



**Absa Bank Kenya PLC**

**Sustainability Commitment Report 2020**





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## List of abbreviations

Acronym	Description
AIR	Annual Integrated Report
BBK	Barclays Bank of Kenya
CIB	Corporate Investment Banking
ESG	Environmental, Social and Governance
GDP	Gross Domestic Product
ICT	Information and Communications Technology
IFC	International Finance Corporation
IPF	Insurance Premium Financing
ITC	International Trade Centre
IVR	Interactive Voice Recognition
KES	Kenyan Shilling
KGBS	Kenya Green Building Society
MKO	Magical Kenya Open
NFI	Non-Funded Income
NSE	Nairobi Stock Exchange
ROE	Return on Equity
ROI	Return on Investment
SDGs	Sustainable Development Goals
SMMEs	Small, Medium and Micro-Enterprises
SME	Small and Medium-Sized Enterprises
UN	United Nations
UNEP	United Nations Environmental Programme
UNPRB	United Nations Principles for Responsible Banking
USD	United States Dollar
WHO	World Health Organisation







*Losing a job due to the pandemic is quite unfortunate. The MCR team supported 52 families with food items, putting a smile on the family's faces and living to the mantra of being a Force for Good.*

## Introduction



**Absa Bank Kenya Plc strives to be a force for good by making a difference in its communities, which benefits both people and the planet. We are privileged to have over 100-year track record of serving our people. Over the years we have endeavoured how best to contribute to society through broad based initiatives that uplift all our stakeholders.**

This upliftment drives our growth as a business, ensures profitable returns to our shareholders and continued growth and development of our staff. The sustainability journey we have embarked on enables us to remain relevant in society and strengthens our ability to respond to an ever-increasing competitive landscape. We frame this concept as shared value.

We conduct our activities through the lens of our strategy. We assist customers to create, grow and protect wealth by offering an integrated set of banking and insurance products and services delivered through our customer facing businesses.

**Retail and  
Business  
Banking (RBB)**  
Capturing Consumers

**Corporate and  
Investment  
Bank (CIB)**  
Capturing Institutions

## We drive Force for Good through our people



Shared Value embodies the way we do business. It covers all the aspects of our business practices; we seek to be responsible and ethical in our business conduct and within our operations. This business-led approach permeates our Bank and inspires the way we think about stakeholders and the creation of shared value. It is a key motivator of our intention to offer our financial products and services in a responsible manner which has led us to be signatories to the Principles for Responsible Banking at Group Level and to the UN Global Compact Kenya Chapter.

The aim of this document is to summarise the sustainability journey we have already travelled, as well as key aspects we aim to focus on ensuring enhanced business value creation in the future. Case studies are presented to further articulate the knowledge gained throughout this journey and the inspiring stories of our people.

This report should help the reader understand how we have defined and intend on measuring value creation in the future. It should be read as a showcase of our work and not as a supplement to the Integrated Annual Report ("IAR"). You can find a copy of the 2019 IAR here:

<https://www.absabank.co.ke/content/dam/kenya/absa/pdf/Investor-Relations/Annual-Reports/integrated-report-2019.pdf>

## The Absa Group today



We are driven by our **purpose**  
and guided by our **promises**.  
We live by our **values**.

We are creating an organisation that can make better decisions faster, is aligned and engaged at every level. It is headed by leaders who inspire the whole organisation to action and who give our employees an emotional sense of belonging and commitment.

### Purpose

#### Bring your Possibility to Life

We believe in possibility, in the actions of people who always find a way to get things done. We believe in creating opportunities for our customers to make their possibilities real and supporting them every step of the way.

### Aspirations

**For our people**, we will create a culture that appreciates, unifies and differentiates us from our competitors.

**For our customers**, we will create unprecedented, seamless experiences to engage and delight them.

**For society**, all our employees will lead with a conscience... doing the best for people and the planet.

We are an African group, inspired by the people we serve and determined to be a Group that is globally respected and that Africa can be proud of. We are committed to finding local solutions to uniquely local challenges and everything we do focuses on adding value.

### Values

1. We drive high performance to achieve sustainable results.
2. Our people are our strength.
3. We are obsessed with the customer.
4. We have an African heartbeat.



## Absa presence

Customers are served through an extensive branch and self-service terminal network, digital channels, financial advisors, relationship bankers and dealerships, originators, alliances and joint ventures.

**14** countries <sup>1</sup>

 **38 472** employees

 **1 016** branches

 **9 763** ATMs

 **115 708** point-of-sale devices

 Botswana

 Ghana

 Kenya

 Mauritius

 Mozambique

 Uganda

 Seychelles

 South Africa

 Tanzania<sup>2</sup>

 Zambia

<sup>1</sup> Representative offices: Nigeria and Namibia. Other Offices: United Kingdom and United States.

<sup>2</sup> Absa Bank Tanzania and National Bank of Commerce combined.



## Absa Kenya key philosophy



Being the **best**  
in **customer experience**  
is **our vision**



**Absa's Values** underpin our culture and we continue on our journey to embed these as we unite under the Absa brand.



We drive high performance to achieve sustainable results.



Our people are our strength.



We are obsessed with the customer.



We have an African heartbeat.

### Our attitudes

- Brave
- Passionate
- Ready

### Our brand attributes

- Accessible
- Dynamic
- Aspirational

### Our way of life

- Easier
- Faster
- Better

## Letter from the Chairman



The Board of Absa Bank Kenya Plc is cognizant of the large array of societal challenges facing us including access to quality education, healthcare and social services, issues of corruption and poor governance, economic development and job creation within the Kenyan economy, as well as the impact of climate change.

Over the last 100+ years during which our business has operated in this country, we have developed a deep understanding of the fundamental challenges affecting our society, including access to quality education, healthcare and social services, unemployment and slow economic development, corruption and poor governance, as well as climate change.

Our commitment to be an active Force for Good in our communities has also grown over the years and our Citizenship agenda has evolved accordingly. More than ever, with our new Absa brand, and our renewed purpose to bring possibility to life for all our stakeholders, we are deliberate about providing sustainable financial solutions and supporting enterprises and facilitating economic growth.

In December last year, the Board deliberated and approved our commitment and strategy to contribute towards the

attainment of the Sustainable Development Goals (SDGs), cementing our commitment to continue impacting the society in the right way.



We selected four high impact goals as our primary focus namely, Quality Education (goal 4), Decent Work and Economic Growth (goal 8), Reduced Inequalities (goal 10) and Responsible Consumption and Production (goal 12). These goals are underpinned by our contribution to SDG 16 (Peace and justice strong institutions) and 17 (Partnership to achieve the goals), respectively.

Although our initial strategy is to make remarkable gains in the four high impact goals, we plan to include four additional SDGs as part of our focus. These include the medium impact goals set under SDG 7 (Affordable and clean energy), 9 (Industry innovation and infrastructure), 11 (Sustainable cities and communities) and 15 (Life on land), respectively.

Sustainability has become increasingly important to us as we run our day-to-day business activities and navigate through the current macro-economic challenges presented by the COVID-19 global pandemic. We continue to make deliberate efforts to pursue and enact sustainable business practices while fostering the success of our people and our country.

I am indeed excited by the production of this report, which is part of our renewed commitment towards the sustainability agenda.



## Letter from the Chief Executive Officer



As a responsible corporate citizen and one of the country's leading financial services institutions, Absa Bank Kenya PLC is passionate about Kenya's sustainable economic development. In line with this, we are constantly reviewing our strategy to enable us to make meaningful contribution to the country's economic priorities.

Last year reinforced this commitment by becoming a signatory to the United Nations Principles for Responsible Banking at a Group Level, as well as the United Nations Global Compact Kenya Chapter in September last year.

This affirms our pledge to work with our colleagues, customers and all other stakeholders to drive sustainability and ensure that the value chains are adhering to sustainable business practices. As such, playing a shaping role in society is one of the key guiding principles for our new purpose and strategy, at the heart of which is growth.

With this in mind, our ambition as Absa Group is to become a leading, purpose-orientated, African bank that is deeply rooted in the countries it serves and which recognises that our own sustainability is directly linked to the sustainability of the communities, in which we operate.

More so during this COVID-19 period, we are alive to the fact that businesses do not operate in a vacuum; they are built by people, operated by people and serve people daily. Therefore, one can argue that successful businesses are those that, at the core, care about the people. This is a mantra that we strongly believe in and one that we have upheld throughout this tough season.

As part of this, we have taken a proactive approach to respond to the challenges that our customers may be facing due to the COVID-19 pandemic. For those in the Small and Medium Enterprises (SME) sector, the backbone of our economy, our commitment has been to hold their hand every step of the journey. This includes equipping them with information and solutions to help them adapt to the new way of doing business, assisting them with insights and cushioning them through

our loan relief program to reduce their monthly financial obligations and to improve their cash flows.

Internally, the culture shift towards sustainability is gaining momentum and has seen many of our sustainability initiatives come to light. These include, among others, pursuing Edge certification by undertaking an assessment of all 85 Absa sites and repurposing and upcycling of gently used furniture forming part of a circular economy.

In conclusion, we are in the process of determining our baseline condition and we will soon start tracking the changes that we have made in the society through our business activities and operations. We look forward to seeing what further positive impact we can make and how our combined efforts will transform our communities.

# Absa Bank Kenya PLC

## Sustainability programme approach



## We support our strategic goals through sustainability initiatives

We will bring our brand promise bringing possibilities to life alive through aligning sustainability initiatives to the key strategic goals and other areas of priority in sustainability



### Employees

Embed a new culture underpinned by the Absa Kenya way of easier, faster, better to become among the top 10 best places to work



### Investors

Ensuring that our bank remains well capitalized and give shareholders return on investment while ranking well on sustainability indexes



### Governments

Contribute to the Kenyan economy while at the same time aligning to the national agenda to drive sustainable development



### Customers

Deliver exceptional customer experience and relevant propositions with a renewed focus on products with a social and environmental focus



### Communities

Support people in local communities where we operate while ensuring our business helps protect the environment through curbing climate change and reducing our environmental foot print



### Suppliers

Increase the supply chain awareness of corporate sustainability and responsible business practices



## Economic, Social and Governance outlook for Kenya

### We recognise the challenges facing ordinary Kenyans

We seek to be responsive to our social context, aiming to address and influence the root causes of the social challenges we face in society, being a **“force for good”**.

