



CreditAccess  
Asia

Annual review FY 2018/19

"Dedication to **customer-centricity** is one of our core strengths"

Table of Contents		Highlights	9	CreditAccess Indonesia	16
Letter from Our CEO Paolo Brichetti	5	Facts and Figures	10	CreditAccess Philippines	18
CreditAccess Asia Vision and Values	6	Historical Trends	11	Performance Highlights	20
Historical Timeline	6	Board of Directors	12	Social Capital and Impact	22
Our Strengths	8	CreditAccess Grameen	14	Contact Details	24



## LETTER FROM THE CEO

"CreditAccess Asia has greatly benefited by making credit and financial services accessible to over 3 million micro-entrepreneurs and low-income households across India and southeast Asia"

"It is a win-win story for all stakeholders starting 12 years ago, where customers gain access to fair and transparent financial services and CreditAccess Asia creates value for its Shareholders"

"We see ourselves riding this long wave of financial inclusion for the many years to come, aiming to serve 10 million clients by 2025"

**CreditAccess Asia Group has seen impressive levels of growth and profitability in past years, especially in FY 2018-2019.** The proven resilience of the core business, combined with the unique ability to leverage a still largely untapped "financial inclusion" market opportunity, has paved the way to gaining positive recognition in the public capital markets.

After the successful listing of Equitas Holdings Ltd. in May 2016, CreditAccess Asia launched the Initial Public Offering (IPO) of its flagship subsidiary CreditAccess Grameen Ltd. in India. The IPO was finalized in August 2018 at a size of €141 million. It was well received by the capital market, with an oversubscription of 2.2 times from investors around the world: 23 anchor investors from Asia, the U.K. and the U.S. and overall approximately 150,000 investors.

The market capitalization of CreditAccess Grameen at listing was €766 million and today it is approaching the € 1 billion level. The business itself has performed extremely well, recovering completely from the impact of demonetization, closing the financial year with a remarkable €39.5 net profit and portfolio growth of 49% year-on-year.

CA-Indonesia grew significantly in FY 2018-2019, achieving portfolio growth of 60% year-on-year and increased profitability of 800% year-on-year. In March 2019, after 7 years as CEO at CA-Indonesia, Christian Banno handed-over the CEO position to Anand Raghavender. The transition has been smooth, and Christian remains active in senior roles at CreditAccess Asia.

CA-Philippines also grew over the FY 2018-2019, reached financial sustainability and a portfolio growth of 61% year-on-year. In January, the company achieved the landmark of 1 million disbursement since the start of operations, with over 200,000 active clients.

CreditAccess Asia Group achieved a significant milestone, reaching €1 billion in consolidated portfolio and 3 million customers. This highlights the enormous potential for the operating companies of CreditAccess Asia.

### **FUTURE OUTLOOK**

The market outlook remains positive. The financial inclusion process is underway across the Southeast Asia region and the capacity for expanding our outreach is still extremely large. Further, the extensive use of innovative FinTech solutions will help us provide better, faster and affordable financial services to our customers.

Recent general elections in India and Indonesia have reconfirmed a stable political environment and we do not currently see any imminent threats even if we keep monitoring all internal and external risks which may hamper our plans.

The Indian market enjoys perfect conditions for microfinance: a vast unbanked population, a remarkable credit culture, a well-regulated market, a strong credit bureau and a rather sophisticated financial market understanding the opportunity to provide financial resources to the sector.

The Indian microfinance market is currently worth \$19.5 billion and the prospect market stays at \$274 billion. CreditAccess Grameen, focusing on the rural unbanked segment, is positioned in a perfect spot where 75 million people demand fair credit solutions.

In Southeast Asia, we will go on expanding our operations across Indonesia and the Philippines, and continue exploring opportunities in other countries.

Considering the current market share and our growing strategy, we envisage that we can serve 10 million clients by 2025.

