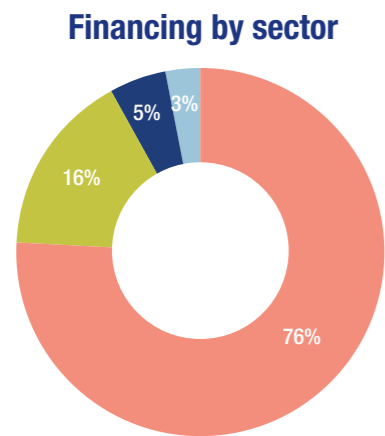
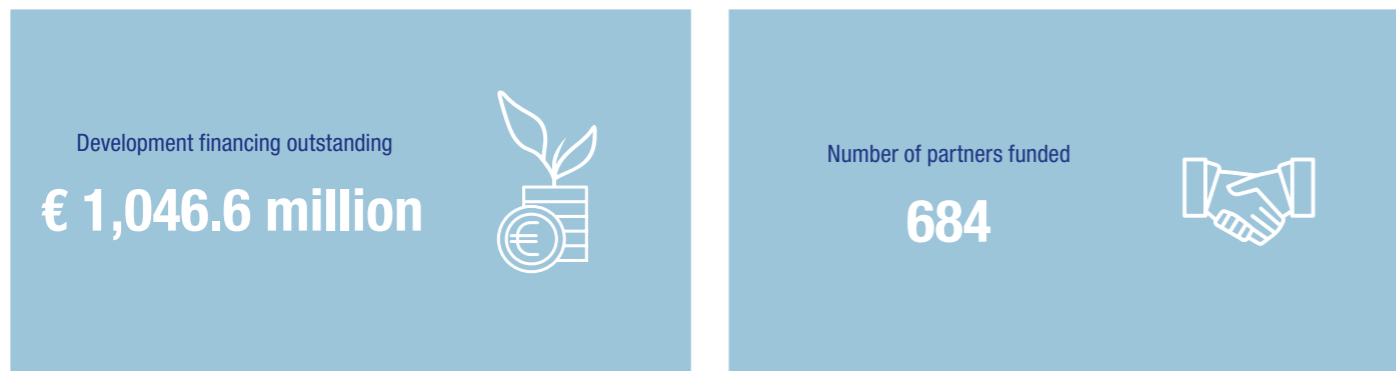


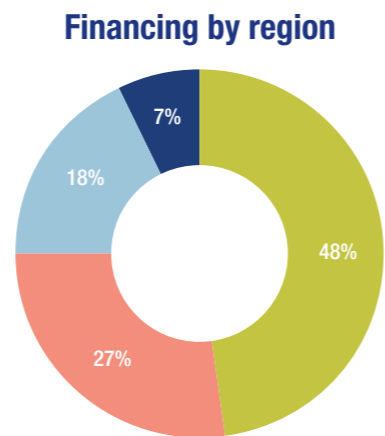


Maximising
social impact

Numbers that matter: in brief



Financial inclusion* Renewable energy
Agriculture Other



Asia Africa
Latin America and the Caribbean Other



Beauty salon owner and microfinance client Satya (left) and Managing Director of Oikocredit Thos Gieskes (right)

Maximising social impact

Impact is at the heart of everything we do. This was true when we made our first investments in the 1970s, and it's still true when we talk about the work Oikocredit does today.

Through our loans, investments and capacity building, we strive to maximise social impact. The data and stories in this report showcase our impact.

As a cooperative committed to building a better world, the impact we're interested in supports our mission: to invest responsibly and to challenge everyone to do so. For us, investing responsibly means providing financial services and support to organisations that aim to improve the quality of life of low-income people in a sustainable way.