**2.6%**

of the annual GDP, is allocated to the long term fiscal cost of managing floods and droughts in Kenya

**1/3**

of students that access higher education are women

**30%**

of students that graduated from secondary school can access higher education

**17%**

of young people in Kenya are jobless

**17mn**

of the Kenyan population live in poverty

**0.2**

out of 100 people have access to fibre internet solutions

**50k**

hectares of forest are lost each year through deforestation. In 2009 just 6% of the country was covered in forest

**23**

days is what it takes to start a business in Kenya (compared to half a day in New Zealand)

**25%**

of the Kenyan population have no access to grid and off-grid energy solutions

**2mn**

people live in informal settlements and slums in Nairobi

**46mn**

people Nairobi is expected to have by 2100 (12th largest city in the world)





## Economic, Social and Governance outlook for Kenya

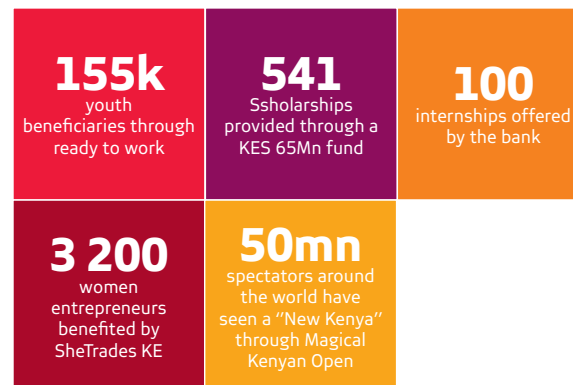
### The articulation of our contribution to society

Our contribution to society in 2019 can be defined under key headings, namely our people, our social investment into youth, women and communities, through our internal improvement initiatives introduced into our operations, support of our suppliers and by our contribution made to the countries tax base.

#### Our people



#### Social investment in youth, women and communities





### Our internal operations

**60%**

of our employees have access to new water purification units which are eco-friendly

**1 000+**

computers have been earmarked for donation to 66 institutions in 2019. Distribution to commence in 2020.

**85**

facilities in which we operate have been audited in anticipation of edge certification

### Our suppliers

**3.6bn**

paid to our suppliers in 2019

**77mn**

paid to women suppliers in 2019

**89%**

of our suppliers are local companies. Helping us to boost economic growth

### Tax contribution

**4.0bn**

corporate tax paid by Absa Bank Kenya in 2019

## Value Creation



*Christine Mwai-Marandu, Country Corporate Credit Director using an Absa ATM*

Our shared value approach is contextualised by three facets, namely being **Business-led**, **Internal-led** and **Society-led**. The framework presented in the circle diagrams outlines our perceived linkages between these three facets of our business. The linkages to the respective sustainable development goals (SDGs), is indicative of the contribution each facet makes to building our businesses intrinsic value.

From the internal perspective, we ensure the continued development of our staff. We promote equality in the workplace through policies targeted at gender and marginalised groups, which ensures an economically viable business.

The businesses main touchpoint with society is through our customers. This is primarily achieved by the responsible provision of loans and management of their deposits. Based on the type of products on offer to our customers, under the SDGs we facilitate the provision of affordable and clean energy, and improved implementation of innovative technologies. This allows us to track our contribution to SDG 7 and 9 respectively. This has shown to facilitate the growth and development of these businesses, stimulating further economic development, job creation (SDG 8) and a reduction in inequalities (SDG 10).

Based on the type of projects we fund, we indirectly assist the development of sustainable cities and communities (SDG 11) as well as the promotion of responsible consumption and production (SDG 12). This is emphasised through the customers onboarding process, focused on the use and implementation of cleaner production processes and subsequent reduction of environmental footprints. Influence is also extended to improve the businesses approach to supply chain, staff and customers engagement.



## Outcome: Alignment of the SDGs to the corporate strategy and our choices



## Value Creation

### Outcomes: Alignment of the SDG's to the corporate strategy and our choices

In the diagram below, we reflect our contributions through three lenses:

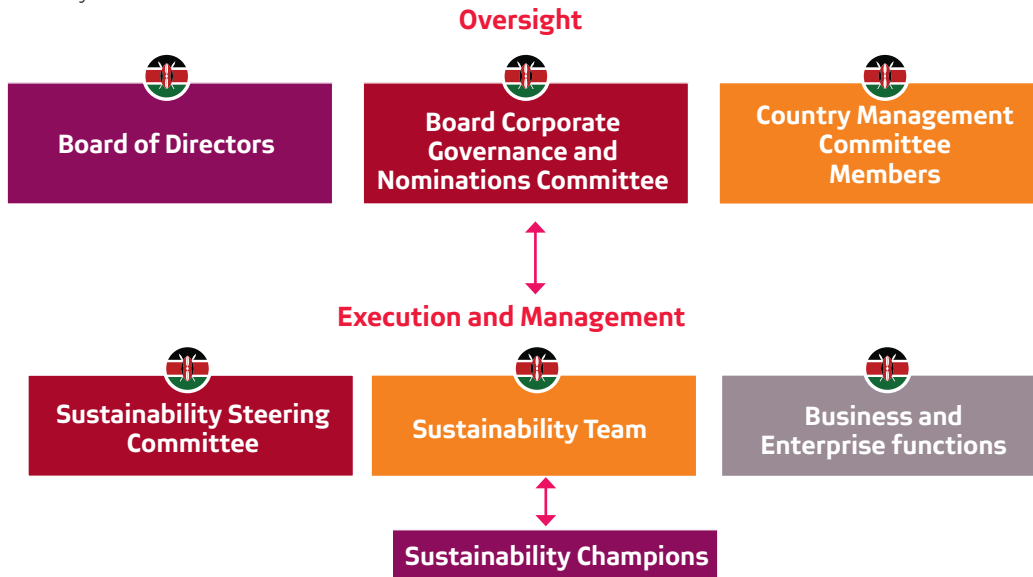


■ Business Led ■ Internal Led ■ Society Led



## Our Governance Structure

Our Sustainability Agenda is led by the Country Management Committee (CMC), capacitated through the establishment of a sustainability committee which reports directly to CMC. Clear KPIs have been set and are driven by the Sustainability Steering Committee throughout the organisation to ensure the realisation of our objectives. It is acknowledged that for our Sustainability Agenda to be a success it needs to touch on all facets of the organisation, requiring a holistic approach to implementation in order to achieve our set KPIs. Once achieved we are convinced we will realise our Corporate Strategy and create the value required to maximise growth, transformation and the returns sought by the organisation and society.



## Value Creation



## Our Governance Framework

Sustainable banking practices have always been part of our culture. Absa Bank Kenya Plc has a history of investing in strategic partnerships with global organisations to stay abreast of international best practices.

To realise both past and future sustainability initiatives, Absa Bank Kenya Plc have further aligned themselves with key international bodies and identified key enablers to realise their sustainability agenda. Absa Bank Kenya Plc are currently signatory to the following international conventions ensuring the business's sustainability practices are aligned to or adhered to international best practice initiatives:



Sustainable Finance is a Kenya Bankers Association led initiative whose objective is driving a banking sector that is not only efficient and profitable, but is also alive to the wider societal concerns of environmental and economic sustainability and social good.



The SDGs are a call for action by all countries to promote prosperity while protecting the environment. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, equality and job opportunities, while tackling climate change and working to preserve our ocean and forests



A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals



The Principles for Responsible Banking are a unique framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement.



A joint initiative of the UN Global Compact and UN Women developed in 2010 to provide a holistic framework to empower women and girls in the workplace, marketplace, and community. The seven Principles, are based on real-life business practice, and seek to elaborate on the gender dimension of corporate sustainability, the UN Global Compact's Ten Principles and broader UN Goals and Values, such as the Sustainable Development Goals.



The Shared Value approach reconnects business success with social progress, positing that it is not only possible but indeed preferable from a business perspective to focus on creating both economic value for its shareholders and for society – summed up succinctly as profit with purpose – Prof Michael Porter and Mark Kramer

## Value Creation



### Our Key Stakeholders

Those directly and indirectly impacted on by our business were considered when defining our sustainability strategy and setting key performance indicators. Maintaining a clear focus on these ultimate beneficiaries of our value creation is key to ensuring we realise a tangible difference in the way we operate and contribute to society.

#### Customers



Direct  
Stakeholders

#### Employees



Direct  
Stakeholders

#### Society



Direct  
Stakeholders

#### Regulators



Direct  
Stakeholders

#### Investors



Direct  
Stakeholders

#### Government



Direct  
Stakeholders

#### Management



Indirect  
Stakeholders



## The process used to define our sustainability strategy

Our theory of change model illustrates how our business activities contribute to societal impacts. We have developed our theory of change model through an interactive engagement based on the human centred design methodology. The theory of changes defines:

- What change we want to see in society as a result of our operations,
- What needs to be invested to realise this change,
- The defined roles and responsibilities of each enabler unit to ensure alignment,
- Clear linkages with the corporate strategy to generate growth, transformation and returns targeted, and
- Linkages between each of the 6 capitals enabling the setting of clear Key Performance Indicators (KPIs).

This process comprised representatives from all functions of the organisation. Key ownership of the outcomes of this process remained with the Board, driven by the Sustainability Steering Committee and the Managing Director. The key outcome of this process was the adoption of 10 SDGs namely SDG 4, 7, 8, 9, 10, 11, 12, 15, 16, 17. These SDGs were selected based on shared value to the business, society and operating environment.

