

The objective of ACTIAM Financial Inclusion Fund (AFIF) is to realise measurable positive social impact alongside a market conform financial return (in 2021, net return was 5,8%). The Fund creates impact by increasing access to responsible and affordable financial products and services for low-income households and micro-, small- and medium-sized enterprises (MSMEs) in emerging and developing countries. In doing so, the Fund intends to contribute to the growth and development of MSMEs and the financial wellbeing of low-income households. In our Annual Responsibility and Impact Report, the Fund reports on its non-financial results. The full report can be found the website of ACTIAM.

### FINANCIAL INCLUSION

Globally, about 1,4 billion adults have no access to an account at a financial institution or through a mobile money provider (Global Findex, 2021). Most of these people live in developing and emerging economies. This leaves them unable to access reliable credit or savings accounts. Most of them have low and unpredictable incomes and lack the resources to cope with unexpected household needs (in case a family member falls ill) or to invest in education or healthcare for a better future.

By increasing access to finance, ACTIAM Financial Inclusion fund supports the growth of local Financial Inclusion Institutions (FIIs). Our investments allow these organizations to enlarge their loan portfolio and provide responsible and affordable financial products and services to a larger number of low-income households and MSMEs. These market segments are usually excluded by traditional financial service providers.



### INVESTING RESPONSIBLY

Offering responsible financial products and services to MSMEs borrowers indispensably requires a framework that combines financial and non-financial considerations and conditions. The Fund does not invest in FIIs that do not comply, at a minimum with the ACTIAM Fundamental Investment Principles. In addition, social standards of the Fund include conformity with the Principles for Responsible Investment (PRI), adherence to the Client Protection Standards and reporting on financial and non-financial performance in line with the Responsibility and Impact Framework of the Fund itself. This includes an annual assessment of a portfolio company focusing on the social policies, practices and performance, as well as the social characteristics of the products and services offered by the FII to its clients.

98% of the FIIs in the portfolio comply with the Client Protection standards - the sector standard to prevent over-indebtedness, unacceptable high interest rates and harmful collection methods.

# 41%

FORMAL MSMEs IN DEVELOPING COUNTRIES LACK ACCESS TO FINANCE WHICH LIMITS THEIR GROWTH

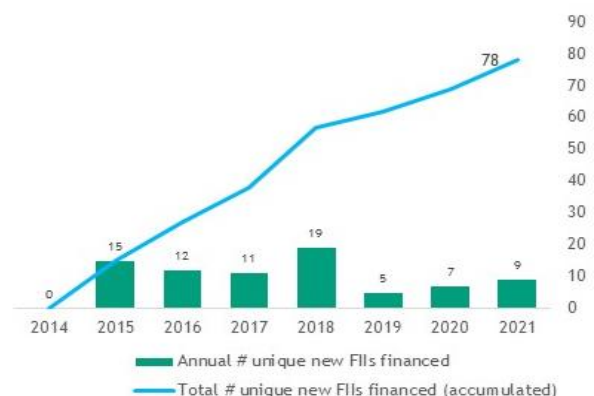
<https://www.smefinanceforum.org/data-sites/msme-finance-gap>



### PORTFOLIO HIGHLIGHTS

At year-end 2021, AFIF provided debt to 51 FIIs (9 new entities) in Central & South America, Asia, Eastern Europe, Caucasus and Africa. 26 of these FIIs are operating in low and lower-middle income countries. This is in line with the objective of the Fund to support emerging and developing markets.