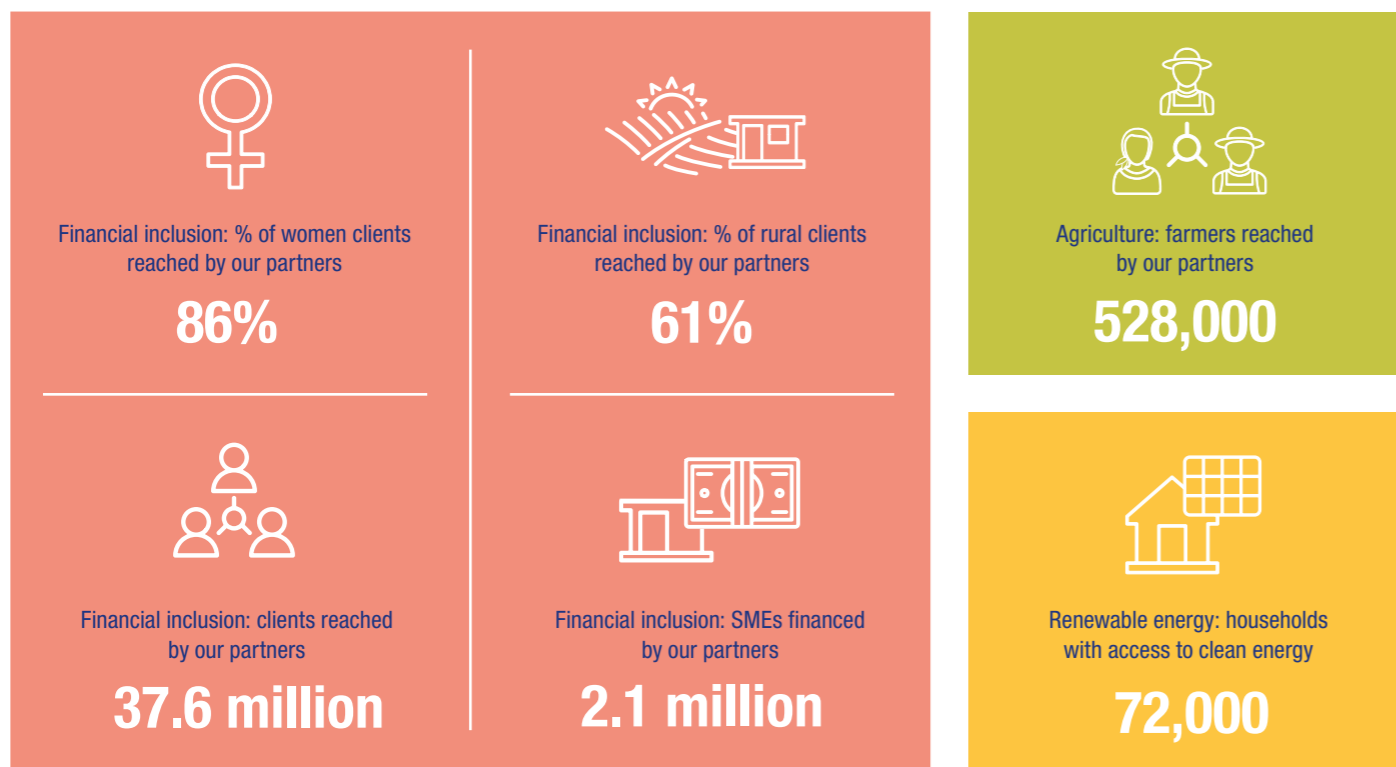
Oikocredit is uniquely placed to help advance sustainable development and tackle some of the pressing issues facing society, such as lack of access to finance, lack of access to clean energy, rural poverty and food insecurity. We've positioned our indicators within the United Nation's framework of the Sustainable Development Goals (SDGs), to help you understand how Oikocredit's impact also contributes to these global objectives (see pages 6-7).

In addition to creating impact through our financing and close relationships with partners, we provide capacity building (see pages 8-9). Capacity building is a segment of our offering which is growing in importance.

None of our impact would be possible without our members, investors and donors (see pages 8 and 19). With their support, we look forward to making an even more meaningful difference in the years to come.

You're perhaps already part of the Oikocredit movement, or maybe you're considering joining us. Either way, this report will help you see how our commitment to creating positive change is as strong today as it has always been.

Thos Gieskes
Managing Director
Oikocredit



Our organisation

Oikocredit is a social impact investor and worldwide cooperative with over four decades of experience in promoting sustainable development through investments. The principle of empowering low-income people to improve their livelihoods is central to our work.

Oikocredit supports partner organisations in developing countries through loans, equity investments and capacity building (see pages 8-9 for more on capacity building).

Our equity investments provide additional value to our partners through our active engagement as shareholders and by nominating board members to support the companies we invest in.

