

PRESS RELEASE

2024 ANNUAL BANKERS CONFERENCE TO FOCUS ON ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) PRACTICES.

The Uganda Bankers Association (UBA) in collaboration with partners is set to hold the seventh (7th) edition of the Annual Bankers' Conference, under the theme: **Navigating the future of banking: ESG, Sustainability and Digital Transformation.**

The one-day conference will be held on Wednesday 19th June 2024 at the Kampala Serena Conference Center, Victoria Hall, Kampala, Uganda.

Speaking during the press conference held after the launch of the Environmental, Social and Governance (ESG) Framework for the Banking Industry this morning, Mr. Julius Kakeeto, the UBA Chairperson said, "we have chosen ESG for a number of reasons, one being that there is an interconnectedness between financial performance and ESG practices and the framework launched this morning will guide the banking industry on how to integrate ESG principles across their operations from governance, products, policies and processes."

He further noted that integrating technology and digital transformation into bank operations can help effectively manage ESG data, enhance reporting accuracy, drive sustainable investment. It can also enhance the operational efficiency of the financial institution and enable them to serve their clients efficiently.

The conference will facilitate focused discussions on the opportunities in supporting investments in ESG and also highlight the challenges related to ESG while providing recommendations how ESG principles can be integrated into financial strategies.,

The Chairperson noted that financial institutions occupy a pivotal position in addressing ESG risks because they can direct capital towards transformative investments and projects that are sustainable.

Mr. Kakeeto said; "sustainability is swiftly becoming a crucial global concern, heightening awareness of issues like climate change, social inequality, and corporate misconduct, which issues are significantly altering the market landscape. The reputation and business success of financial institutions are now influenced by their sustainability practices and corporate behaviour. Consequently, the shift toward sustainability holds the potential to profoundly reshape the global financial sector."

"We would like as an industry to increase investments in sustainable and green initiatives through understanding what ESG is, developing products, addressing the risks and contributing positively towards the environment and the society that we serve." Kakeeto said.

The two-day conference will include an opening address by the Permanent Secretary/Secretary to the Treasury, Ministry of Finance Planning and Economic Development, remarks by the Deputy Governor, Bank of Uganda, and a keynote address to be delivered by Mr. Martin Oduor Othieno, the Chairman and CEO of Leadership Group Limited.

The conference will have panel sessions anchored by a rich and diverse combination of resource persons comprising representation from banks, regulators, sustainability practitioners, green finance experts, impact investors and numerous industry players and partners in the banking and sustainability/green finance space, players in energy sector all of whom are actively playing their role to drive energy sustainability.

"We expect over 500 participants to be part of the conference both physically and virtually and anticipate that the key takeaways from this conference will provide clear pathways that highlight the potential areas of support and collaboration among stakeholders in the banking and financial services sector required for impact and sustainability of the ESG agenda in the country." The Chairperson said.

Mr. Julius, concluded by thanking partners for the support extended towards this event; Mastercard, the official sponsor for the 7th year and he appreciated their commitment to sponsor the conference and most importantly supporting financial sector growth through

groundbreaking solutions that drive the growth, development, and transformation of the financial ecosystem in Uganda.

The Chairperson recognized and appreciated the additional partners working with UBA to deliver this conference by contributing financially and technically (resource persons) and these include Bank of Uganda, aBi Finance, Aceli Africa, the Uganda Energy Credit Capitalization Company Limited (UECCC), and many more who will join the efforts to successfully deliver this conference.

The Bankers' Conference is a key activity in UBA's annual calendar that brings together regulators, practitioners and various industry experts from domestic, regional, international and national spheres involved in delivering financial/banking services.

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About Uganda Bankers' Association: www.ugandabankers.org

Uganda Bankers' Association is an umbrella organization for financial institutions licensed and supervised by Bank of Uganda. UBA was established in 1981 and is currently made up of 35 members comprising 25 commercial banks, 3 development banks (Uganda Development Bank, East African Development Bank & Afreximbank and 7 Tier 2 & Tier 3 (MDIs and MFIs)

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About Mastercard (NYSE: MA) www.mastercard.com

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transaction safe, simple smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help individuals, financial institutions, governments and businesses realize their greatest potential. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

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About aBi Finance: www.abi.co.ug

aBi Finance Limited provides Lines of Credit (LoCs) to Financial Institutions for on-lending to agribusinesses across the entire value chain. aBi Finance Limited also runs an Agriculture Loan Guarantee Scheme (ALGs) for Financial Institutions to share losses incurred through defaulting loans. As at December 2017, aBi's financial products generated over 231 thousand new loans to producers and businesses.

Under the Financial Services Development (FSD) Programme, aBi Finance Limited provides matching grants to Financial Institutions to build institutional capacity for enhancing the provision of financial services and increase outreach in rural areas. As at December 2017 about US\$ 17bn in grants was disbursed to 44 FIs.

During the 2019-2023 Business Plan period, aBi Finance will substantially expand its Lines of Credit and Agriculture Loan Guarantee Scheme (ALGs) components. This will be done by expanding the capital fund from which these components are financed and indemnified, and by increasing the share of the capital fund that is dedicated to the LoC component from 70% to 74%.

The LoC product shall be increasingly focused on Tier III and Tier IV financial institutions. This will cause loan sizes to remain relatively low, although expected to grow over time to around US\$3.5 million per outlay. In addition, aBi will promote ways and means to make the FI loan products more attractive for medium-term financing.

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