

## Press Release

### Equity Bank CEO wins 2012 Ernst & Young World Entrepreneur of the Year 2012

**June 11<sup>th</sup> 2012** ... Dr. James Mwangi, CEO and Managing Director of Equity Bank is the 2012 Ernst & Young World Entrepreneur of the Year. At a colorful ceremony held in Monte Carlo, Monaco, Dr Mwangi was picked from among the 59 country finalists shortlisted for the title across 51 countries, each of whom had already been named the Ernst & Young Entrepreneur Of The Year in their home country. Dr. Mwangi becomes the first business leader from Sub Saharan Africa to win this prestigious award. He was also among the finalists who were inducted to the Entrepreneur Of The Year Hall of Fame and the World Entrepreneurship Academy.

Ruben Vardanian, President, Troika Dialog and Chair of the judging panel said, "Not only has James really transformed people's lives across Africa by offering them access to funding that they have never had before, Equity Bank continues to grow quickly through a strong financial performance."

Jim Turley, Global Chairman and CEO of Ernst & Young, said, "Over the past 26 years, entrepreneurs have done more than any other group to stimulate innovation, job creation and prosperity during both periods of growth and in challenging economic conditions. James epitomizes the vision and determination that set entrepreneurs apart and is very worthy of the title Ernst & Young World Entrepreneur Of The Year 2012."

In describing Dr. Mwangi as an exceptional entrepreneur, Mr. Gitahi Gachahi, the Chairman & CEO, Ernst & Young Eastern Africa said, "Equity Bank is a study in good corporate citizenship. By giving all stake holders a compelling value proposition; they feel that the bank represents their hopes and aspirations. Dr. Mwangi has redefined the risk profile of borrowers and depositors. Through his unique model, he has made a strong statement that with exceptional client service and visionary leadership; companies can create wealth even as they address social needs."

When receiving the award, Dr. Mwangi said, "This is a global recognition for Africans who are embracing the power of entrepreneurship to change the economic and social state of Africa."

Dr. Mwangi's story of entrepreneurship is as amazing as it is inspirational. He was brought up by his widowed mother who was a small scale farmer. He had to fend for himself at an early age by selling charcoal, selling fruits and milk to raise money for his school fees. This background helped to nurture in him a determination to solve the African paradox of a continent endowed with resources, human capital and yet weighed down by abject poverty.

His constant vision of empowering people social economically is seen through the transformational story of Equity Bank. Through a constant focus on exceptional customer experience, relationship banking, capacity building among staff and an effective governance structure, he has led the Bank from a technically insolvent building society with an asset base of Kshs 28 million in 1993 to become a leading all inclusive commercial bank with an asset base of over Kshs 220 billion and listed in Nairobi Securities Exchange and Uganda Securities Exchange. The Bank has a regional presence in five countries and a pan African expansion strategy. Since listing in 2006, Equity Bank's shareholder value has grown 900% creating immense wealth for shareholders. From a customer base of 27,000 in 1993, the bank is now home to nearly 8 million accounts accounting for nearly 50 percent of all bank accounts in Kenya, and is the largest bank by customer base in Africa with a focus at the base of the pyramid.

Returns have grown from a loss of Kshs 5 million in 1993 to a profit of Kshs 12.8 billion in 2011 making Equity Bank one of the most profitable companies in East Africa with a compounded annual growth rate of 78%, for the last ten years five of which have been ravaged by global financial crisis. The Bank has been growing ten-fold every five years for the last twenty years.

Equity Bank is currently ranked 34<sup>th</sup> in market capitalization in Africa. Equity Bank Group has evolved to become a diversified financial services provider offering a full range of personal and corporate banking as well as investment banking, mortgages, custodial services and insurance.

From a staff complement of 27, Equity Bank now has nearly 7000 employees in tandem with the institutional growth and expansion. Its innovative and inclusive business model has demonstrated the capability to evolve sub models such as the agency banking, which is nurturing entrepreneurs, creating jobs and generating wealth for thousands of households.

Dr. Mwangi has led Equity Bank to constantly balance social good and economic good through exemplary performance. Through Equity Group Foundation, EGF, the Bank implements high impact social programs which are sustainable, scalable and have the ability to address social needs with commercial solutions. By leveraging on the Equity Bank infrastructure, EGF ensures a high return on social investments in key thematic areas which include education, financial education, entrepreneurship, agriculture, innovation, health as well as environmental management.

Among the social programs by EGF is the *Wings to Fly* program, a Kshs 10 billion scholarship fund targeting 10,000 academically gifted children from financially challenged backgrounds with a comprehensive secondary school scholarship and leadership program. The program is a partnership with The MasterCard Foundation and has also received financial support from UKAID, USAID and KFW. Through Equity Bank's University Sponsorship program that benefits the top boy and top girl student in each district where the bank operates, 1290 scholars have so far benefited with over 65 of the beneficiaries currently pursuing education in world leading universities including Ivy League schools in USA. EGF in partnership with The MasterCard Foundation is implementing a financial literacy program in Kenya aimed targeting one million women and young entrepreneurs at a cost of Kshs 1 billion out of whom 400,000 have already completed the 13 week training. Out of this program, 10,000 entrepreneurs will be selected to undergo an acceleration program in entrepreneurship.