**Problem statement  
defined**

**Interviews held**

**Opportunity mapping  
undertaken**

### Opportunities

- Green economy
- Untapped youth
- Tech savvy youth
- Under served start-ups
- Women in the economy
- Business clubs

**Voice of the customer  
unpacked**

### Voice of the Customer

- Food security
- Lack of leadership
- Urbanisation
- Technology
- Skills development
- Climate change

## Value Creation

As an institution we support all seventeen global goals with varied focus and impact on each. Our priority goals were further disaggregated based on high, medium and moderate impact.

High impact SDGs show close alignment to existing initiatives being undertaken and should realise early gains in the creation of targeted value for the bank and society as a whole.

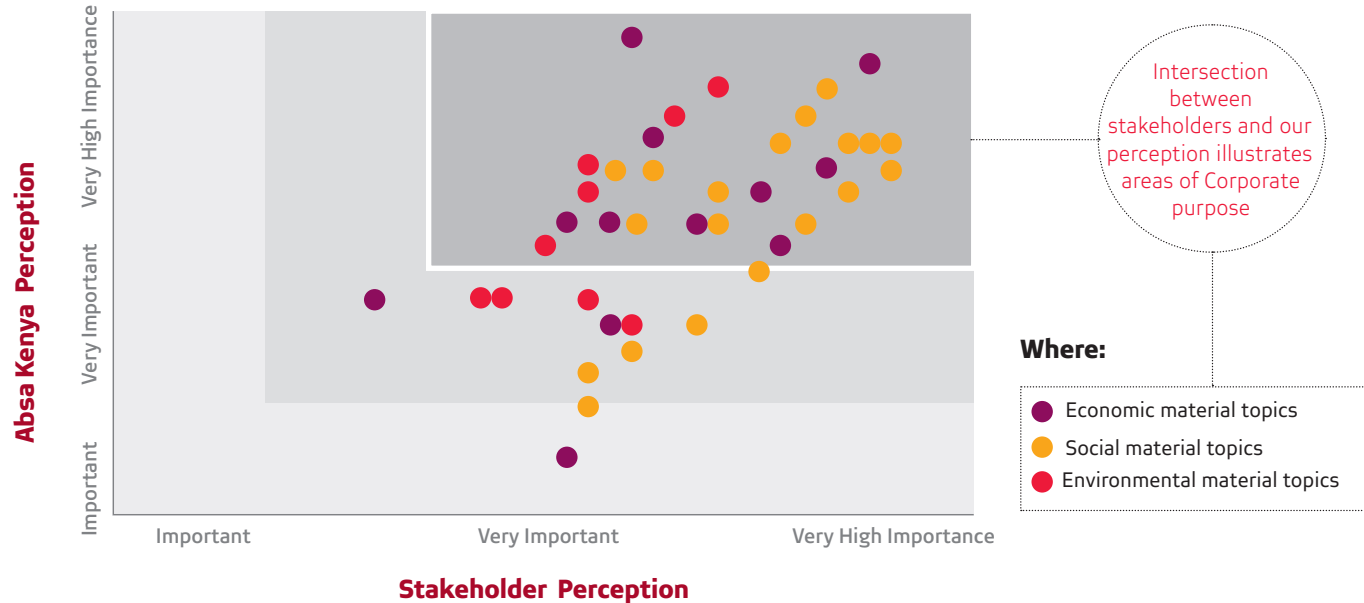
While we focus on the full implementation of these high impact goals, we will create the required systems and protocols and invest in the training of staff required to inculcate the medium impact initiatives into the standard way of doing business.

<b>High Impact</b>	<p>Sustainable Development goals, which we are going to prioritise, based on their relevance to our organisation and the immediate opportunity.</p>	   	 <b>Enablers</b> 
<b>Medium Impact</b>	<p>Sustainable Development Goals, where we are going to prioritise our work based on their relevance for our organisation and the opportunity.</p>	   	
<b>Moderate Impact</b>	<p>Sustainable Development Goals, which we are not going to implement directly, but are committed to safeguard.</p>	       	

## Defining materiality

Through ongoing engagement with stakeholders and mapping of key business objectives we isolate the material environmental, social and economic aspects which need to be managed by the business.

### Assessing areas of critical focus and impact






Source: GRI 101 (Stakeholder inclusiveness and materiality)

## Value Creation

### Our material matters

Additionally, we also divide these material aspects based on alignment to specific SDGs, the boundary of influence, as well as our current status of implementation, allows us to plan and prioritise interventions required to realise our objectives under each SDG.

SDGs	Material topic	Current state	Boundary
	1. Training and upskill our employees	+	Absa Kenya
	2. Training and education of our external stakeholders	●	Absa Kenya
	1. Diversification of our portfolio, funding renewable energy	●	Absa Kenya
	2. Adoption of renewable energy internally in our operations	●	Absa Kenya
	3. Identification and management of risks and opportunities in clean energy business	—	Absa Kenya
	1. Funding industries and businesses linked with the Kenyan economic growth and national sustainable targets	●	Kenya
	2. Our economic value distribution	+	Kenya
	3. Risks management and opportunities identification due to climate change	—	Absa Kenya
	4. Our indirect economic impacts	—	Kenya
	5. Economic impact in our supply chain	+	Absa Kenya
	6. Economic impact and benefits to our employees	+	Absa Kenya
	7. Economic impact, accessibility and benefits to our customers	+	Kenya




## Our material matters


SDGs	Material topic	Current state	Boundary
	1. Diversification of our portfolio, funding innovation, industries and infrastructure		Absa Kenya
	2. Identification and management of risks and opportunities in innovation, industries and infrastructure businesses		Absa Kenya
	3. Identification and management of our current and future economic, social and environmental indirect impact of our businesses and initiatives		Kenya
	1. Diversification of our portfolio, funding financially excluded groups		Absa Kenya
	2. Introduction of employee internal policies and initiatives for reducing inequalities by gender, employee category, age and disabilities		Absa Kenya
	3. Introduction of customer accessibility policies and initiatives for reducing inequalities by gender, age and disabilities		Absa Kenya
	1. Diversification of our portfolio, funding initiatives that support sustainable cities and communities		Absa Kenya
	2. Identification and management of our current and future economic, social and environmental indirect impact of our businesses and initiatives		Kenya
	1. Reduction of our operational environmental footprint		Absa Kenya
	2. Responsible consumption of resources: Energy and Water		Absa Kenya
	3. Assess and management of our environmental and social indirect impacts		Kenya





## Value Creation

### Our material matters

SDGs	Material topic	Current state	Boundary
	1. Identify and support initiatives to promote biodiversity	—	Absa Kenya
	2. Identification and management of our current and future indirect impact of our businesses and initiatives on biodiversity	—	Kenya
	1. Management of internal operational incidents	+	Absa Kenya
	2. Deployment of the Human Rights policies in our daily operation	+	Absa Kenya
	1. Support sustainable initiatives through the building of strategic partnerships	●	Absa Kenya

Where:  Good progress

 Moderate progress

 Not enough progress



## Value Creation

### Strategic KPIs set

We have set our internal key performance indicators with measure of success as follows:

	Commitment	Goal or Target	Target date	Our SDGs impacted
1	Diversification of our portfolio and increase our funding and capital allocation for initiatives that support; 1. Renewable and clean energy 2. Industries, innovation and infrastructure 3. Financially excluded groups 4. Sustainable cities and communities 5. Responsible consumption and production 6. Value chains	Increase portfolio and capital allocation by atleast 10%	2025	8, 9, 10, 11, 12
2	Increase diversity in the supply chain focusing on Women, Youth and Persons with disability	Achieve 30% diversity	2022	8,10
3	Investing in the future of the youth through skills development with our ReadyToWork program	Train 1 Mn youth	2023	4, 8, 10
4	Become a net zero carbon footprint company by 2040	Achieve Net Zero	2040	12
5	Increase biodiversity and encourage environmental responsibility through planting trees	Plant 10 million trees	2025	15, 8
6	Empower our suppliers and create awareness on Corporate sustainability and responsible business practices	Train all suppliers on sustainable Business	2021	8, 16
7	Direct and indirect economic contribution to the Kenyan economy through our current and future funding	% of contribution to economy	Continuous	8



## Strategic KPIs set

	Commitment	Goal or Target	Target date	Our SDGs impacted
8	Become one of the best place to work in Kenya	Top 10	2025	8
9	Investing in training and upskilling the future skills and competencies of our employees	Train all employees on atleast one future skill	2021	4, 8, 16
10	Increase proportion of women within all levels: junior, management and board positions: Gender parity	Attain 50% across all levels	2025	10
11	Assess and manage our indirect environmental and indirect social impacts	Reduce and mitigate negative impact	2021	8, 12
12	Adherence to governance and control policies internally and through the supply chain	Embed ESG across all our policies and frameworks	Continuous	16
13	Continued partnerships for the goals	No of partners and value created for society and business	Continuous	17, 8



## Case Study

# Business Led



Our business focuses on creating ongoing value amongst our customer base. This is fostered through the implementation of responsible lending practices, and the innovation of products to service specific customer needs.

To inculcate this customer-centric approach, we also focus on the management of our own business processes responsibly. This allows us to live our goals, in so doing demonstrating to our staff why aspects like environmental, social and governance protocols imposed are good for business and society.

We continue to hone our skills, innovate, and empower marginalised groups within our business, extending this into the greater supply chain and customer base.