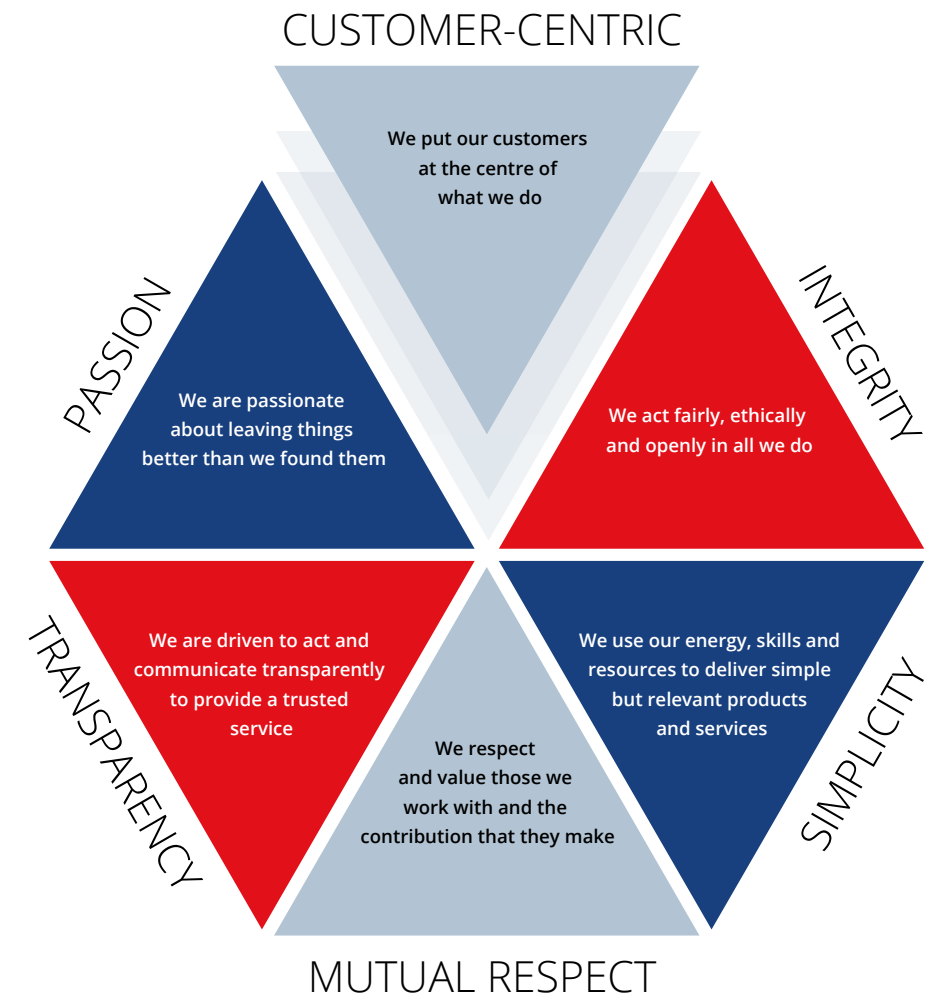
**PAOLO BRICHETTI** Chief Executive Officer – CreditAccess Asia



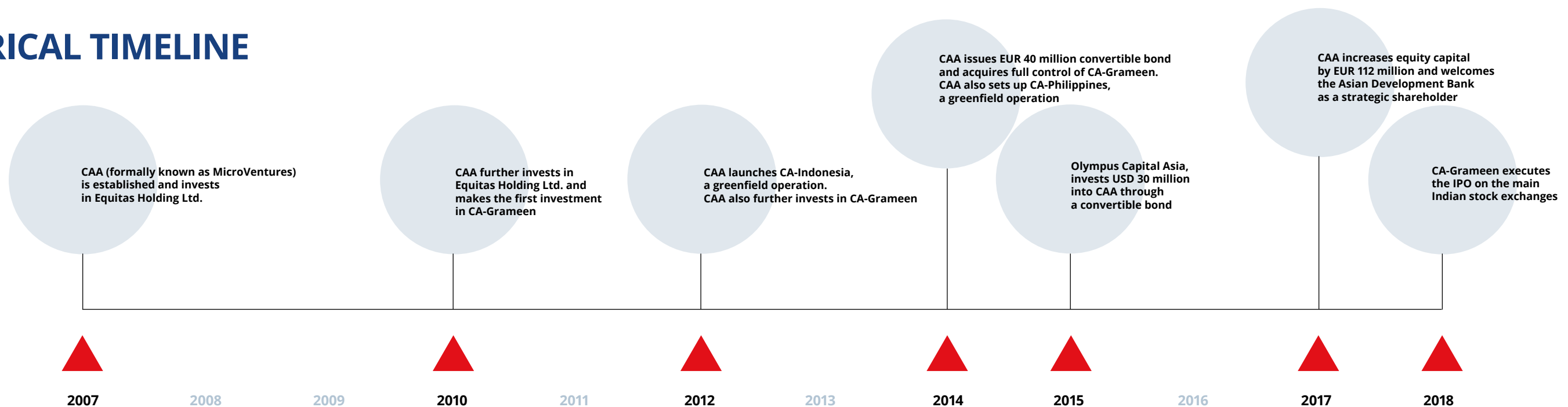
## OUR VISION

"To be the preferred business partner of Asian households lacking access to formal credit, enriching their lives by providing convenient and reliable solutions, matching their evolving needs"

## OUR VALUES



## HISTORICAL TIMELINE



# OUR STRENGTHS

CreditAccess Asia and its subsidiaries provide convenient and reliable financial solutions to unbanked households and businesses in India and Southeast Asia.

# OUR COMPANY PROFILE

**ONE OF THE PRIMARY ELEMENTS OF OUR BUSINESS CULTURE IS CUSTOMER-CENTRICITY.** Our values and attitudes focus on empathizing with our customers and building mutual trust and understanding. This is enabled by consistent and close contact, engagement normally takes place on a weekly basis. The employees who deal with our customers are local to the areas where they work, meaning that they are fully engaged with the culture and mindsets of the people, making communication and understanding flow.

We proactively seek to identify the needs of our customers and build solutions in collaboration with them, enabling us to tailor our products to deliver viable and relevant financial services. Allowing us to co-create the future and advance together, as opposed to reacting after an issue arises. This robust method ensures that we are always ahead of the competition and develop our services in the most cost-effective way. We implement innovative and cutting-edge financial technologies, building scalable and sustainable businesses on both sides.