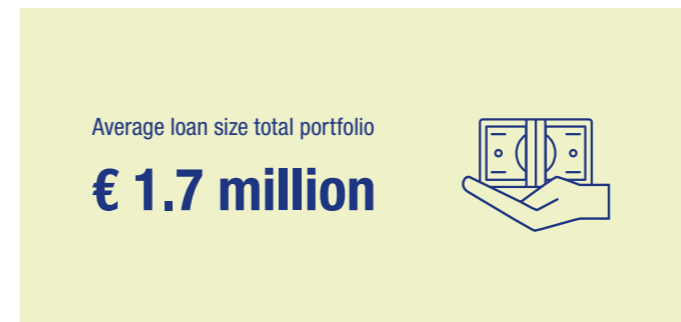
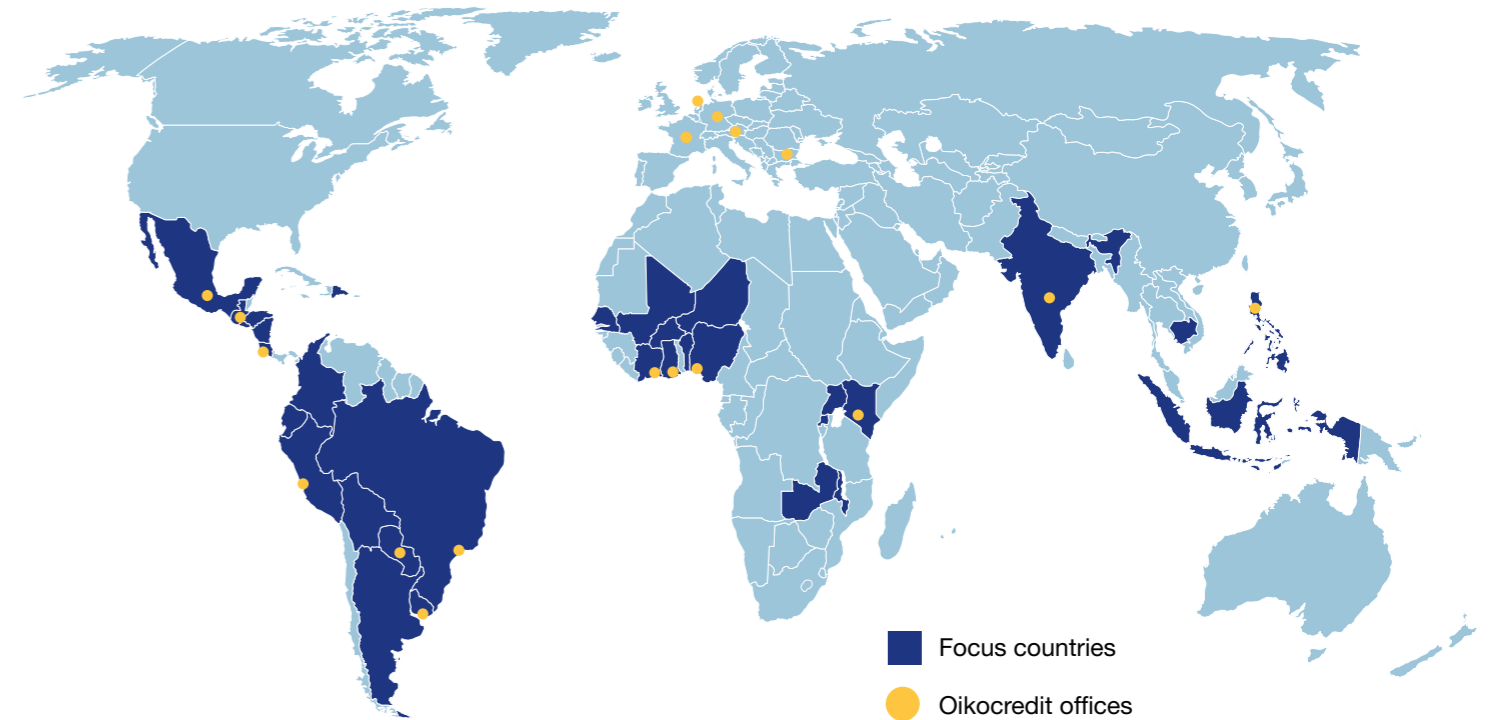
To maximise our social impact we focus our investments in three sectors — financial inclusion (more on pages 10-13), agriculture (more on pages 14-16) and renewable energy (more on pages 17-18) — in three regions: Africa, Asia, and Latin America and the Caribbean.

We're a global organisation with a local presence. Our network of experts responds to the needs of our partners and the people they serve, offering solutions that go beyond financing.

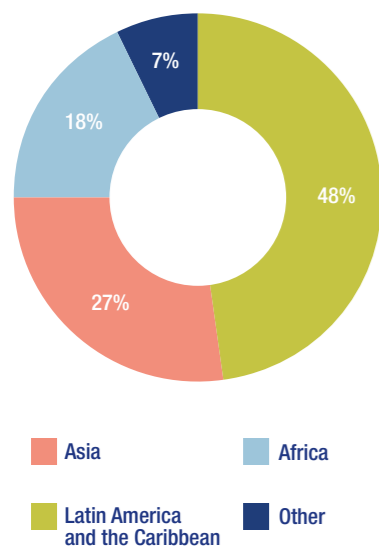
Our loyal and committed community of cooperative members and investors promote Oikocredit's work and provide us with the funds to make investments (see page 19 for more on our members and investors).

We prioritise social impact while safeguarding the environment and generating fair financial returns for our investors.