### Business Strengthening

- Combating illicit financial flows
- Environmental risk
- Conduct risk



### Customer Protection

- Financial Crime
- Terrorism
- Anti-bribery and Anti-corruption
- Data protection
- Cyber security



### Capacity Building

- SME development



### Women Empowerment

- SME development
- Supply chain
- Customers



### Production Innovation

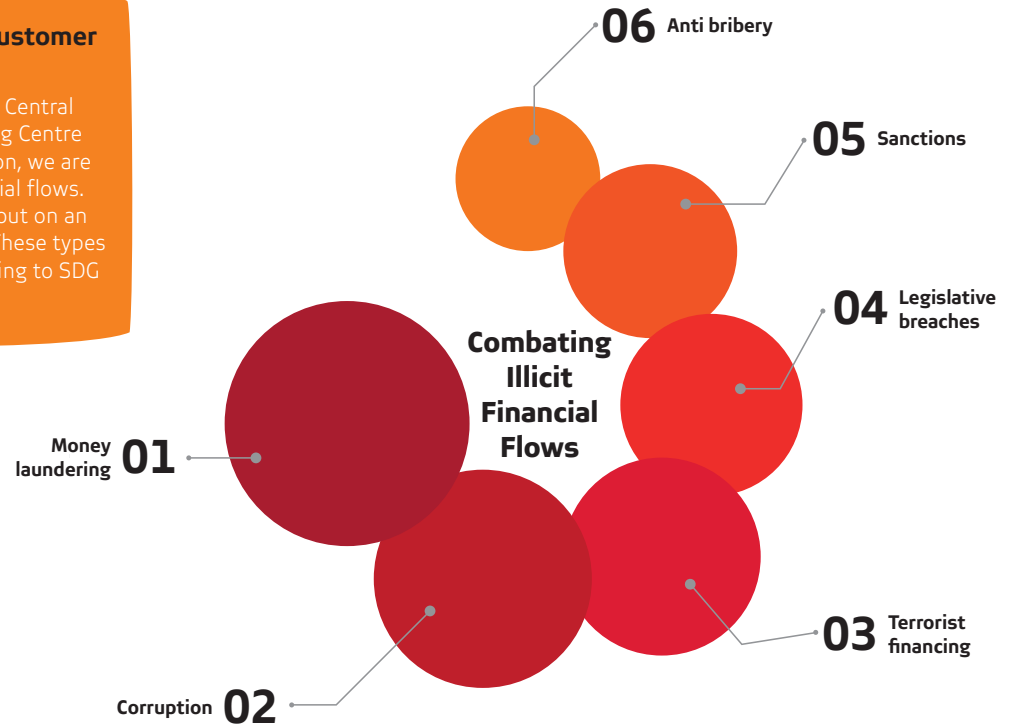
- Wezesha Biashara
- Timiza
- Absa One account





## Business strengthening and customer protection

We continue to work closely with the Central Bank of Kenya and Financial Reporting Centre to ensure that as a financial institution, we are not used as a conduit for illicit financial flows. Bespoke training sessions are rolled out on an ongoing basis to ensure adherence. These types of programmes assist us in contributing to SDG 16.





## Women Empowerment

We have distinct approaches to female empowerment across all facets of the business. Staff anchor how we engage with our valued customer base; supply chain assists us with delivering on this mandate. Empowering our customer base allows us to broaden the market for our services.



*Prof. Margaret Kobia (Cabinet Secretary for Public Service, Youth and Gender Affairs) with Jeremy Awori (MD Absa Bank Kenya PLC) during SheTradesKE event. Absa Bank Kenya PLC announced a KSh10 billion fund to advance credit to women-owned small and medium enterprises over the next five years as part of the new customer value propositions under the Absa brand. The women fund is part of the bank's commitment towards advancing diversity and inclusion by empowering women with financial resources and capacity building to grow their businesses.*

## Colleagues\*

Absa Kenya is committed to promoting gender across all levels ensuring we surpass the constitutional one-third threshold set as an international benchmark

## Customers

We track our loan portfolio by gender to track our empowerment of women through the provision of inclusive financial solutions.

## Supply Chain

We manage a women empowerment initiative in partnership with the International Trade Council (ITC) that seeks to support women entrepreneurs

## Benefits of women empowerment

- Reduced inequalities
- Increased economic stimulus
- Community upliftment
- Reduction in poverty

\* For more information on how we engage women in our staff compliment, refer to page 60.

## Business Led

### Women in Business Forum

Women in business is our overarching proposition that seeks to support women entrepreneurs to establish, expand, diversify and improve their businesses by providing them with four key resources, namely:



**Access to Finance**



**Access to Information**



**Access to Markets**



**Access to Mentorship and Coaching**



**Achieved to date:**

**Over 3K**

women entrepreneurs have received business training

**50**

businesses listed on e-bay

**SME Academy**

in partnership with United States international University - Africa

**Responding to SDGs**





*Prof. Margaret Kobia (Cabinet Secretary for Public Service, Youth and Gender Affairs) with Jeremy Awori (MD Absa Bank Kenya PLC) signing a partnership during the SheTradesKE. Looking on (from left - right): Elizabeth Wasunna (Business Banking Director), Caroline Ndungu (Marketing and Corporate Relations Director, Absa bank Kenya), Winnie Ouko (Absa bank Kenya Board Member) and Patricia Ithau (Absa bank Kenya Board Member).*



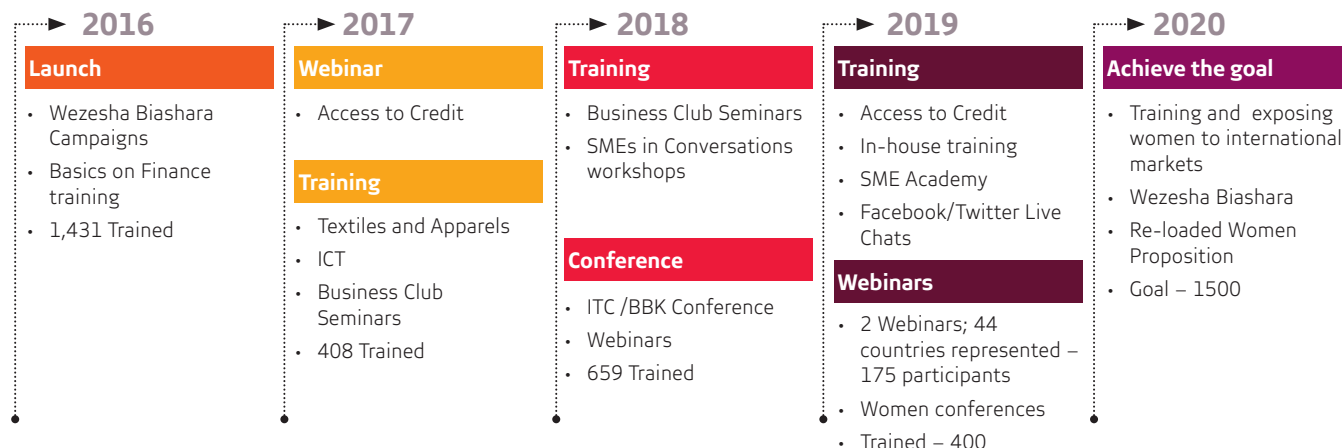
## Business Led

### Partnership with the International Trade Council (ITC)

Our partnership with ITC is part of our Women in Business propositions and seeks to equip local women entrepreneurs with new skills, connect them to international trade opportunities while providing access to credit facilities.

We have pledged to train 10,000 women by 2021 under our partnership with ITC. The partnership was launched in 2016 and since then we have been able to train over 4,500 women and offer Shs 1.25bn in loans for women in SME business. We have also committed to lend an additional 10bn to women led businesses.

### Partnership journey



## Business Led

### Small and Medium Entrepreneurs

We recognise that SMEs in our region accounts for 40% of GDP and employ more than three-quarters of the working population in the country. A robust and diverse SME sector drives sustainable and inclusive economic growth and innovation. However, 70% of SMEs fail within the first five years because of various challenges including lack of access to capital, limited market access, lack of skills transfer, changes in technology, retention of talent amongst others. Our SME proposition seeks to address these issues by providing bespoke products as well as supportive non-financial value-added services. We have leveraged on partnerships with the Kenya Association of Manufacturers (KAM), the Kenya National Chamber of Commerce and Industry (KNCCI) and the International Trade Centre (ITC) to drive growth in our SME businesses

### SME development



## Business Led



Absa Bank Kenya Plc has partnered with the United States International University (USIU) to launch an SME Academy.

- Tailored to SME Entrepreneurs
- Aim to Strengthen Businesses and position it for growth
- The first cohort graduated in January 2020
- Classroom training by successful entrepreneurs, mentoring and coaching for participants
- For SME running for 3-5 years

## Wezesha Biashara loans



- Unsecured LPO financing upto Shs 12mn
- Unsecured Working capital for Shs 10mn
- Savings feature on Timiza with returns of up to 5% Interest
- Unsecured business loans up to Shs 10mn
- Invoice discounting up to Shs 50mn
- Mortgage offering includes 100% financing, and interest rate of 11.75%

## Business Led

### Timiza: Sustainable finance

#### Youth

- Encourage responsible lending by driving savings behavior for Timiza customers aged 18-24 years.
- Reduced loss rates on Timiza by having a savings led strategy to this age group as opposed to credit.
- Savings led strategy improves the probability of youth building a good credit history early on, by avoiding adverse reporting caused by default on credit.

#### Bridging Finance for the mass market

- Timiza offers the cheapest mobile credit in the Kenyan market.
- Cheap and accessible finance on the backdrop of reduced private lending resulted in Timiza advancing 21B since 2018 to the mass market to supplement household income such as school fees, health emergencies and general household needs.

#### Access to cheap credit to SME and MSME

- 1.4B disbursed to SME / MSME type customers who borrow for business on Timiza.
- Cost of credit for Timiza is the lowest in the market enabling increased access to finance.
- Timiza supports Kenya's growth engine by making available cheap loans to this financially underserved sector that is the mainstay of Kenya's economy.