Through our strong customer relationships and the reliability of our products, we have established well-known local retail brands in India, Indonesia and the Philippines.

“We prioritize the needs of our customers, we connect to make smart business”

At CreditAccess Asia we appreciate the need for financial literacy, it as our obligation to be transparent and the advantage for us is that knowledge strongly influences usage. Our employees ensure that customers understand what they are doing when availing of our services, this clarity and understanding equates to a positive impact on usage and commitment to repayments.



€ 1,106 million assets

€ 1,001 million gross loan portfolio

€ 378 million total equity

€ 186 million revenues from interest

€ 36 million profit after tax

## HIGHLIGHTS

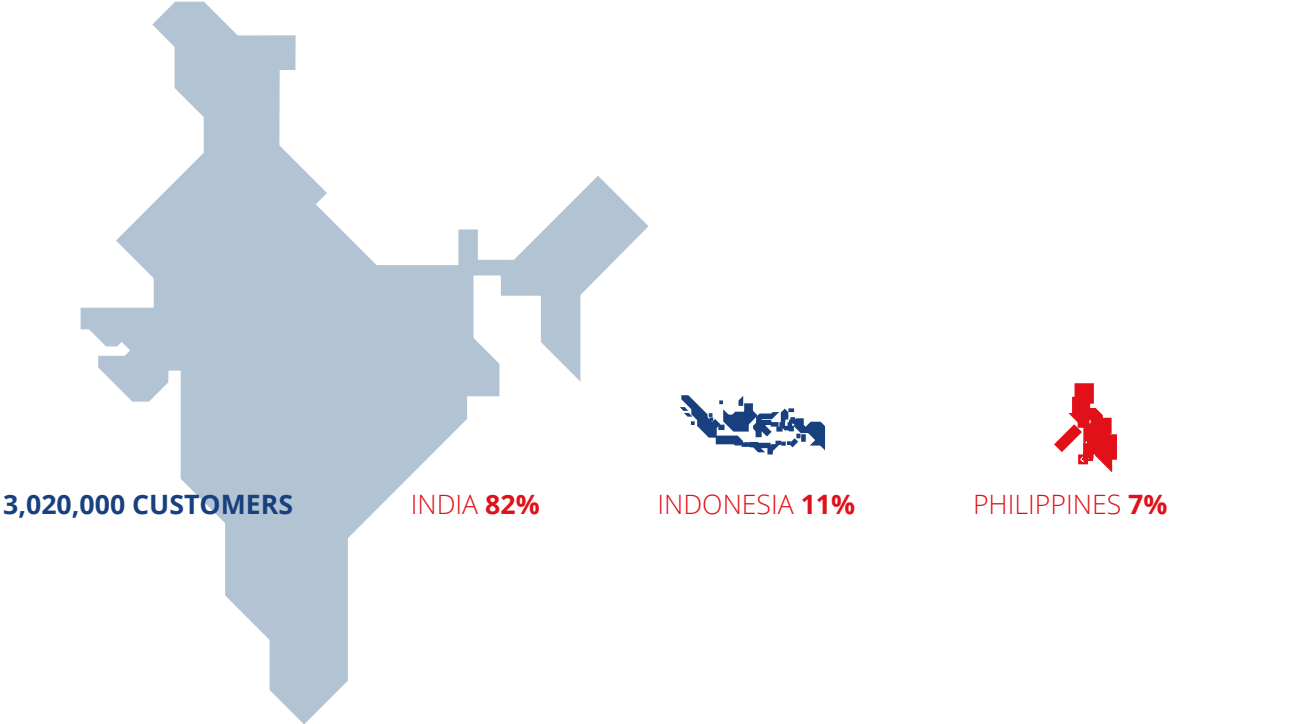
3.02 million customers

4.6% return on average assets

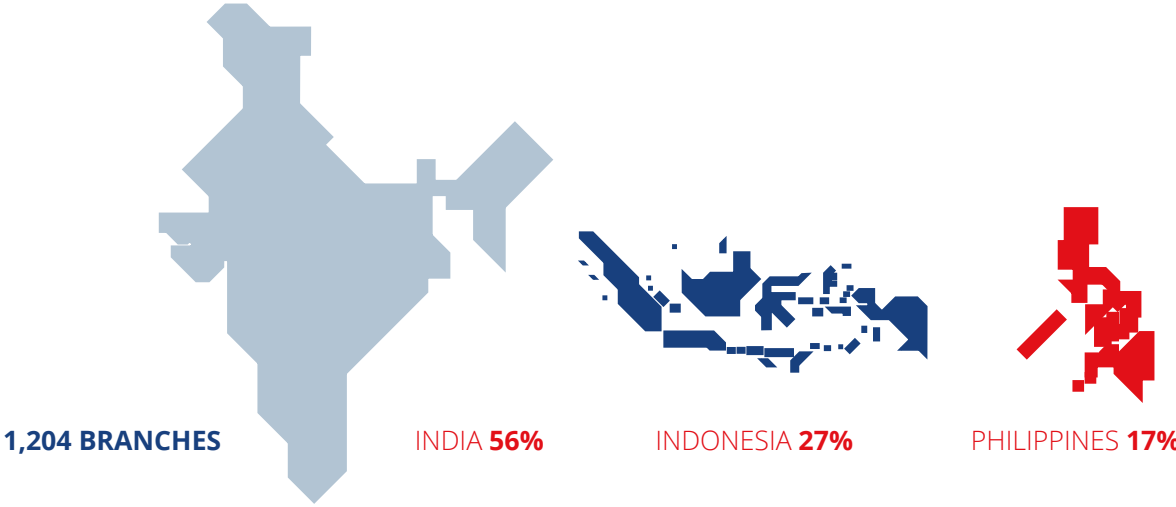
12.7% return on average equity

1.8 : 1 debt to equity ratio

# FACTS & FIGURES



## GEOGRAPHICAL DISTRIBUTION



## HISTORICAL TRENDS





## BOARD OF DIRECTORS



### **ELS BOERHOF** **NON-EXECUTIVE DIRECTOR**

Els is an investment professional with 20 plus years of experience in development finance and cross border investments. She is currently co-owner and Partner at Goodwell Investments. Before, Els has worked for FMO and MeesPierson (ABN AMRO Private Bank) in Amsterdam, Rotterdam and Johannesburg in International Trade & Commodity Finance.

### **JOEL EPSTEIN** **NON-EXECUTIVE DIRECTOR** **INDEPENDENT**

Joel is a financial services professional with 40+ years of commercial and retail banking experience in the United States, Asia, Latin America and Eastern Europe. He has held senior executive positions at Chase Manhattan Bank (EVP), AIG Consumer Finance Group (Chairman/CEO) and has served on boards of banks and other entities.

### **GIOVANNI SICCARDO** **NON-EXECUTIVE DIRECTOR**

Giovanni has over 25 years of experience as a Senior Manager in large multinational companies such as Philips and Flextronics. He is a Senior Business Advisor and holds a number of board positions in Europe.

### **FRANCESCO MOCCAGATTA** **NON-EXECUTIVE DIRECTOR** **INDEPENDENT**

Francesco is partner and managing director of Alantra Italy. He has extensive experience in corporate governance as Managing Director of several financial institutions such as Banca IMI (Intesa San Paolo Group) and DC Advisory Partners.

### **FEDERICO CARINI** **NON-EXECUTIVE DIRECTOR**

Federico is a Managing Director at Mediobanca Spa. He has over 20 years of private banking experience with UBI Banca, UBS Wealth Management and Mediobanca Spa.