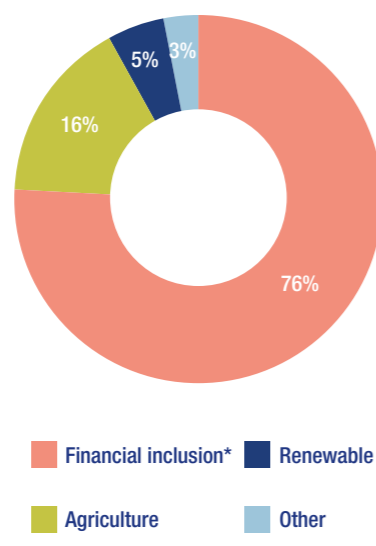
Our presence and focus



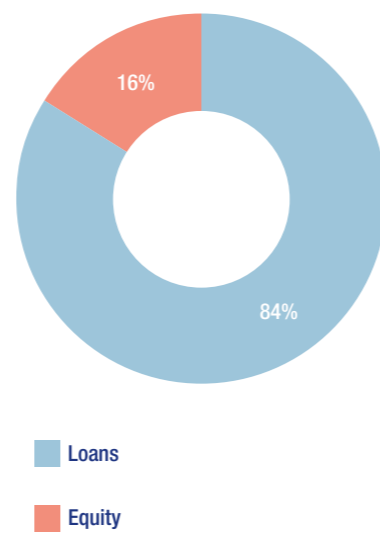
Financing by region



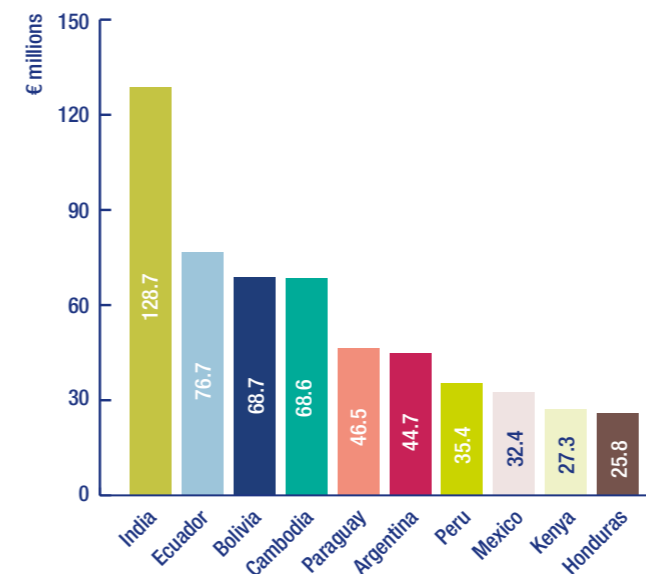
Financing by sector



Type of financing



Countries with highest capital outstanding







Oikocredit and the Sustainable Development Goals

Oikocredit actively contributes to the UN's Sustainable Development Goals (SDGs). In particular we contribute towards SDGs 1, 2, 5, 7, 8, 10 and 17.

We track our contribution to these goals with over 50 indicators. These indicators are aligned as closely as possible with the UN's SDG indicators as well as established impact-investing frameworks such as IRIS and Cerise.

In addition to the data reported elsewhere in this report, the indicators below provide a sample of the data we collect to track Oikocredit's contribution to the SDGs.

SDG	Goal	Oikocredit indicators	Results
	End poverty in all its forms everywhere	<ul style="list-style-type: none"> % of partners who track the Probability of Poverty Index of end-beneficiaries in financial inclusion % of partners tracking poverty changes of end-beneficiaries (of those reporting using the Probability of Poverty Index) Number of individuals with voluntary insurance Number of individuals with a savings account 	<ul style="list-style-type: none"> 17% 70% 11 million 18 million
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	<ul style="list-style-type: none"> Hectares utilised % of partners that have value chain development as a development objective % of partners that offer climate-smart agricultural training 	<ul style="list-style-type: none"> 2.5 million 56% 28%
	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> % of female employees in agriculture % of partners with gender equality as a development objective in agriculture 	<ul style="list-style-type: none"> 36% 59%
	Ensure access to affordable, reliable, sustainable and modern energy for all	<ul style="list-style-type: none"> Number of households using clean energy for income-generating activities Number of households with improved access to clean cooking 	<ul style="list-style-type: none"> 13,112 3,100

SDG	Goal	Oikocredit indicators	Results
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> % of partners with employment creation development objective % of microfinance partners that build capacities of beneficiaries 	<ul style="list-style-type: none"> Financial inclusion: 51.9% Agriculture: 74% 65%
	Reduced inequalities	% of financial inclusion partners who have endorsed Client Protection Principles standards	73.60%
	Strengthen the means of implementation and revitalise the global partnership for sustainable development	Number of partners (or potential partners) that received capacity building	143

SUSTAINABLE DEVELOPMENT GOALS



Capacity building: our unique approach

Oikocredit provides more than just financing. Through our capacity building support, our partners can access new technology, knowledge and skills. This helps them grow and improve the products and services they can offer to their clients.

Our agriculture programme trains farmer organisations in areas such as crop renovation and risk management, and develops technical skills at farmer level.

The financial services programme supports partners in delivering responsible financial services. We support partners in client protection, financial literacy for clients and other aspects of social performance and risk management.

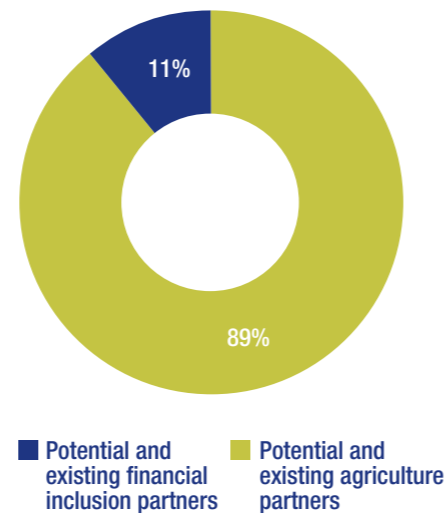
Through our client outcomes programme, we help financial institutions track, interpret and report changes in the lives of their clients. Our partners can then use these insights to improve their businesses and strengthen their offering for the people they serve.

Our donors

As well as donation funds from our investors and Oikocredit's own contribution, our capacity building activities are funded by:

- African Guarantee Fund
- Brot für die Welt Protestant Development Service
- Church of Sweden
- Evangelical-Lutheran Church in Württemberg
- Multilateral Investment Fund, managed by Inter-American Development Bank (IDB)
- Rabobank Foundation

Who received capacity building?