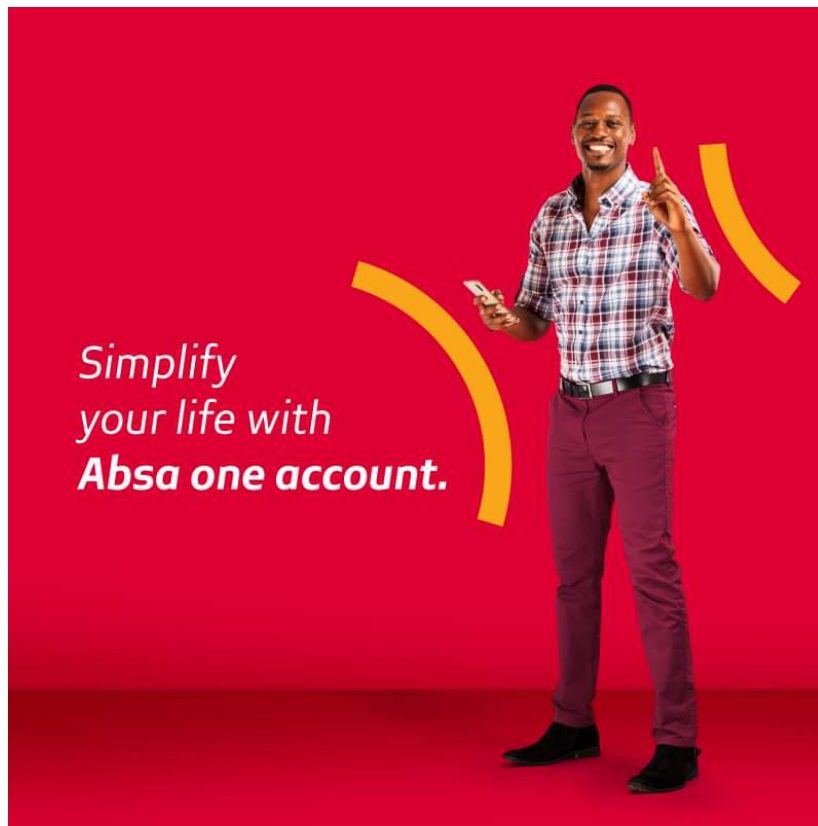
## Absa One

Absa One is our flagship current account available for both Business and personal customers.

The account is designed on the principle of simplicity. It removes traditional entry barriers such as monthly fees and minimum balances driving access while delivering business growth.

### Key features:

- No maintenance fees
- No minimum balance
- Access to Absa app with biometric access offering enhanced security.
- Access to Absa chequebook and vertical debit card
- Instant debit card and Pin issuance at all our branches countrywide
- Unsecured loans of up to KShs 10mn for Business customers and KShs 6mn for Personal customers
- Guaranteed 0.3% cashback on POS transactions done on the Absa Vertical card.



## Business Led

### Response to the Government's Big Four agenda



Finance is a key enabler for social and economic development. Financial inclusion is central to poverty reduction by providing effective access to affordable, convenient, quality and sustainable financial services. Financial intermediaries are therefore important players in the economy as they provide a critical intermediation role for diverse players in the economy. This contributes to the overarching national development goals as stipulated in Vision 2030 and the government's big four agenda on affordable housing, manufacturing, universal health care and food security, all key sectors for Absa.



## Promotion of affordable housing

There is a huge housing deficit in Kenya. To address this gap, the government seeks to enable the provision of affordable housing. Part of the strategy for increasing access to housing involves financiers partnering with contractors to deliver 500,000 units through the National Housing Development Fund. Absa Bank Kenya has been shortlisted as a strategic financier to this initiative which we estimate as valued at US\$7Bn (Shs 700bn).

In addition, the government created The Kenya Mortgage Refinance Company ("KMRC") in April 2018 to provide secure longterm funding to primary mortgage lenders (Banks and Saccos) in order to increase the availability and affordability of housing loans to Kenyans. Absa Kenya is one of the shareholders of KMRC. Absa Bank Kenya PLC envisages a project pipeline in the region of US\$100mn (Shs 10bn) over the next four years from this initiative, which we believe will go a long in way in addressing the housing supply problem in Kenya.

In addition, working with the National Housing Corporation (NHC), Absa Bank Kenya is one of six banks involved in the capital raise required to finance the second round of the Boma Yangu programme. This is a long-term debt facility to enable registered individuals to finance their dreams of purchasing a house under the affordable housing initiative.

## Supporting growth of the manufacturing sector

A survey conducted by the Strathmore Business School in 2019 established that most manufacturing businesses in Kenya operate sub-optimally due to diverse challenges such as; high energy costs, lack of access to funds, lack of automation, high cost of technology, shortage of skilled workforce and lack of market for goods. Yet, the national government's goal is to increase the manufacturing sector's contribution to GDP from 8.4% in 2017 to 20% by 2022.



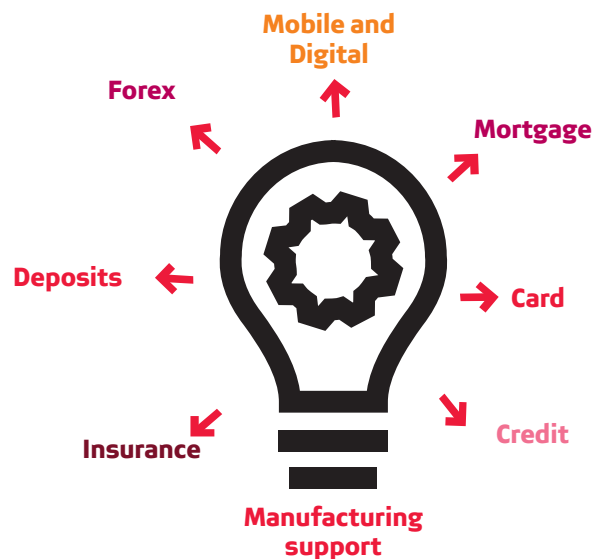
## Business Led

### Represented sectors

Absa Bank Kenya facilitates this growth through the provision of finance to big entities, and through ongoing support provided to the SME sector. Manufacturing represents the largest proportion of our business portfolio and in 2019, we provided credit to the tune of Shs 30.2bn to this sector.

Building Mining and Construction	Food and Beverages	Leather and Footware	Chemicals and Allied
Energy, Electrical and Electronics	Automotive	Pharmaceutical and Medical Equipment	Paper and Board
Plastics and Rubber	Services and Consultancy	Timber, Wood and Furniture	Textiles and Apparel
Agriculture/ Fresh Produce			

Some of the products and services offered to the manufacturing sector include:





## Supporting universal health coverage

Absa Bank Kenya PLC has provided basic infrastructure and support to suppliers to hospitals and clinics, as well as providing loans to doctors, pharmacists and other medical practitioners.

Financing is also provided for healthcare equipment through an asset-based financing arm of the bank managed by corporate banking. This product offering is called MEDS.

The bank also offers a health insurance plan managed by 'bancassurance'. This health insurance is distributed through the bank in association with medical underwriters.

## Case Study

### Internal Led



We endeavour to create value within our organisation through the empowerment of our work force, with a specific focus on women. This is further extended into support provided within the supply chain and our customer base.

This is achieved through the ongoing focus on operational improvements which protect our key stakeholders, as well as the fostering of core partnerships which enable us to achieve our goals.



#### Our People

- Our new culture
- Development programs
- Employee value proposition



#### Diversity and Inclusion

- Staff empowerment
- Women empowerment



#### Production Efficiencies

- Capacity building
- Process improvement

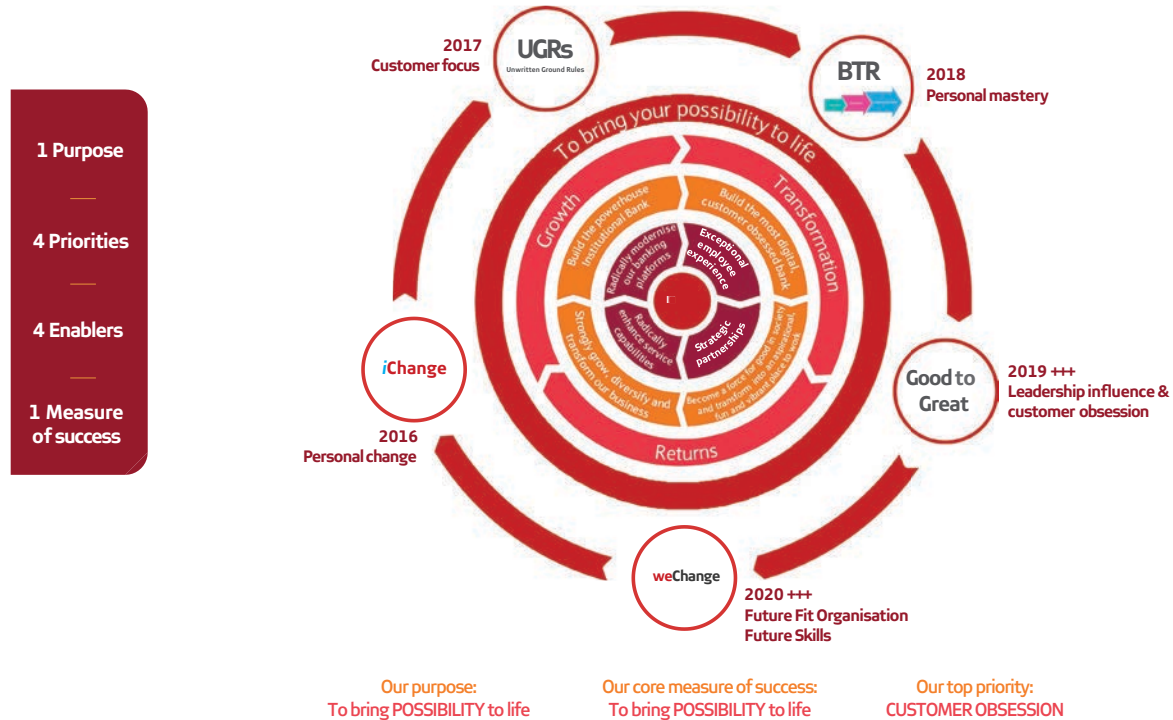


#### Responsible Consumption

- Buildings assessment
- Water purification
- Waste recycling



## Our culture Transformation Journey



## Internal Led

### Our culture Transformation Journey defined

**iChange programme** - is focused on building an agile workforce that is capable of adapting to a changing business environment while remaining customer-centric. The programme is designed to raise the capacity of employees to deal with ongoing change within our operating environment and inspire them to embody the change they would like to see – 'Be the Change. The programme also helped employees equip themselves to mindfully manage their own transitions.