### **DANIEL MINTZ** **NON-EXECUTIVE DIRECTOR**

Daniel has more than 25 years of private equity investment and M&A experience in Asia and the United States. Prior to founding Olympus Capital in 1997, he was head of Asia for Morgan Stanley Capital Partners, the former private equity arm of Morgan Stanley.

### **KOEN J. M. SLOBBE** **CHAIRMAN OF THE COMPANY –** **INDEPENDENT**

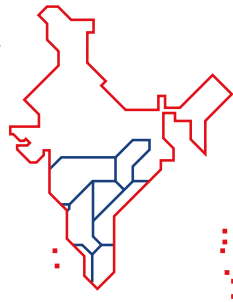
Koen is Managing Partner at Fipaco Corporate Consultancy where he specializes in international taxation and corporate restructurings. Prior to his role at Fipaco Corporate Consultancy, Koen has also worked at Loyens & Loeff, PepsiCo and GE Finance in Rotterdam, London and Hong Kong in Treasury & Tax.

### **PAOLO BRICHETTI** **FOUNDER AND CHIEF EXECUTIVE** **OFFICER**

Paolo is CEO and Founder of CreditAccess Asia. He has more than 20 years of experience in innovative business and financial initiatives. Prior to setting up CAA, he served as Managing Director of CTM Altrmercato, Advisor of Council of Europe, President of Microcredit Srl, MicrocreditCoop, and the European Fair-Trade Association.



# INDIA



**COMPANY PROFILE** ■ CA-Grameen (known as CreditAccess Grameen in the market), is a Financial Institution which provides credit and financial services, fitting to the life cycles of micro and small enterprises, with medium to low income levels, in small urban and rural areas. CA-Grameen is the largest NBFC-MFI by portfolio size in the country. Over the past 10 years it has built a well-recognized brand by providing relevant products and establishing solid long-term relationships with its customers.

**CEO OF CA-Grameen: UDAYA HEBBAR KUMAR** ■ Udaya joined CA-Grameen in 2010 as CEO. He has over 30 years of experience in the financial services industry. Prior to joining CA-Grameen, he was Associate Director at Barclays Bank India.

**MARKET OPPORTUNITY AND SIZE** ■ Out of a working population of **519** million people, **65%** are self-employed or daily workers without access to formal credit. **67%** of the unbanked population resides in rural areas and contribute **47%** of the national GDP. Currently only **10%** of them have access to credit.

**MARKET POSITION** ■ CA-Grameen became the **1<sup>st</sup>** Microfinance company by portfolio size in India.

**COMPETITORS** ■ Bharat Financial Inclusion Ltd. ■ Satin Creditcare Network Ltd. ■ Annapurna Microfinance Pvt. Ltd ■ Arohan Financial Services Pvt. Ltd. ■ Spandana Sphoorty Financial Ltd.