Examples of our capacity building projects

Supporting smallholder farmers and local produce in East Africa



Project overview: Better marketing and farmer mentorship to develop the nuts and honey value chains in Kenya

Partner involved: Greenforest Foods, a processor and seller of nuts and honey in Kenya

Goals: Strengthen Greenforest Foods' brand to improve sales, and train Kenyan farmers in honey production and financial literacy

When did it happen: 2015-2017

Who benefited: Local farmers and the local economy, as more Kenyan farmers are encouraged to produce nuts and honey and thus reduce imports

What was the impact: The capacity building supported Greenforest Foods in increasing its sales by 10% between 2016 and 2017. This enabled the company to invest in new machinery, for example a new drying machine for the peanuts. The boost in profits enabled Greenforest Foods to pay its farmer suppliers more for their peanuts and honey. The capacity building also enabled Greenforest Foods to mobilise 400 new farmers into cooperatives

Who made it possible: Oikocredit used € 20,000 of its own funds to finance this capacity building

“More jobs will be created because we are building more capacity, and jobs will be transferred to rural areas. When a lot of jobs are transferred to rural areas, more people will stay there.” Athanas Matheka (pictured, top right), CEO and founder of Greenforest Foods

Targeting gender equality in financial services in the Philippines

Project overview: Training for the staff and clients of microfinance institutions (MFIs) to bridge the gender gap in financial inclusion

Partners involved: Two MFIs in the Philippines, NWTF and another partner that has since repaid its loan

Goals: Enable economic empowerment through improved gender relationships, and allow our partners to develop enhanced products tailored to their clients' financial needs

When did it happen: 2017-2019

Who benefited: The MFIs' clients, who are mainly low-income women, micro entrepreneurs and other disadvantaged communities

What was the impact: Increased incomes and savings, increased awareness of gender imbalances in the family, and improved skills to negotiate gender roles to create more time for women to engage in economically productive activities

Who made this possible: Church of Sweden with a donation of € 82,000

“Before the training, it felt like just one cycle of borrowing and paying. Now my loans have purpose. I was taught how to define my own vision and plan accordingly to achieve my goals.” Irene Valdez (pictured), shop owner and microfinance client



Money spent on capacity building

€ 0.9 million

Number of partners and potential partners that received capacity building

143

Number of countries where capacity building took place

24

Focus sector: financial inclusion

Why do we invest in financial inclusion?

Worldwide 1.7 billion¹ adults have inadequate access to formal financial services and do not hold accounts with a financial institution or mobile money provider. 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 or livelihood needs, or to invest in a better future.

Our work promotes financial inclusion through partnerships with microfinance institutions and employment generation through financial service providers that support small to medium enterprises (SMEs).

People benefit from Oikocredit's work both through the provision of financial services via microfinance partners as well as job creation and the provision of loans for small and medium businesses through partners providing financial services to SMEs.

How do we create impact in financial inclusion?

Within financial inclusion, Oikocredit concentrates on three target segments:

- **Microfinance institutions (MFIs)**
 - Providing responsible financial services for low-income people
 - Contributing to financial security and economic empowerment
- **Financial institutions supporting small and medium enterprises (SMEs)**
 - Providing responsible financial services for SMEs
 - Contributing to job creation and retention, and improved financial health for SMEs
- **Non-traditional financial institutions**
 - Providing technology-driven responsible finance
 - For example, fintechs offering digital financial services to individuals and SMEs
 - Using financial technology to increase efficiency and improve services to clients

In addition to offering loans, equity investments and capacity building in these segments, Oikocredit is also committed to furthering best practices among peers.

For example, in 2018 we contributed to the creation of the Guidelines for Investing in Responsible Digital Financial Services. The guidelines are intended to benefit digital financial service providers and their customers by helping investors better evaluate and manage risks associated with digital transformation and digitalisation.

¹ Source: World Bank 2018, Global Findex Database 2017

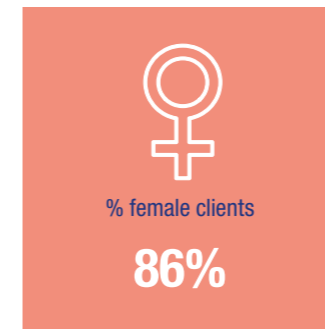
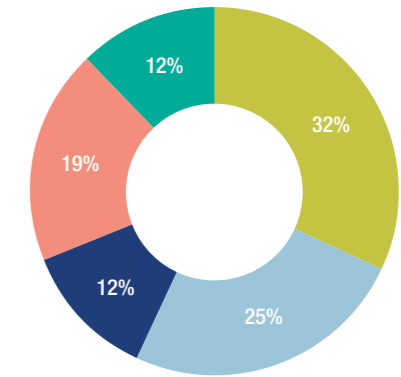
Contributing to:



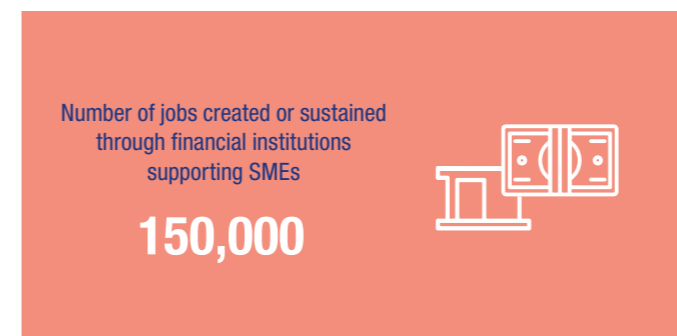
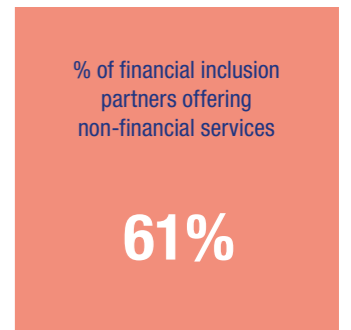
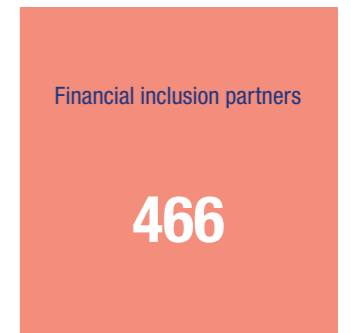
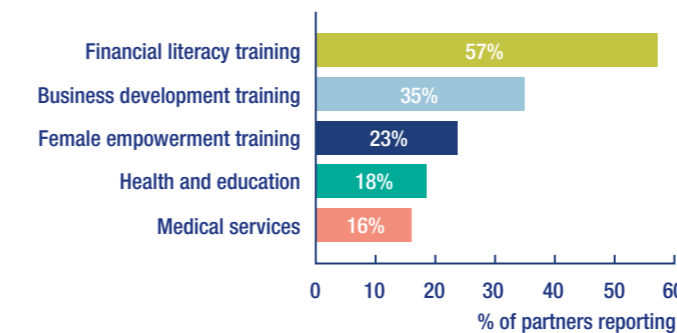
In numbers



Occupation of microfinance clients



Most popular types of non-financial services offered by microfinance partners



Impact story: microfinance

Annapurna Microfinance Pvt. Ltd, India

About the partner

- **Oikocredit partner since:** 2010
- **Type of organisation:** Microfinance institution
- **Type of clients:** Low-income women in rural areas
- **Number of clients:** Over one million
- **What's the impact:** Empowering women to become socially and economically self-sufficient by providing loans to support micro businesses such as agricultural activities, tailoring, embroidery and small trading
- **How we support this partner:** Equity investment and a loan of INR 100,000,000 to support onward lending

About the client

Minati Behera (pictured) is secretary for the women's self-help group in Baba Raghunath. The group operates from a community that began as a leprosy colony. The group produces and sells ropes made from coconut fibres.

Loans from Annapurna have enabled the group to invest in machinery to improve production. An electric machine has allowed them to increase production five-fold.

The profits from the ropes are divided equally among the eight women members of the self-help group. They plan to buy a motorbike to transport their ropes to market in order to increase their distribution capacity.



Impact story: SME finance

Conceces, Mexico

About the partner

- **Oikocredit partner since:** 2004
- **Type of organisation:** Credit union
- **Type of clients:** Micro and small enterprises
- **Number of clients:** Over 200
- **What's the impact:** Conceces plays an important role in the local economy. They operate in areas where many small businesses struggle to access financial services. As a member-based organisation, the loans it provides are mainly raised by fellow members which ensures competitive interest rates and repayment commitment among borrowers
- **How we support this partner:** A loan of MXN 50,000,000 to fund small enterprises and support their staff and families

About the client

Moisés Genaro Sánchez (pictured) owns Sombreros Sanchez, a small business that sells locally produced straw hats to local and international markets. Moisés's father started the company with loans from Conceces in 1993.

Moisés buys hats from thousands of producers who make the hats by hand. Many of the producers work in sectors such as farming. Hat-making earns them a side-income. In addition, Moisés employs over 20 people at his factory.

With working capital from Conceces, Sombreros Sanchez has been able to withstand difficult times, paying for the stock upfront to keep the production at a consistent level.

Focus sector: agriculture

Why do we invest in agriculture?

There are over 500 million smallholder farms worldwide¹ that play a critical role in world food production, but most are vulnerable to climate change, volatile pricing and unfair competition.

Investment in agriculture is one of the most effective ways of reducing rural unemployment and poverty and contributes to local food security, but smallholder farmers often lack access to finance. The untapped demand for smallholder finance is estimated at over US\$ 150 billion.²

Oikocredit helps to address this demand and aims to improve the lives of smallholder farmers. Our agriculture portfolio supports small-scale farmers by providing access to finance and capacity building for agricultural cooperatives, producers, processors and distributors.

How do we create impact in agriculture?

The biggest crops in our agriculture portfolio³ are:

- Coffee
- Grains
- Cocoa
- Fruits
- Vegetables

Oikocredit supports financing cash crops with smallholders since these are normally the primary source of farm income used to cover household and education expenses. Our approach is to finance these crops while also promoting crop diversification with climate smart agriculture.

We also collaborate with peer organisations to champion responsible agriculture.

For example, in 2018 we signed the International Fair Trade Charter. The charter sets down the fundamental values of Fair Trade and defines a common vision toward achieving the Sustainable Development Goals (SDGs).

¹ Source: FAO 2017, The future of food and agriculture

² Source: Initiative for Smallholder Finance, RAF Learning Lab, and Dalberg 2016, Inflection Point: Unlocking growth in the era of farmer finance

³ Based on the top five crops in investment amounts and in number of partners for the years 2016-2018

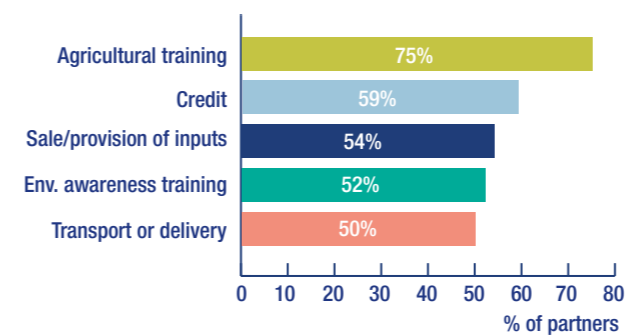
Contributing to:



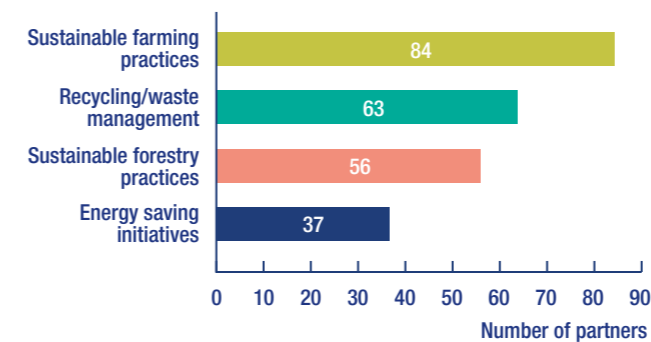
In numbers



Agriculture partners offering additional services to farmers



Number of partners engaging in environmental practices



Impact story: agriculture

Cooperativa de Servicios Múltiples Aprocassi, Peru

About the partner

- **Oikocredit partner since:** 2012
- **Type of organisation:** Cooperative of smallholder coffee farmers
- **What's the impact:** Aprocassi increases the wellbeing of its members by selling their coffee to local and international markets at higher prices. It also offers its members credit lines, educational training and technical assistance
- **How we support this partner:** A loan of US\$ 1,250,000. In 2018 Aprocassi participated in the Price Risk Management programme, which Oikocredit and collaborators offer to partners in Latin America. The programme provides training in managing coffee-price volatility

About the client

Dalinda Castillo (pictured) is president of Aprocassi's Women's Committee. Aprocassi's women members grow coffee and own their own land. They also run a cafeteria.

Dalinda works her plantation alone with help from family members. Her plantation is one hectare in size, which is half the average size owned by Aprocassi members.

Dalinda cannot live from coffee-growing alone. She therefore has livestock, grows vegetables and even works in Aprocassi's administration.

The cooperative is her community. Dalinda says: "We all stick together, the producers – men and women – all kind and strong people."



Focus sector: renewable energy

Why do we invest in renewable energy?

About one billion people¹ live without access to clean, affordable and reliable electricity. More than 40% of the world's population² do not have access to clean fuels and technologies for daily cooking, leading to some four million premature deaths a year as a result of indoor air pollution.

Oikocredit supports the provision of affordable renewable energy in areas where it is most needed. In doing so, Oikocredit is responding to the challenges of energy exclusion as well as climate change. Our financing enables the provision of renewable energy in underserved regions, helping Oikocredit's partners introduce clean energy to low-income communities.

How do we create impact in renewable energy?

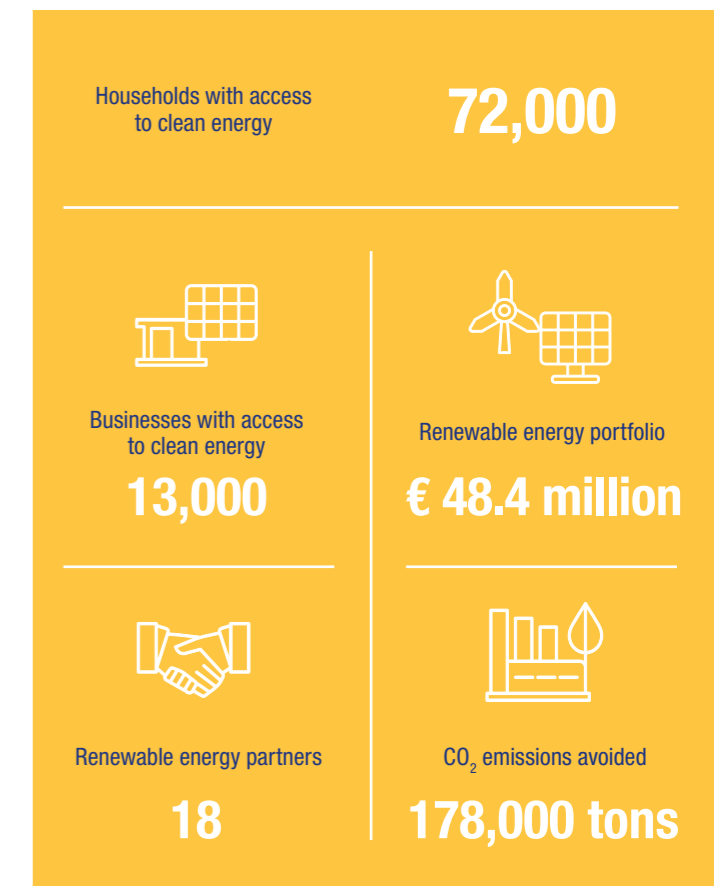
We invest in projects that generate maximum social impact, in particular:

- **Off-grid solar**
 - Providing energy-poor homes and businesses with electricity
 - Generating solar home systems and mini-grids
 - Offering pay-as-you-go business models
- **On-grid infrastructure projects serving energy-poor communities**
 - Using renewable energy technologies like solar, wind, hydropower and biomass
- **Clean cooking**
 - Offering a clean alternative to traditional biomass methods
 - Reducing negative impact on health and environment

Focusing our work in renewable energy in this way ensures we only invest where there are obvious benefits for local communities, such as improved living standards and health.