**UGRs** – Culture is simply defined as: the way things are done around here. Our Culture is therefore driven by unspoken cues that unconsciously dictate the way we do things as a business. These Unwritten Ground Rules (UGRs) either enable or hinder us from achieving our service objective of consistently delighting our customers. In order to deliver the service objective, we have developed a 5-Star service standard aptly named PACTS (Personal, Agile, Consistent, Timely, Solution Based) as our signature initiative for customer service going forward

**BTR (Be The Reason)** – One of the top priorities of our five-year strategy is transforming our business into an aspirational, vibrant and fun place to work; a place where colleagues really look forward to coming to work every day to make a difference. The BTR (Be The Reason) Discovery Programme helped colleagues to discover their

strengths, understand their purpose and appreciate how these two fundamental elements combine to influence personal, team and, ultimately, business performance. The programme has played a significant role in our ambition of creating a Strengths-based organisation where everyone feels that their contribution to the growth of our business is meaningful. This is one of the initiatives that have significantly contributed to creating a high-performance culture across the business. Additionally, through the programme, colleagues were able to articulate our new 5-year strategy and clearly understand the role they play in its execution. This was brought to life through the call to action of 'Be The Reason (BTR) for 'Growth Transformation and Returns' (GTR)- abbreviated as BTR for GTR.

**Good to Great** – in preparation for the Brand launch we began a series of campaigns to crystallise our new Brand Identity. Leading at the Speed of Trust - the programme support to strengthen our capability and embed our leadership credo – leadership in Absa is a behaviour not a position or grade. This culture forms a key building block in actualising our desire to implement distributed leadership and devolving decisions to as close to the customer as is practical.



**weChange** - The journey to becoming a Future Fit (Fluid) organisation.

**Equipping colleagues to align their Strengths and Purpose to bring possibilities to life**

**Preparing colleagues to adopt future skills and prepare for the future world of work**

**Formation of Future Skills Clubs and Development of a Future Skills Alphabet**



## Internal Led



## Colleague development plan

### Group Driven

#### Sustain Programme (Group level MD/SX)

The Sustain Leadership Programme is carefully tailored to meet the Senior Leadership Challenges. The Programme is designed to expose and prepare our senior leaders for their next roles.

#### Transform (Director level)

The Transform Programme is a personalized learning journey that accelerates the participants leadership.

#### ADI Programme (Hippo VP/D)

Africa Development Initiative (ADI) is a Leadership Development Programme.

#### Leap Programme (BA4/AVP)

Leap Programme provides the learners the confidence and influence to lead successfully, at a personal and business level. The Programme includes both local and global experiences

### ABK Driven

#### Mind the Gap Programme

Mind the Gap is a one-year modular Programme designed to prepare our Top Talent in Middle Management for the next leadership level.

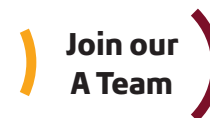
The delivery approach in the Programme includes different learning methods, assignments, exposure and experiential learning.

#### Strengths Coaching Programme

As part of the journey to becoming a strengths based organisation, our sales teams are taken through Strengths Coaching using the Strengths Methodology. To help them leverage their strengths for higher performance.

#### Thought Leadership Sessions

Thought Leadership sessions provide a platform for experienced seasoned business leaders to share their Leadership journey with the Senior Managers.



Recognising the need to refresh talent at the entry level and have a strong pipeline for succession with focus on future skills, we have put in place a Graduate Management Programme. This Programme aimed to inject freshness, innovation and key skills in the bank.

- Data Science
- Computer Science
- Software engineering
- Actuarial, Statistics, Mathematics
- Banc assurance
- Agric specialist
- Investment Banking

**Duration:** 12 months contract

**Number recruited:** 7

**Skills:** Technology, Investment Banking, e-commerce, Big Data Analytics, Innovation and Artificial Intelligence, Entrepreneurship.

**Over 5000 Candidates applied for the Graduate Talent Programme**

## Internal Led

### Enhancing Employee value proposition (EVP)

**Absa Teens Program** – The Absa teen program targeted 13-19 year olds whose parents work in the bank. The teens were taken through topics including: Strengths Self Discovery, Social Media Management, Mental wellness, Sustainability and future skills

**Bespoke Training for Men** : The XY Program - The XY program was designed to support men on vulnerability, diversity, relationships, mental wellness and personal finance matters

**Colleague development program** - preparing for the 'new world' aimed at equipping colleagues to achieve their career ambitions and sharpen entrepreneurial skills.

**Career development path** - focusing on an individual's unique talents and strengths

**Entrepreneurial path** - focusing on Financial Planning, Investment and Entrepreneurship training which involved visits to our clients' manufacturing companies and farms to experience the practical implementation of business plans.

Country management is leading the initiatives to integrate Fun/ Vibrancy in the workplace and e.g. chill zones, TGIF (Thank God it's Friday), Functional activities (hikes; Quiz competitions etc.

**Introducing Medical As A Service (MaaS)** which encompasses the merger of Wellbeing to medical as a comprehensive health solution and the introduction of Reward based on Wellness points. The program involves Influencing colleagues to embrace holistic wellbeing through proper nutrition, physical, social and mental fitness.



## Process improvement measures

Training modules across the bank focus on continuous skills development of staff, and reduction of risks associated with ever changing market dynamics. These trainings are constantly reviewed especially with the launch of new products and services to market.

### Articulation of Products

Staff skills development enabling them to articulate products and services on offer

### Improved Customer Awareness

Staff enabled to provide customers with pertinent information on product or service processes

### Results Driven

Staff skills enhanced to improve response time for clients in line with strategy on client focus

### Culture transformation

Equipping staff with knowledge and skills to inculcate the Absa culture and includes:

- People rotation programme
- Online training

## Training spend and hours

**5 599**  
hours

total hours of  
training conducted  
in 2019

**23%**

training hours  
provided to  
management

**46%**

training hours  
provided to  
women in 2019

**10%**

increase in overall  
training spend year  
on year

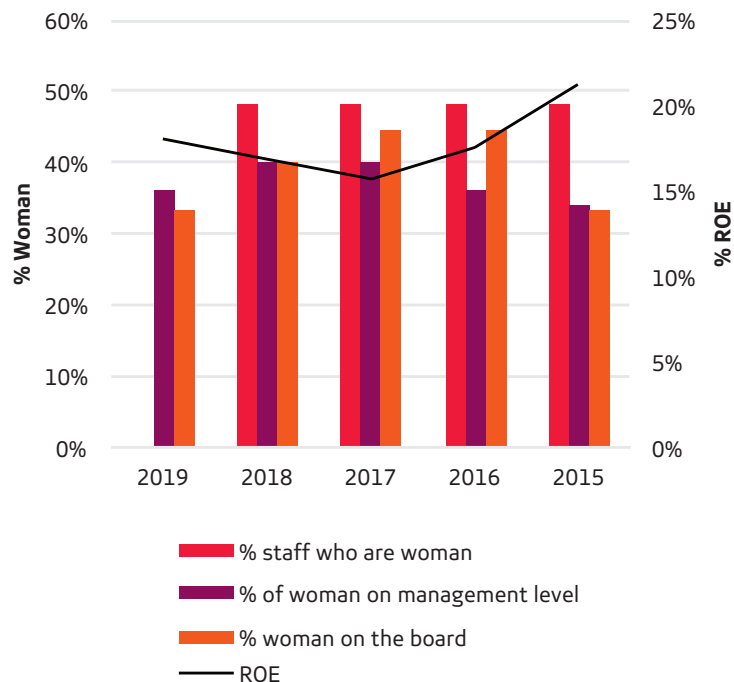
## Internal Led

### Women in our operations

Gender diversity is an issue of increasing social relevance and proven enabler of better financial performance. Absa Kenya is committed to promoting gender diversity at board level and all other levels ensuring we surpass the constitutional one-third threshold set as a benchmark.



### Gender parity vs return on equity



## IFC Edge Green Building assessment on all facilities

Absa Bank Kenya PLC has completed an assessment of 85 facilities for energy, water and build material efficiency using the Edge application. Once the recommendations received are implemented, we expect to realize the benefits through 30% reduction in the cost of operations, improved health and wellbeing of our staff, and improved levels of productivity.



### Efficiency

Efficient use of energy, water and other resources

### Environmental

Reduced waste, pollution and environmental degradation

### Health

Protection of occupant health

### Productivity

Improved employee productivity



## Internal Led



This initiative is undertaken in partnership with the Kenya Green Building Society (KGBS) whom we have joined as a platinum member. All the facilities have been assessed for efficiency in terms of energy, water and building materials used.

The knowledge gained will also be used in our mortgage and commercial property financing proposition. This will drive a positive impact in the environment as well as drive financial performance through the green economy. The focus on the implementation of resource efficiency within the customer base, further facilitates the bank's ability to respond directly to SDG 8, 10, 11 and 12.

With the future establishment of bespoke product offerings which focus on the implementation of renewable energy solutions, water treatment, implementation of new innovative technologies to improve process efficiency (increased rate of production using less power and water), will in the future allow the bank to also respond to SDG 6, 7, 9 and 13.



## Replacement of Water Dispensers

In response to SDG 12 the bank focused on how best to internalise the principles of resource efficiency. One of the key resources consumed in all buildings is water. We chose to replace the existing water dispensers with water purification units which are eco-friendly. The cost of implementing this new system was also free to the bank.