**PRODUCTS** ■ Income Generation Loans (Group Lending Methodology) up to **USD 1,150** ■ Emergency Loans **USD 15** ■ Family Welfare Loans (Festivals, Medical, Education and Livelihood Improvement) **USD 15 – 215** ■ Home Improvement Loans (Water Connections, Sanitation and Home Improvement) **USD 70 – 720** ■ Small business loans (Individual Lending Methodology) **USD 150 - 7,100** ■ Other financial services, such as pensions and insurance products

**CUSTOMERS** ■ Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn **USD 5 - 10** per day and mostly live in rural areas (**81%** of our customers). ■ Small businesses: formal household businesses, or small-scale enterprises, with monthly income over **USD 500**, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

**GEOGRAPHIC PRESENCE** ■ Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Kerala, Odisha, Goa, and one union territory of Puducherry

**BRANCHES** ■ **670**

**CLIENTS** ■ **2,470,000**

**EMPLOYEES** ■ **8,064**

## CA-Grameen HIGHLIGHTS

■ **ICRA (MOODY'S) UPGRADED CREDIT RATING TO A+ STABLE FROM A STABLE**

■ **CRISIL ASSIGNS TOP INDUSTRY RATING OF 'M1C1'**

■ **SMART CAMPAIGN CLIENT PROTECTION CERTIFICATION**

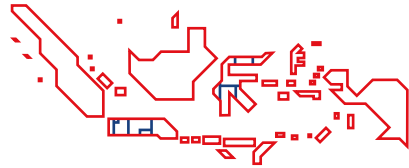
■ **CROSSED 1 MILLION DISBURSEMENTS OF WATER AND SANITATION LOANS**

■ **RELIEF WORK IN THE DISTRICTS OF TAMIL NADU HIT BY THE GAJA CYCLONE**

■ **ASSISTANCE TO FLOOD VICTIMS IN DISTRICTS OF KARNATAKA**



# INDONESIA



**COMPANY PROFILE** ■ CA-Indonesia (known as Bina Artha in the market) was established by CreditAccess Asia in 2012. It provides specialised financial services to micro and small businesses, which do not have, or have limited access, to the formal financial sector. It is a fast-growing Non-Banking Financial Company with a vision of being the preferred business partner of Indonesian households lacking access to formal credit enriching their lives by providing convenient and reliable solutions, matching their evolving needs.

**CEO OF CA-INDONESIA: ANAND RAGHAVENDER** ■ Anand became CEO of CA-Indonesia in April 2019, prior to that he was COO of CA-Indonesia. He is a seasoned microfinance professional with more than 30 years of experience, who has covered senior management positions in operational and executive roles in large and successful Indian companies operating in the microfinance sphere such as Asirvad, Belstar and Smile. He also worked for leading banks including Union Bank of India, HSBC and SIDBI.

**MARKET OPPORTUNITY AND SIZE** ■ Bank Indonesia released the information in August 2018 that **60-70%** of micro small medium enterprises in Indonesia did not have access to credit. Geographical barrier is one of the causes, as many banks have not been able to reach remote areas.

**MARKET POSITION** ■ **5<sup>th</sup>** largest in terms of market share and **4<sup>th</sup>** in terms of branches

**BIGGEST COMPETITORS** ■ MBK ■ BTPN Syariah ■ PNM

**PRODUCTS** ■ Micro business loans (group lending methodology), ranging from **USD 250 - 700**. ■ Small business loans (individual lending methodology), ranging from **USD 800 - 5,000**. ■ Water and sanitation loans for the construction of proper toilets.

**CUSTOMERS** ■ Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn USD 5-10 per day and mostly live in rural areas. ■ Small businesses: formal household businesses, or small-scale enterprises, with monthly income over USD 500, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

**GEOGRAPHIC PRESENCE** ■ Java and Sulawesi

**BRANCHES** ■ **326**

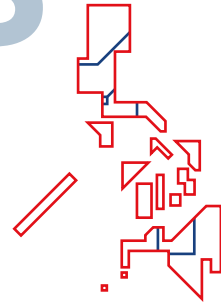
**CLIENTS** ■ **349,000**

**EMPLOYEES** ■ **2,901**

## CA- INDONESIA HIGHLIGHTS

- **PARTNERSHIP WITH CRIF FOR CREDIT SCORING MODEL FOR INDIVIDUAL LENDING VERTICAL**
- **INCREASED NUMBER OF BRANCHES IN SULAWESI TO OVER 40**
- **350,000 CLIENTS**
- **INTRODUCED QUICK LOANS FOR EMERGENCIES**
- **PILOTED A 4-WEEK REPAYMENT LOAN WITH LONGER TENURE FOR BETTER CLIENT RETENTION**
- **IMPROVED FINANCIAL PERFORMANCE**
- **DISBURSED IDR 1.1 TRILLION OF LOANS (APPROXIMATELY 65 MILLION EUR)**

# PHILIPPINES



**COMPANY PROFILE** ■ CA-Philippines (known as OnePuhunan in the market) was established by CAA in 2014. They provide convenient and accessible credit products to micro and small businesses in the Philippines. CA-Philippines is a fast-growing Non-Banking Financial Company with a vision of being a market leader in providing relevant financial products to the vast market in the Philippines.