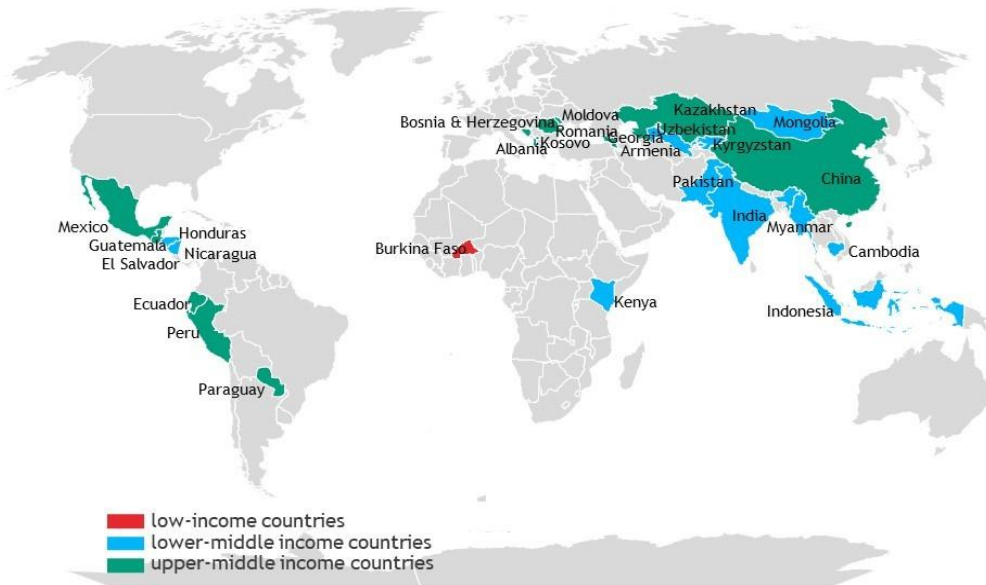
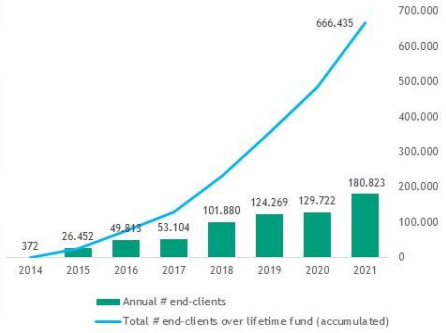
Most portfolio companies are non-bank financial institutions that have financial licenses to provide credits and are supervised by a local authority. These institutions are deeply rooted in the societies and best equipped to reach out to the underserved, often remote, client groups.



# Responsibility & Impact Report 2021- Summary

## ACCESS TO CAPITAL

The FILs in the Fund portfolio provide a range of financial products and services to MSMEs and low-income households. Together, they reached 10,4 million endclients (this is an increase compared to the 7,3 million clients served by year-end 2020). Our attribution to this outreach is 180,823 clients in 2021. This contributes to a total accumulated outreach of 666,435 end-clients since the inception of the Fund. Corresponding with the fund ambition, we are pleased to see the majority of the endclients are from groups often excluded by the formal banking system: women (78%), people living in rural areas (70%) and people with an income below the national poverty line (34%).



- 51 Financial Institutions
- 27 Countries
- €140 Loan Portfolio



**MOST FINANCIAL INSTITUTIONS (89%) WE PARTNERED WITH HAVE A MISSION OBJECTIVE LINKED TO ONE OR MORE OF THE 17 SDGS. SDG1 AND SDG8 RESONATE BEST WITH THEIR OBJECTIVES ALTHOUGH MOST PORTFOLIO COMPANIES HAVE A MUCH WIDER AMBITION.**

## CATALYTIC EFFECT ON UN SDGS

Financial inclusion can empower people and creates opportunities to unlock development outcomes. Access to responsible and affordable financial products and services can be a mean for low-income households to obtain basic services such as healthcare, education, housing, improved sanitation and clean water installations. The United Nations Sustainable Development Goals (SDGs) recognize the importance of financial inclusion, addressing it in 7 of the 17 goals.

To continue our support is even more evident during times of crisis, such as the one the world is currently facing in the context of the COVID-19 pandemic, which is having immediate and profound effects on MSMEs. The 2021 results demonstrate that ACTIAM had not let the MSMEs fall but instead continued to invest in order to help them overcoming the negative impacts of the global pandemic, which we believe, in the long-term will lead to better outcomes for both financial and social returns.

ACTIAM Impact Financial Inclusion Fund is een fonds voor gemene rekening. De beheerder is ACTIAM N.V. (ACTIAM). ACTIAM en ACTIAM Impact Financial Inclusion Fund zijn geregistreerd bij de AFM. Voor dit fonds is een prospectus en Essentiële Beleggersinformatie beschikbaar via [www.actiam.com/nl/fondsinfo](http://www.actiam.com/nl/fondsinfo). Deze factsheet mag niet worden aangemerkt als beleggingsadvies. De waarde van uw belegging kan sterk fluctueren. In het verleden behaalde resultaten bieden geen garantie voor de toekomst. 1) Gegevens worden getoond van het onderliggende fonds, het ACTIAM Financial Inclusion Fund waarin door het fonds wordt belegd voor circa 90%. 2) Het fonds is opgericht op 15 september 2021 waardoor er nog geen lange rendementshistorie voor handen is.