The provision of these water purification units eliminates time-intensive tasks such as planning water delivery, and both the storing and removal of plastic bottles from our workspace. Moreover, with an integrated supply, we have made the sustainable choice by avoiding the collection and delivery of large plastic water bottles therefore reducing our business' carbon footprint. Our staff have embraced the use of the new dispensers, making use of provided cups and mugs when drinking water, further eliminating the need for Styrofoam cups to be insured. This programme was launched not only as a cost saving and environmentally friendly initiative but also to foster staff wellness.

This was achieved through the further education of staff around water use and water savings initiatives to be implemented at home, and the importance of water in their overall health and wellbeing. These new dispensers were primarily rolled out to 60% of our staff during phase 1 of the project. Phase 2 will be finalised by December 2020 which will provide access to all staff.



Plastic water bottles no longer required

**100+ bottles**

### Carbon footprint reduction

**56%**

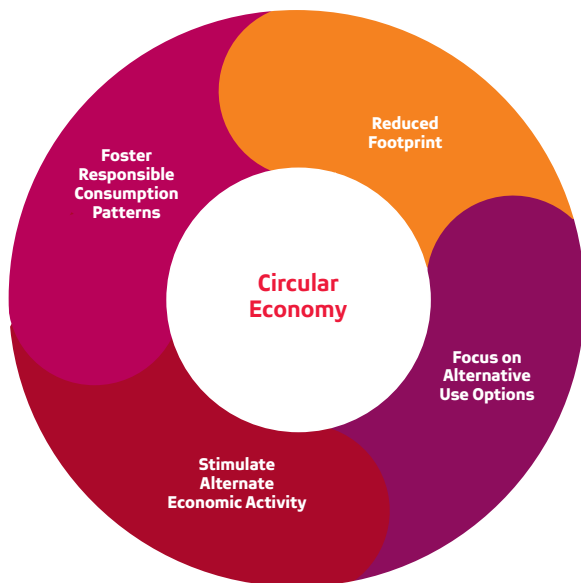
### Cost savings

**20%**

## Internal Led

### Contribution to the Circular Economy

Absa Bank Kenya Plc focuses on the minimisation of waste streams from the business's operations. A significant contribution to this initiative is the recycling of E-waste, furniture, billboards, plastic and steel waste. This is currently linked to the rebranding exercise from Barclays to Absa which was recently completed. This approach enables the banks to contribute to SDG 4, 8 and 12 respectively.



### Pilot lab

#### Improved Production Efficiencies

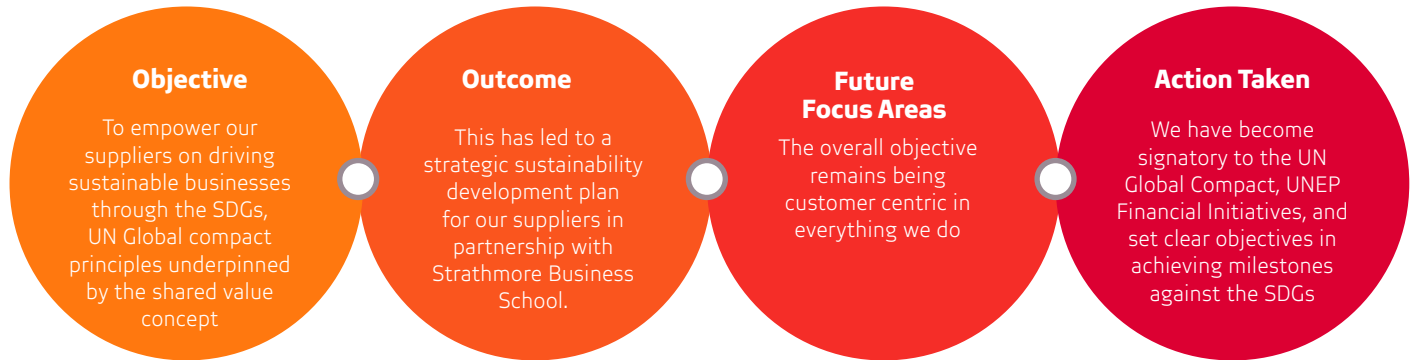
All transitioned computers and furniture are being repurposed in partnership with Computer for Schools Kenya and Fun Kidz. This facilitates the upcycling of this equipments and furniture at schools for educational purposes.

Prior to donating the equipment, the ICT department ensures all data is removed from the hard drives, thus customer and supplier information remains secure. Currently 1000+ computers will be donated to 66 institutions.



*Pilot lab set-up in Kikuyu Township Primary School in March 2020*

## Supplier development



To facilitate the building of sustainability awareness within our staff, customer and supply chain, various initiatives were launched to enhance our expertise.

It is envisaged that the ongoing rollout of responsible banking principles across our procurement processes, will enhance customer and supply chain awareness of these issues, improve our financial performance and social returns. Training and development of staff and suppliers, took the form of online training sessions and virtual workshop sessions.

## Case Study

# Society Led



We recognise that we do not operate in a vacuum, thus societal needs inform how we respond to our customer base and broader society.

Key focus areas in the Kenyan context which require specific intervention include youth empowerment, job creation and assistance of our customer base to become more economically resilient.

This has led us to formulate strategic partnerships to develop bespoke campaigns aimed at capacitating these groups, providing them with the skills and opportunities to succeed.



## Youth Empowerment

- Ready To Work
- Scholarship Programme
- Internship Programme



## Sponsorships

- Magical Kenya Open
- Nairobi Innovation Week



## Enterprise Development

- Enterprise Supply Chain Development (ESD)



## Colleague Engagement

- WEMA Force for good (Shilling for Shilling)





**absa**

Are you  
**Ready**toWork

Whether you're searching for a job, starting your own business or getting back into the job market, prepare yourself for the work world with a digital learning experience that will teach you four essential skills:

- Work Skills
- People Skills
- Money Skills
- Entrepreneurial Skills

Start your journey to the career you want and go from learning to earning.

Register for the modules.  
Complete the course.  
Take on the world.

**readytowork.absa.africa**

## ReadyToWork

ReadytoWork program is a soft skills program that prepares young people to be work ready. Started in 2016, the programme includes an online skills development course with four modules; work skills, people skills, money skills and entrepreneurial skills.

### Partnerships

We work together with various organisations to disseminate information as per our expertise. In 2019, we partnered with the Public Service commission to induct about 6,000 interns. Working with the basis of the ReadytoWork Programme we imparted the cohort of interns with vital information to prepare them as they went to work in various parastatals and ministries.

Other partners we have collaborated with include the University of Nairobi, CARE International and Kenya Girl Guides Association.

### Youth reached through Programme

As of 2019, the Programme had reached over 415,000 individuals.

We engaged in several activities in the course of the year, in an effort to expand the reach of the Programme. These included engaging in forums hosted by 9 universities comprising 11,000 young persons.

## Society Led

### Youth Empowerment

#### Scholarship Programme

A partnership with the Higher Education Loans Board (HELB) we also provide scholarships.

We have supported students access university education in local universities. A total of 574 students all representing the 47 counties with a 56-44% male to female gender split respectively from 56 local universities, and a 4% representation of PLWDs. These have benefitted from the scholarship fund of over KES.167 Million for the past three years.

Apart from covering tuition fees, our scholarship also covers upkeep costs and provides a laptop for studies.

#### Internship Programme

As an organisation we provide internships and placements to young people after going through the Readytowork programme. The internship programme that has seen 170 young people to date access internship positions within the bank; 28% of the ones we brought on board as interns in 2018 were retained as employees in 2018.

#### Scholarships 2019



## Enterprise Development

Enterprise Supply Chain Development (ESD) is an innovative solution that provides unsecured funding to SMEs on the strength of their contracts and relationship with Absa's Corporate clients. With the introduction of the interest rates cap, SMEs have experienced a credit crunch that has denied them access to much needed capital. ESD therefore provides an innovative response to this issue and is potentially the next big thing in SME funding. It's a great example of the value of ecosystem banking in Absa Bank Kenya. Absa launched its ESD solution in January 2017 ,more than 100 SMEs have been supported to deliver on their procurement needs. In 2019, we funded SMEs to the tune of KShs 691mn and this year we are targeting KShs 1bn. The Absa ESD solution is offered under three key pillars: financing; capacity building and access to markets.

**Enterprise and Supply Chain Development (ESD):** Unlocking lending to SMEs in corporate value chains using non-traditional bank lending solutions to provide finance and build capacity through our Business Development Support (BDS) framework.

**Our strategy:** to Transform and grow business through ecosystem approach to banking

**Our ambition:** to build capacity and help our SME clients grow thus giving them an opportunity to join and serve larger ecosystems

### Our Client Value Proposition is based on 3 pillars

Lending based on forward looking cash flows

To customers within our existing corporate client's value chain

Where lending is uncollateralized and is within a closed loop system



## Society Led

### Magical Kenya Open

The Magical Kenya Open (MKO) was founded in 1967 and is one of the oldest and most prestigious sporting events in the country. In 2019, the golf tournament was elevated from the European challenge tour to the elite European Tour. As the lead sponsor, Absa committed Shs 100 Million to this tournament.

The tournament attracted an elite group of competitors to the Karen Country Club from 13 to 17 March, 2019. 17,000 spectators graced the greens while over 550 million homes across the world followed through live and recorded broadcasting.

We are proud to have hosted elite players like Thomas Bjorn of Denmark who is a former Ryder Cup European Team Captain.

We supported eight of the 14 Kenyan professionals and the leading Kenyan amateur player at the tournament. We also hosted some of our customers to experience the activities that happen on the side-lines of the tournament. Additionally, we had a golf clinic for children at the Possibilities Fan Zone, a move to grow the sport into the future.