**CEO OF CA-PHILIPPINES: DANIELE ROVERE** ■ Daniele is currently the CEO of CA-Philippines. He has over 10 years of management experience. Prior to joining CA-Philippines, Daniele worked for Rizzani de Eccher, one of the world's leading construction companies.

**MARKET OPPORTUNITY AND SIZE** ■ Over **70%** of households in the Philippines are unbanked, the majority of which are self-employed, working for a private household or a farm, or other informal occupations. The self-employed households are mainly micro and small businesses, which do not have access to formal capital. ■ CA-Philippines achieved compound annual growth rate of **102%** in the last 3 years.

**MARKET POSITION** ■ Currently one of the top **10** Non-Banking Financial Companies in the Philippines.

**COMPETITORS** ■ CARD NGO ■ ASA Philippines ■ CARD Bank ■ TSPI ■ KMBI ■ TSKI ■ Pagasa ■ NWTF ■ 1st Valley Bank ■ ASKI

**PRODUCTS** ■ Micro business loans (group lending methodology), ranging from **USD 60 - 1,000** ■ Small business loans (individual lending methodology), ranging from **USD 1,000 - 6,000**

**CUSTOMERS** ■ Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn USD 5 - 10 per day and mostly live in rural areas. ■ Small businesses: formal household businesses, or small-scale enterprises, with monthly income over USD 300, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

**GEOGRAPHIC PRESENCE** ■ CA-Philippines is currently operating in 9 regions covering Central & North Luzon, Calabarzon, Bicol and Mindanao.

**BRANCHES** ■ **208**

**CLIENTS** ■ **201,000**

**EMPLOYEES** ■ **1,598**

## CA-PHILIPPINES HIGHLIGHTS

- **REACHED 200,000 ACTIVE CLIENTS**
- **1 MILLION DISBURSEMENT SINCE START OF OPERATIONS**
- **REACHED FULL YEAR PROFITABILITY**
- **REACHED NET PORTFOLIO TARGETS**



# PERFORMANCE HIGHLIGHTS

## CreditAccess Asia achieved € 36.3 million net profits

**The financial year which has just ended on March 31<sup>st</sup> 2019 will remain a cornerstone for CreditAccess Asia with two historical achievements above all:**

■ CA-Grameen was successfully listed on the Indian main stock exchanges and crossed USD 1 billion market capitalization. The Initial Public Offering was finalized in August 2018, at a size of € 141 million including primary issue and secondary sale, which was well received by the capital market with an oversubscription of 2.2 times from investors around the world.

■ All regional operating companies achieved full year profits resulting in all-times high profits for the Group, positioning it to a superior level with consolidated total assets of € 1,105 million, net-worth of € 378 million and net profit of € 36.3 million.

### BUSINESS GROWTH

The Group achieved two significant milestones: CA Grameen became the largest non-bank microfinance company in India by portfolio size<sup>1</sup> and the Group's total assets crossed the € 1 billion mark for the first time.

All Operating Companies enjoyed stellar growth during the year both from an operational perspective (clients, branches, employees etc.) and from a financial perspective (loans to customers, gross income, net interest income etc.). In terms of Gross Portfolio, CA Grameen posted a +49% YoY growth (including off-balance sheet portfolio), CA Indonesia +60%, CA Philippines +61%.

While the large majority of the loan portfolio follows the group lending methodology, we have seen significant demand for higher ticket lending products, so called retail lending, based on the individual credit assessment methodology. The retail lending portfolio at March 2019 is 6% of the Group portfolio, up from 2% in March 2018.

	INDIA			INDONESIA			PHILIPPINES		
	Mar-19	Mar-18	%	Mar-19	Mar-18	%	Mar-19	Mar-18	%
Loans to customers (€ mln)	921	617	49%	52	32	60%	29	18	61%
Avg p/customer (€)	373	334	12%	148	101	46%	145	105	38%
Customers	2,470,000	1,851,000	33%	349,000	319,782	9%	201,000	172,779	16%
Branch	670	516	30%	326	287	14%	208	142	46%
Employees	8,064	6,306	28%	2,901	2,720	7%	1,598	1,566	2%

### PROFITABILITY

The Group achieved an all-time high net profit of € 36.3 million (FY17/18 € 29.4 million). This is exceptionally positive considering that the realized capital gain of € 40 million on the sale of a portion of CA-Grameen shares at the IPO In August 2018 has not been booked through profit or loss but through equity as per IFRS standards.

Remarkably, all Operating Companies on a standalone basis reached full year profitability and sound performance indicators while sustaining an accelerated growth. The return on equity of CA-Grameen was compressed to 16% in FY18/19 on account of the abundant equity raised at the IPO. In the coming quarters CA-Grameen is expected to leverage its capital to optimal levels which will result in a better ROE.