Dr. Mwangi's leadership and strategic vision of economic empowerment through inclusive finance has attracted local and international attention. In Kenya, he chairs Kenya's Vision 2030 Delivery Board, which is the blue print to transform Kenya to a middle income economy. He was honoured by His Excellency the President of Kenya Hon. Mwai Kibaki with the CBS (Chief of the Order of the Burning Spear) for his contribution towards economic development- few civilians to have ever received the award. In 2011, Dr Mwangi's name was entered in the list of Kenyan heroes and legends during the Mashujaa celebrations. This year, he was celebrated with the Lifetime Achievement in Banking by the industry in Kenya. He has been awarded four honorary doctorate degrees for his contribution to humanity, entrepreneurship and economic development.

At the continental level, The Africa Investor Awards named him Africa CEO of the Year in 2009 while the African Banker named him African Banker of the year in 2010 and 2011. He is the inaugural winner of the African Leader of the Year by the African Leadership Network.

At the global level, he serves at the Global Advisory Council of VISA Inc and is a member of the Clinton Global Initiative. He is the holder of the Global Vision Award alongside Prof. Mohammed Yunus of Grameen bank, and was cited as an "Initiator of the concept of the future that will shape the world economy" The Financial Times named him among the top fifty emerging world thought leaders. Dr. Mwangi has been instrumental in shaping global development policies by serving on the UN Advisory Groups on Inclusive Finance as well as on Global Sustainability. He also served as an external advisor on inclusive finance in the Bill and Melinda Gates Foundation. Dr Mwangi is also a certified Retail Banker and was admitted to the honorary membership of the International Academy of Retail Banking. He is a member of the G20 Advisory Board on Agriculture and serves as a member of the World Economic Council. In 2011, Forbes named Dr Mwangi among the twenty most influential people in the African Business. He is a guest lecturer in Stanford, Columbia, MIT and Lagos business school where the Equity Bank business model is a case study.

Dr Mwangi has also led Equity Bank to receive numerous local and global awards and accolades. The Bank was recognized as Africa's Best Initiative in support of SMEs and the Millennium Development goals by the Africa Investor Awards in 2011. The Bank was also named as one of the New Sustainability Champions redefining the future of growth by the World Economic Forum in 2011. The Bank was named the Microfinance Bank of the Year in 2008 and 2009 by the African Banker Awards. In 2009, the Bank was named African Business of the Year by the Commonwealth Business Council. In the same year, IFC recognized Equity Bank as Emerging Markets Most Sustainable Bank in Africa and Middle East. In 2009, The Bank was also named the Financial Reporting Company in Africa by Africa Investor. The Africa Investor named Equity Bank as the Best performing Ai100 in 2008 and 2009 and Ai40 Company of the year in Africa in 2011. In 2011, Equity Bank was named by Euromoney as the Best Bank in Kenya and in 2012 as the Best Managed Company in Africa in the banking sector and was also awarded the European Award for best practices. In 2012, Equity was named as the Most Innovative Bank by the African Banker for championing delivery channels that has taken financial services to the last mile. These include Agency banking as well as mobile phone banking.

Previous winners have come from Singapore, India, Germany, Italy, the Philippines, the United States, Canada, Switzerland, China, the United Kingdom and Singapore. Broadcast coverage and an interview with the winner will be available to download for broadcast and online use, at: <http://digitalnewsagency.com/stories/6683-ernst-young-world-entrepreneur-of-the-year-2012-announced-in-monte-carlo>

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### **Entrepreneur Of The Year**

Ernst & Young Entrepreneur of the Year is the world's most prestigious business award for entrepreneurs. The unique award makes a difference through the way it encourages entrepreneurial activity among those with potential, and recognizes the contribution of people who inspire others with their vision, leadership and achievement. As the first and only truly global award of its kind, Ernst & Young Entrepreneur of the Year celebrates those who are building and leading successful, growing and dynamic businesses, recognizing them through regional, national and global awards programs in more than 140 cities in 50 countries.

## About Equity Bank

Equity Bank is the leading inclusive bank in Africa, listed at the Nairobi and Uganda Securities Exchanges. It is the largest bank in the region in terms of customer base with over 7.7 million bank accounts which is nearly 50 % of all bank accounts in Kenya and has presence in Uganda, South Sudan, Rwanda and Tanzania. The vision of Equity Bank Ltd is to champion the social economic prosperity of the people of Africa while its purpose is to transform the lives and livelihoods of our people socially and economically by availing them modern, inclusive financial services that maximize their opportunities. Equity Bank established the Equity Group Foundation to create the financial and operational infrastructure for social programs aimed at low income population. This innovation and creative vehicle has fully transformed the concept of philanthropy and corporate social responsibility. While Equity Group Foundation champions the social economic transformation of the people of Africa and seeks partnership along six cluster thematic areas, Equity Bank provides the infrastructure of delivery hence reducing the operational cost of the Foundation and increasing the rate of return on any social investment.

Equity Group Foundation, in partnership with The MasterCard Foundation and with support from UKAID, USAID & KFW has secured USD 67 million for 7,500 which is part of a 10,000 targeted secondary school scholarships under the Wings to Fly program. In partnership with The MasterCard Foundation, EGF is training a targeted 1 million youth and women in financial education. The Foundation has also been instrumental in agricultural transformation under the green revolution for Africa under its Kilimo Biashara initiative in partnership with AGRA, Government of Kenya and IFAD. The Foundation focuses on six key social thematic areas of Education and Leadership development, Financial Literacy and Access, Entrepreneurship, Agriculture, Health, Innovation and environmental protection.

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

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