¹ & ² Source: World Bank 2018, SDG7 Tracking: The Energy Progress Report

In numbers



Contributing to:





Members and investors: making our impact possible

Oikocredit is a cooperative society with member organisations all over the world. Our global member and investor community is unmatched: our loyal members and investors share our aim of creating positive impact for low-income people.

Hundreds of people volunteer their time for Oikocredit through our support associations, promoting Oikocredit's work and running development education campaigns.

We offer our investors the chance to be part of a global movement for social change.

What our investors say

“ I believe investing in Oikocredit contributes to a more equal distribution of opportunities among communities globally. By investing in Oikocredit you're not just demanding a more sustainable world, you are actually creating it.”

Jeroen Schols, investor, the Netherlands



“ Our church has been with Oikocredit since the very beginning. Oikocredit is an asset to our church as it helps the church fulfil its duties, caring for people and the planet. I see Oikocredit as a helping hand extended to the disadvantaged.”



Huub Lems, representative of Oikocredit member the Protestant Church in the Netherlands



“ For me it's essential to invest responsibly and align my investments with my values. I've also seen the benefits of microcredit for women entrepreneurs and their families. That's why I invest with Oikocredit and engage as a volunteer.”

Brigitte Monsou, investor, France

Impact story: renewable energy

PEG Africa, Ghana

About the partner

- **Oikocredit partner since:** 2016
- **Type of organisation:** Supplier of home solar systems
- **Type of clients:** Low-income households in rural and peri-urban communities
- **What's the impact:** Improved living standards through the provision of clean energy and improved income and education by extending working and studying hours into the evening. PEG Africa is also able to offer flexible payment plans to its customers
- **How we support this partner:** A loan to PEG Africa with fellow investors responsibility and SunFunder worth a total of US\$ 1,500,000 (US\$ 500,000 per lender) to support the growth of off-grid solar in West Africa

About the client

Aburi Tsri (pictured) runs a grocery shop with her daughter in the centre of her village. Her shop is connected to the grid, but Aburi had to close her shop two or three evenings a week because of power cuts.

Aburi had PEG's solar system installed in her shop. She can now keep her shop open every evening and no longer uses electricity from the grid to light her shop. The bulbs connected to the solar panel provide brighter light, and the electricity from the solar system is cheaper than the grid.



Number of investors

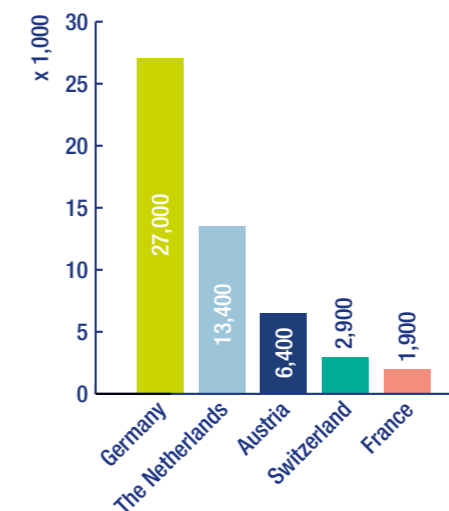
57,000



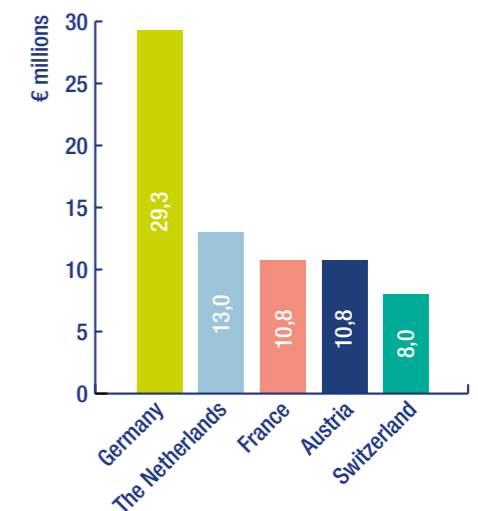
Member capital

€ 1,082.5 million

Top five countries: number of investors



Top five countries: inflow



Partnering for impact

We seek to develop partnerships rather than simply conclude transactions or projects.

In addition to the partners in which we invest, Oikocredit works with multiple stakeholders, including the organisations below, to catalyse positive change for people on low incomes.

Oikocredit International



☎ +31 33 422 40 40
 ✉ info@oikocredit.org
 🌐 www.oikocredit.coop

Visiting address
 Berkenweg 7
 3818 LA Amersfoort
 The Netherlands

Postal address
 PO Box 2136
 3800 CC Amersfoort
 The Netherlands

This document was produced by Oikocredit, Ecumenical Development Cooperative Society U.A. (Oikocredit International) with the greatest of care and to the best of its knowledge and belief at the time of writing. Oikocredit International provides no guarantee with regard to its content and completeness and does not accept any liability for losses which might arise from making use of this information.

Photos by: Anatrans (page 15), Capture Ghana (front pages 1, 17 and 18), Jet van Gaal (page 19) and Opmeer Reports (all other photos).
 Featured on front page: Francis Adornor, carpenter and client of PEG Africa. For more on PEG Africa see page 18.