	INDIA		INDONESIA		PHILIPPINES	
	Mar-19	Mar-18 <sup>2</sup>	Mar-19	Mar-18	Mar-19	Mar-18
Profit After Tax (€)	39,524,296	10,448,942	946,907	101,794	466,204	-1,482,710
Return on Avg. Assets (incl. off Balance Sheet)	5.1%	2.0%	2.3%	0.4%	2.0%	-9.1%
Return on Avg. Equity	16.5%	6.8%	12.1%	1.3%	10.2%	-27.3%
Capital Adequacy Ratio (incl. Sub. Debt)	32.2%	25.6%	19.2%	18.5%	21.6%	19.3%
Debt to Equity	2.0	2.6	5.4	3.7	6.0	3.8

<sup>1</sup>-Data reported as at June 30th 2019

<sup>2</sup>-Profit After Tax March 2018 has not been restated subsequent to the change of impairment methodology, as per IFRS 9, that resulted in a decrease of impairment allowance at March 2018. This could have resulted in the increase in profitability (via restatement of Profit After Tax March 2018), instead the effect is captured in retained earnings realted to prior year.

### QUALITY OF PORTFOLIO

All Operating Companies have introduced the new IFRS 9 standard to assess and report the quality of the portfolio. This represents not only an significant accounting change but also an important cultural shift from “incurred credit loss” approach to “expected credit loss” approach, whereby forward looking element are to be taken into account. Credit-Access Group has appropriately applied the new standard across all companies and furthermore it has been working on bringing forward the write-off of delinquent accounts. The combined effect of accelerated portfolio sanitation and appropriate provisioning resulted in low Gross NPA and nil Net NPA.

**India** ■ The operations in India have fully recovered from the long tail of the demonetization event in November 2017 and the portfolio originated post demonetization has witnessed quality performance that is comparable to pre-demonetization levels.

ICRA, Moody's Indian subsidiary, notched up the credit rating from “A Stable” to “A+ Stable”.

**Indonesia** ■ The NPA are under control and quality of portfolio showed remarkable signs of improvements. The credit risk is largely covered via credit insurance arrangements.

**Philippines** ■ The quality of the group lending portfolio, which represent the large portion of the book, remains outstanding with an historical credit cost of less than 1%. The GNPA reported by CA-Philippines is impacted by very slow write offs performed by the company resulting in a backlog of delinquent accounts still on the books. The credit loss allowance created by CA Philippines is sufficient to cover 100% of the Gross NPA.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS (in Euros)

	FY15/16	FY16/17	FY17/18	FY18/19
Interest income and fees	74.3	114.9	138.1	186.2
Interest expenses and fees	(37.3)	(53.5)	(51.5)	(59.8)
<b>Net interest margin</b>	<b>36.9</b>	<b>61.4</b>	<b>86.6</b>	<b>126.4</b>
Other income	0.5	0.8	1.9	7.8
Credit loss expenses	(1.0)	(15.2)	(23.7)	(11.0)
<b>Net intermediation margin</b>	<b>36.4</b>	<b>47.0</b>	<b>64.7</b>	<b>123.2</b>
Operating expenses	(31.3)	(41.5)	(52.9)	(65.1)
<b>Operating profit</b>	<b>5.1</b>	<b>5.5</b>	<b>11.9</b>	<b>58.1</b>
Taxation on result	(5.2)	(9.1)	(6.3)	(21.9)
<b>Net profit after taxes</b>	<b>(2.9)</b>	<b>0.6</b>	<b>29.2</b>	<b>36.3</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in Euros)

	FY15/16	FY16/17	FY17/18	FY18/19
Fixed Assets	23.1	24.7	20.9	21.9
Gross loan portfolio outstanding	357.4	486.0	667.9	936.4
Impairment allowance	(0.9)	(16.4)	(16.0)	(12.0)
Net loan portfolio outstanding	356.6	469.6	651.9	924.3
Cash and cash equivalents	54.7	71.3	34.4	125.6
Other assets	73.0	63.7	18.9	33.7
<b>Total assets</b>	<b>507.3</b>	<b>629.3</b>	<b>726.1</b>	<b>1,105.6</b>
Shareholders' equity	81.7	205.9	193.8	378.1
Finance debt	389.4	409.4	516.8	693.2
Other liabilities	35.9	13.5	14.9	33.3
Provisions	0.4	0.5	0.6	0.9
<b>Total liabilities and Shareholders' equity</b>	<b>507.3</b>	<b>629.3</b>	<b>726.1</b>	<b>1,105.6</b>

# SOCIAL CAPITAL AND IMPACT

## FINANCING FOR SUSTAINABLE DEVELOPMENT

### SOCIAL CAPITAL

"We can think of social capital as the links, shared values and understandings in society that enable individuals and groups to trust each other and so work together."

CreditAccess Asia is committed to financing sustainable development. We provide tailored financial services to households in India and Southeast Asia, which are lacking credit. Our customers are committed and resilient micro-entrepreneurs who require financial products and services to ensure the success of their businesses. Consequentially, the quality of life in their households is increased. This mutually beneficial relationship is made possible through the development of social capital. CreditAccess Asia has accumulated a wealth of social capital in the markets in which it operates, by being open and transparent and listening to its customer's requests.