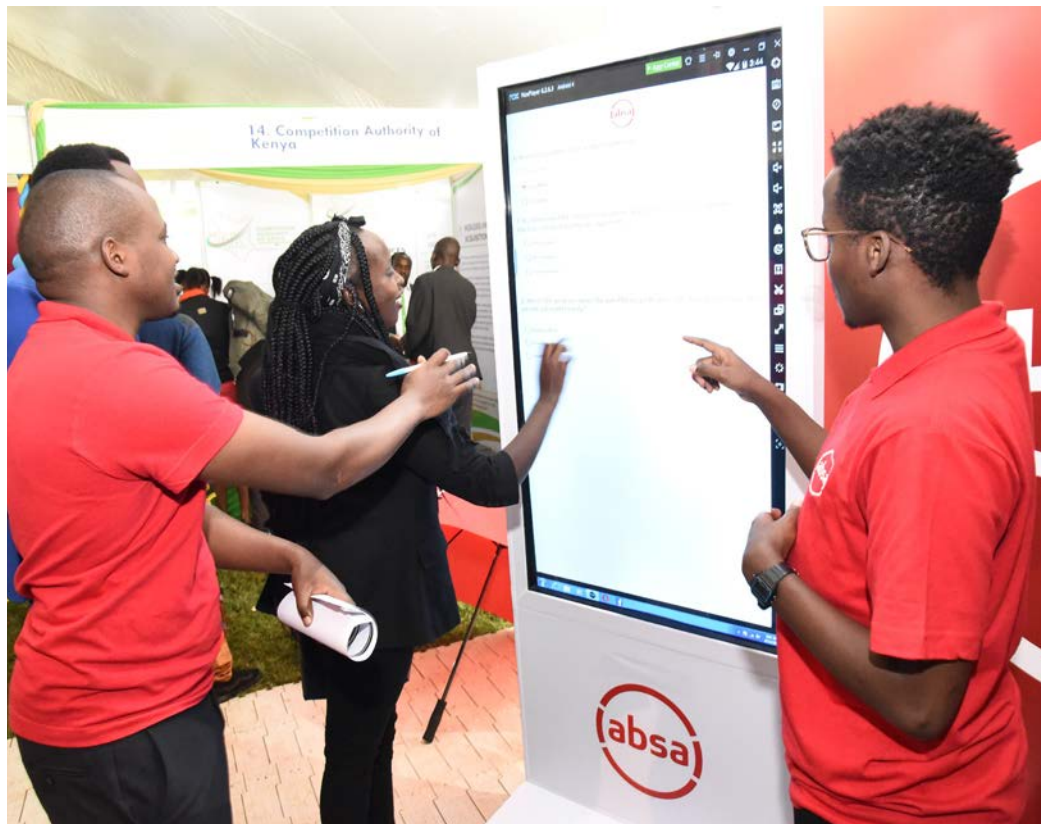
In the end, it was the impressive 22-year-old Italian, Guido Migliozzi who swung his way to the top in his first tournament in Africa. He was presented with the Absa-sponsored and now the official Kenya Open Winner's Jacket by H.E President Uhuru Kenyatta at the closing ceremony.



## Nairobi Innovation Week

The Nairobi Innovation Week (NIW) is an annual event that aims to support and accelerate the innovation and entrepreneurship ecosystem in the region. The theme for 2019, which was the 5th edition, was Innovation and Kenya's Big Four Agenda focusing on food security and nutrition, enhancing manufacturing, universal healthcare coverage and affordable housing.

Absa Bank Kenya was the title sponsor for this event which was held from 10-14 June, 2019. Our support to the innovation week is anchored on our drive to bring possibilities to life and create shared value by offering a forum for innovative ideas with social Impact.



## COVID - 19 response



Our footprint across the African continent is significant, and we have an extensive retail network that reaches into thousands of communities. This places an enormous responsibility on us to provide good leadership, and to support our clients and customers during this difficult time.

The Kenyan Government declared banking an essential service. This meant we are a vital part of the infrastructure that ensures that food, medical supplies and equipment are paid for, that employers can pay their people and the relief measures can be effected. We have a vital role to play, and we will fulfil this role with a high level of commitment and to the best of our ability.



The continued health and safety of our people is therefore critical to the success of the Kenyan National COVID plan. The steps we took to enhance hygiene and cleanliness of all our facilities will remain in place. None of us have faced a challenge of this type and magnitude before, so we will keep strengthening our response.

Our thoughts are also with you as our clients, customers and stakeholders during this difficult time. Should you experience any difficulties in respect of your debt obligations, please contact us in order for us to explore how best we can assist given your circumstances. Our telephonic service channels remain open, and our customer service consultants are available, and some of our branches will also remain open. We are also working together with banking sector peers, regulators and the government to look at industry-wide economic relief measures for customers and clients. We encourage you to use our digital banking channels (Banking Apps and Websites) as much as possible to limit possible exposure to the Coronavirus. They are convenient, secure and safer.



## COVID - 19 response

### Employee safety and wellness has been a top most priority

#### Daily Self Screening

completed by colleagues to fast track treatment and care in case of need

#### Distribution of PPEs

to mitigate the risk of transmission in the working environment

#### Enhanced our cleaning and sanitation procedures

to allow for regular and thorough cleaning and disinfection of shared spaces

#### Wellness support partnering

with wellness players for care calls to staff on overall wellbeing and help manage anxiety levels

#### Continuity Management

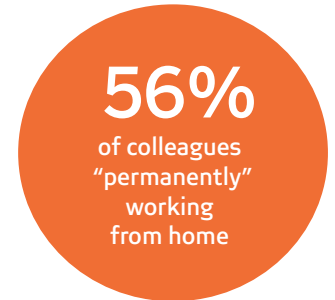
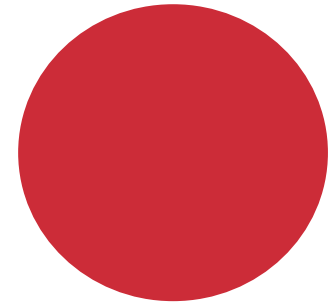
Instituted rotational teams to ensure continuity in case of adverse infection rates

#### Driving productivity through digital tools

and broad based virtual methods for enhanced daily communication with colleagues

#### Support to kit home offices

with office suitable furniture and PC's



## We are open for business

**56K**

Lending  
accounts

Repayment holiday extended to  
40%+ of total loan accounts

**KShs**

**57bn**

of loan value

Representing 28%  
of the loan book



### Customer testimonials

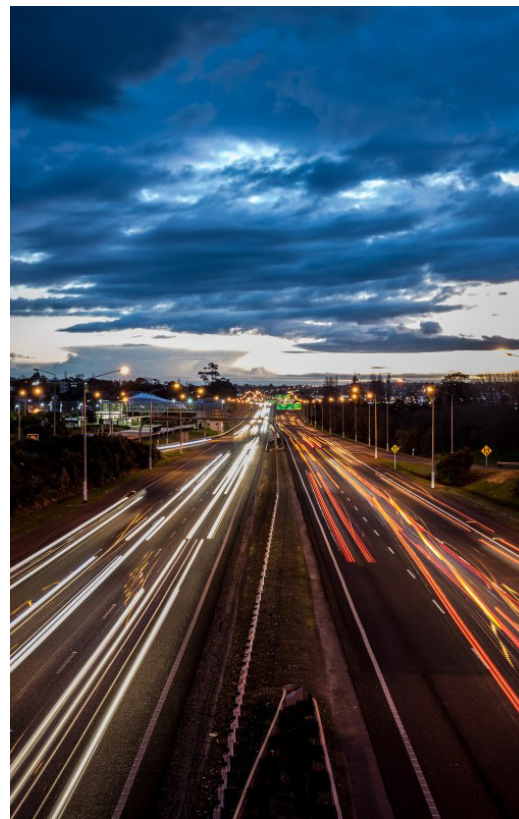
"Getting a bank that understands you, listens to their clients and tells you they have your back is really important at this time" – **Packaging business**

"In a way, the relief is like a cushion which has provided us a resting place" – **Wholesale dealer**

"It was a big relief considering I was to pay my monthly commitment with no cash flow" – **Catering**

## COVID - 19 response

### Ensuring uninterrupted business continuity





## Force for good to protect lives and livelihoods



**KShs 50m involvement and contribution to COVID-19 fund**



**Food donation to Laikipia county and Eliud Kipchoge Foundation**



**KShs 13m shilling for shilling WEMA Force for Good colleague fund**



**4 national hospitals supplied with 210,000 masks – KNH, KUH and Coast General**



**Building out the SME Ecosystem: KShs 3.6 bn advanced to SMEs**



**200,000 masks to Boda Boda riders and Newspaper vendors.**



**Over 4000 umbrellas to policemen countrywide**

## Ideas for you to drive sustainability

### Green commuting

- **Walk or cycle to work**
  - Company to provide bicycles and a bike rack at the office for employees to use
  - Make use of public transport
- **Car pooling**
  - Create a roster for colleagues within your team and where they live so they can know who to contact with regards to car pooling
- **Work-from-home policy**
  - To completely halt commuting emissions

### Green home

- **Compost old food scraps to reduce your carbon emissions**
- **Grow your own veggies and herbs**
- **Eat less meat**
  - The fastest way to reduce your carbon emissions is to reduce your meat intake
- **Recycle your technology responsibly**
  - Bring it to the office and there will be a collection box which goes for recycling
- **Greywater system can be implemented capturing water from showers to water your garden**

### Green aesthetics

#### Get a desk plant

- Bringing nature into the office is a known reducer of stress. Not only will it bring some life to your desk, but it will improve the air quality of your office and keep your mind sharp.

#### Invest in a reusable water bottle

- Not only will this save you money, but it will remind you to stay hydrated and be more productive.

#### Normalise repeating outfits

- Working a corporate job can put people under pressure to always look their best. But this does not have to be at the expense of the planet! We need to break the stigma of always having the newest, shiniest clothes.
- Instead of buying new clothes try thrift shopping or supporting local brands



[www.absabank.co.ke](http://www.absabank.co.ke)

Absa Bank Kenya is regulated by the Central Bank of Kenya