship of the Nakuru marathon has positioned the brand as fostering economic growth and development in our communities.

The Stanbic Nakuru City Marathon, hosted by the Nakuru municipality, attracted more than 2 900 runners participating from all over the country and region including Uganda. The event also attracted large enterprises and Small and Medium Enterprises from the municipality to exhibit their products and services. This is in line with the administration's manifesto to organize trade and investment exhibitions to help mobilize investment resources and promote business in the county.

This is set to be an annual event which we believe will create opportunities for youth, allowing them to test and build their athletic abilities and be part of a thriving sports and culture industry. Stanbic's sponsorship of KShs 10 million is testament to our commitment to supporting the youth.

Empowering the youth is the key to the future prosperity of a nation. We acknowledge the challenges they face, ranging from lack of employment, education, training and access to financial resources. In partnership with County governments as well as other institutional partners, we are working towards closing these gaps.

Through the Stanbic Kenya Foundation we run the Accelerate Program focused on supporting SMEs and MSMEs to sharpen their digital skills. We offer digital skills training to entrepreneurs to be future ready, as well as salaried individuals, to enhance employability. We have an inhouse Financial Fitness Academy program that was rolled out to the top finalists of the marathon to support them in better understanding the concept of wealth and how to manage it.

Our partnership with the county government of Nakuru helps cement our commitment to continue supporting the youth by empowering them and giving them the opportunity to achieve their dreams through athletics.





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