"Social capital provides the glue which facilitates co-operation, exchange and innovation."

We harness the power of customer-centricity and build close relationships with our customers. Our employees work with our customers to build personalised products and services which customers are aware they are in need of and thus, value. We satisfy our customers by providing services which are customer-centric and continuously changing to suit their requirements, this guarantees that they continue to avail of our services.

Our subsidiaries in India, Indonesia and the Philippines encourage and facilitate financial literacy alongside the services which they provide. The impact is positive because both sides take responsibility and are aware of the consequences and benefits of the business relationship. Through transparency and education, we build understanding and trust, which leads to firm alliances with our customers.

### SOCIAL IMPACT AND THE SUSTAINABLE DEVELOPMENT GOALS

"Social impact investing provides finance to organisations addressing social and/or environmental needs with the explicit expectation of a measurable social, as well as financial, return. It aims to foster economic development while achieving social outcomes. It is one way of channeling many resources towards the Sustainable Development Goals promoted by the United Nations."

### CREDITACCESS ASIA CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS

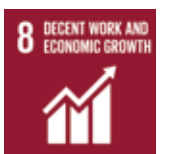
**CREDITACCESS ASIA IS MAKING SIGNIFICANT CONTRIBUTIONS TOWARDS REACHING THE SUSTAINABLE DEVELOPMENT GOALS (SDG'S).** The first Goal "No Poverty" is closely connected to the work of CreditAccess Asia. By providing access to finance for those who are unbanked or lacking access to credit, we empower people (primarily women) to grow their businesses and as a positive consequence they can tend to the needs of their families and support their households.



**THE FIFTH GOAL - "GENDER EQUALITY" AND THE TENTH "REDUCED INEQUALITIES" ARE INEXTRICABLY LINKED TO OUR BUSINESS,** by providing access to finance for millions of women (over 90% of our customer base) in rural areas, we are significantly supporting both of these goals, empowering women and giving them an opportunity to become entrepreneurs and broaden their personal and professional horizons.



**THE EIGHT GOAL - "DECENT WORK AND ECONOMIC GROWTH" IS ALSO INGRAINED IN OUR BUSINESS.** We employ over 12,000 people in Asia, ensuring decent working conditions and competitive compensation. CreditAccess Asia's financial products and services equip women with the necessary tools to become and/or sustain themselves as entrepreneurs and in many cases providing additional jobs in their businesses. Globally, micro, small & medium enterprises (MSME) are the backbone of the economy, due to the vast number of them in operation. MSME make up more than 90% of the world's businesses and in emerging markets 80% of newly created jobs are connected to MSME. MSME play a crucial role when it comes to stimulating the economy. However, this stimulation and growth is only achieved if MSME are adequately financed and supported through financial products and services and financial literacy programmes. The global MSME financing gap is estimated to be at USD 5 trillion. Hence, CreditAccess Asia continues upscaling its business to reduce this gap. Returns are key to achieving financial sustainability and continuing to support our customers and the economies in which we operate.



**Extensive Market Opportunities** ■ Overall, approximately **70%** of all micro, small and medium enterprises in emerging markets lack access to credit.

**India** ■ The micro sector in India accounts for over **99%** of the total estimated number of MSME.

**Indonesia** ■ 1 of the 5 countries worldwide with the highest formal MSME density.

**Philippines** ■ **99.56%** of business enterprises are MSME and **89.59%** of these are micro enterprises.





#### **The Netherlands**

CreditAccess Asia N.V.  
WTC Amsterdam Tower C-10  
Strawinskylaan 1043  
1077 XX Amsterdam  
**e** | [info@creditaccess.com](mailto:info@creditaccess.com)  
**t** | +31 20 808 0654

#### **Thailand**

CAA-BOS Ltd.  
191 Silom Complex Building 24th Floor  
Unit C Silom Road  
Silom, Bangrak Bangkok 10500  
**e** | [info.thailand@creditaccess.com](mailto:info.thailand@creditaccess.com)

#### **India**

CreditAccess Grameen Ltd.  
No.49, 46th Cross, 8th Block, Jayanagar  
(Next to Rajalakshmi Kalayana Mantap)  
Bengaluru 560071  
Karnataka  
**e** | [info@grameenkoota.org](mailto:info@grameenkoota.org)  
**t** | +91 80 22637300

#### **Indonesia**

PT. Bina Artha Ventura  
Grha Niaga Thamrin 3rd Floor  
Jl. KH Mas Mansyur RT 016 RW 009  
Kelurahan Kebon Melati  
Kecamatan Tanah Abang  
Jakarta Pusat 10230  
**e** | [communication@bina-artha.net](mailto:communication@bina-artha.net)  
**t** | +62 21 21392294-95 | ext. 100

#### **The Philippines**

CreditAccess Philippines Financing Company Inc. (OnePuhunan)  
Unit 2906 One San Miguel Avenue Office Condominium  
San Miguel Avenue cor. Shaw Blwd Bgy  
San Antonio  
Ortigas Center, 1600 Pasig City  
**e** | [info@onepuhunan.com.ph](mailto:info@onepuhunan.com.ph)  
**t** | +63 2 2340845