

# Britam gains over Kshs 500 million in restructuring plan

The reorganization of the Britam Holding Group business structure, which was announced by the Board in March 2021, has already resulted in cost savings of at least KShs 500 million this year alone.

These savings are as a result of streamlining of overlapping roles, removal of duplications across the business, and re-evaluating contractual arrangements with our value chain partners such as vendors and other service providers.

The year will therefore be viewed as a major turning point for the Britam Group and a proof of the point that the business strategy for the period 2021-2025, complete with a new organisational structure is already bearing fruit and the business remains firmly on track.

The purpose of a new business structure was to transform Britam Group into a more customer-centric organisation, away from traditional product-focused teams in favor of lean, agile customer-focused teams supported and leveraged on technology.

The new structure came with its own demands in terms of resources, alignment of reporting lines, elimination of duplicated and overlapping functions and creation of new functions.

It also entailed onboarding new competences in some of the functions and shifting ways of working. The new structure has promoted more collaboration, agility, and adaptability across the restructured teams.

The Kenyan business unit is now fully restructured along business segments, replacing the legacy line of business approach. It is now organized around its customers in the retail, corporate, partnerships and

digital, emerging market consumers and international business segments.

Britam has also made great strides towards its 'One Britam end state', where customers and partners will experience unrivalled service and innovation. The new organizational structure is truly a customer-centric one supported by a lean management team.

The new structure is now fully resourced and functional with the business already realizing benefits as a result of efficient operations and improved customer experience, whilst taking advantage of a broader macro-economic recovery as our markets resume business post the Covid-19 pandemic.

The improved operating efficiencies have already seen the Group register a positive trend with a decline in underlying operating costs reported in our half year 2021 results.

Another major focus of the new strategic shift has been to take a fresher look at Britam's investment profile and strategy. A decision was made to optimize the profile and returns from a wide array of investments that includes strategic portfolio investments in listed equities, fixed income investments, and flagship properties both developed and undeveloped.

Focus on its flagship property- Britam Tower, is already bearing positive results. As at half year, occupancy level was at around 60 % and it is expected to close the 2021 financial year with close to full occupancy.

Amidst all these changes, the Group has managed to sustain the growth momentum both in its local

and international businesses. As at half year, the Group reported continued topline growth with its gross earned premiums achieving a 6 % growth year on year.

The Group also returned to profitability, shifting the focus now to sustainability and further growth. The life insurance business has retained its market share leadership and commands slightly over 23 % market share.

This has been powered by its loyal retail customer base and deliberate initiatives aimed at supporting its customers in difficult moments occasioned by the effects of Covid-19 on the operating environment.

As a result of the Covid-19 pandemic, many businesses have continued to experience shifting customer preferences and demands increasing competition and dynamic macro- environments.

Britam, with its wide array of financial solutions as a diversified integrated financial provider and indeed the insurance sector in general, is no exception to the market dynamics and is already experiencing changes.

These include disruption from non-traditional competitors such as Insure-techs, international and regional players as evidenced by recent mergers and acquisitions and increasing collaborations between banks and insurers.

Britam's emerging market consumers segment therefore remains pivotal in transforming lives with its affordable and relevant propositions. The segment is currently reaching over 250,000 customers with products such as Kinga ya Mkulima - protecting small holder tea farmers - Covid-19 cover in partnership with Little Cabs, among other

solutions focused on covering the uninsured population.

Beyond Kenya, the international business segment represented by the regional business units remain resilient, delivering impressive performance. The segment has continued to register revenue growth contributing to the Group's revenue and profits. In the recent half year results, the international segment recorded an aggregate growth of 10 per cent and contributed 24 per cent of the Group's Gross earned premiums.

As the insurance industry continues to retain its attractiveness with its low penetration rates in Kenya and in the region, Britam will continue to reposition the business to respond to the changing environment by placing customers at the centre of everything it does.

Britam will continue to do this by leveraging its people, technology and its partners to deliver meaningful interactions that fulfill customers' requirements all the time.

Going forward, the Group is optimistic of sustained improved performance across its local and regional businesses in the second half of 2021 and going into 2022, on the back of an improved operating environment and gains from the transformational strategy.

Notably, as at 30th June 2021, The Group had returned to profitability posting a profit before tax of KShs 647 million supported by growth in the underlying business.

## TRANSITION AT BRITAM HOLDINGS PLC

### BRITAM HOLDINGS PLC EXECUTIVE APPOINTMENTS

The Board of Directors of Britam Holdings PLC is pleased to announce three appointments within its Executive Leadership team.

The executive appointments are aimed at strengthening the Group's transformation agenda, delivering enhanced service to its customers and positioning the company for long-term growth.



**Charles Njuguna**  
Deputy Group Managing Director

Mr. Charles Njuguna, has been appointed as the Deputy Group Managing Director, Britam Holdings PLC, effective 1st December 2021, subject to regulatory approvals.

Mr. Njuguna retains the Finance Director position and takes on additional responsibilities which include the key support functions of the Group Managing Director.

Mr. Njuguna joined Britam in March 2021 as the Finance Director. He has a broad and extensive experience within the financial sector spanning over 20 years.

Mr. Njuguna previously worked with ABN Amro Bank, GT Bank, Old Mutual, Family Bank as the Chief Financial Officer and Faulu Micro-Finance Bank as the Managing Director.

Mr. Njuguna holds an MBA in Finance from the University of Nairobi and a BSC (Accounting) from USIU. He is a member of the Institute of Certified Public Accountants Kenya and Institute of Certified Public Secretaries Kenya.



**Ms Catherine Karita**  
Strategy & Investor Relations Director

Ms Catherine Karita has been appointed as Strategy & Investor Relations Director effective 1st December 2021. She joins Britam from NCBA Investment Bank where she was the Executive Director-Brokerage.

Catherine is an executive and business leader with 12 years plus performance record in driving growth in the financial services sector. She holds a LLB Bachelor of Laws Degree from the University of Nairobi, an MBA from University of Baltimore in Maryland, USA and a B.Sc., Information Systems from University of Maryland.

Catherine is also a Council Member of The Institute of Certified Investment and Financial Analysts (ICIFA) and a Chairperson of the Membership Services Committee at the Institute.



**Ms Diane Korir**  
Customer Experience Director

Ms Diane Korir was appointed Customer Experience Director effective 15th August 2021. She has over 20 years' experience in Customer Experience Management, Process Re-engineering & Digitization/Automation and IT Project Management in Insurance, Banking, Technology and Hospitality industries.

Ms Korir has served in various capacities which include Head, Client Experience, Standard Chartered Bank Kenya, Program Manager, Seven Seas Technologies, Project Manager/Sr.Business Analyst, Intercontinental Hotel Group (USA) & Senior Consultant, Computer Sciences Corporation (USA).

Ms Korir holds a Masters in Information Systems Management from Keller Graduate School of Management, DeVry University, USA and a Bachelor of Arts, Business Management & minor in Economics from Coe College, USA. She is a Certified Practitioner of Human Centered Design - LUMA Institute.



**Mr Tavaziva Madzinga**  
Group Managing Director

The Britam Group Managing Director, Mr. Tavaziva Madzinga, is set to transition from the Group in April 2022.

Mr. Madzinga has overseen the Group's return to profitability, initiated the transformation of the Group to a client centric organization with the development of the 2021-2025 strategy together with the global strategy group BCG and built a strong executive team with global experience that will propel the Group to the next level.

Britam is grateful to have benefited from Mr. Madzinga's global experience in re-positioning the Group for the future.

Mr. Madzinga is committed to continue with the implementation of the 2021 - 2025 strategy and to also oversee a smooth succession planning and transition.

On behalf of our Board, I want to express my deep appreciation to Mr. Madzinga for his exemplary service and welcome the incoming Executives.

**Mohamed Said Karama**  
Acting Chairman, Board of Directors of Britam Holdings.