



investing in people

### 1. INVESTING IN DEVELOPMENT AND THE TRIPLE BOTTOM LINE RETURN

Oikocredit is a 42-year old international co-operative and leading world-wide social impact investor. [The name comes from the Greek for community and dual Latin meanings of credit: loan & belief].

Together with the social enterprise partners in whom we invest, we dedicate ourselves to providing wide-ranging financial and technical support for improving the livelihoods of people and communities in low-income and developing countries. Specifically, we provide loans, equity and technical capacity-building funds to revenue-generating, mid-stage social enterprises with a proven track record for investing in development, suitable governance and robust impact measurement. We remain actively involved with our partners throughout the duration of our investment via our extensive network of on-the-ground, local offices. Our focus is on positive social and environmental outcomes that will ultimately deliver financial returns.

Established in 1975, and headquartered in the Netherlands, Oikocredit's investment mission is built around a true triple bottom line return – for people, planet and profit. We are guided by the principle of empowering people, believing that the most effective and sustainable means of assisting the most disadvantaged groups in the world is by providing them with an opportunity to create their own paths out of poverty through the instrument of investment. Oikocredit therefore invests in over 800 social enterprise partners that provide financial services and other support to individuals and communities in nearly 70 low-income and developing countries across sub-Saharan Africa, Asia, Latin America and central & eastern Europe.

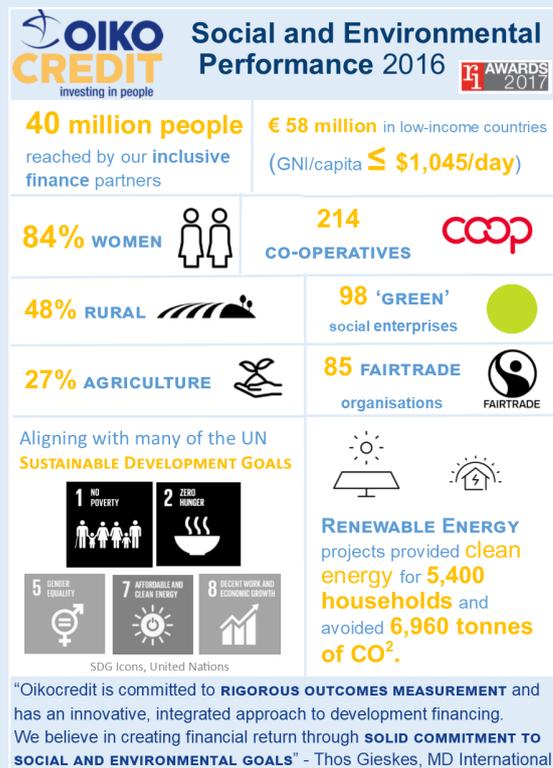
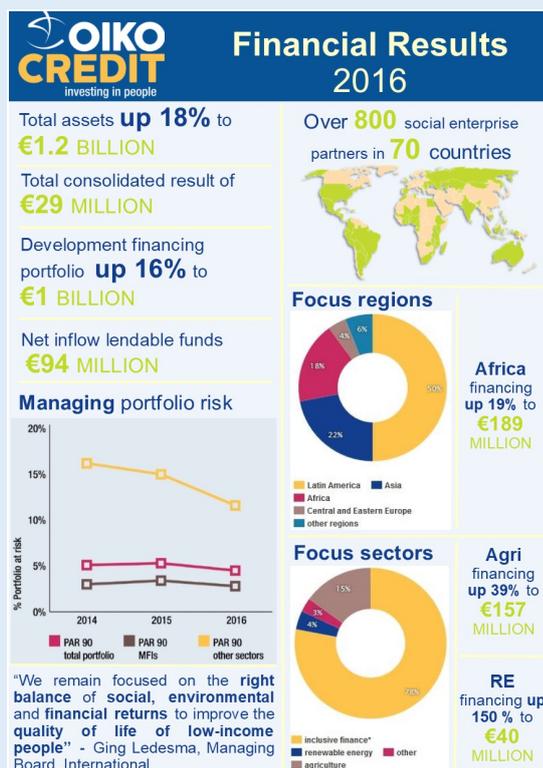
### 2. ALIGNING WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Oikocredit has worked for decades in the areas that the UN's Agenda for Sustainable Development addresses. Our activities, and related social and environmental metrics & reporting, support the achievement of many of these sustainable development goals through the partners we finance and the capacity-building activities we undertake - in particular, SDGs 1, 2, 5, 7 and 8.



SDG Icons: United Nations

### 3. SUMMARY OF FINANCIAL, SOCIAL AND ENVIRONMENTAL PERFORMANCE 2016



PEG off-grid solar energy, Ghana.  
Photograph: PEG Ghana, 2017



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#### 4. OUR PRIMARY INVESTMENT SECTORS

- **Inclusive Finance (€ 815 million):** Around **2 billion adults** (38% of total) in the world still **lack access to the basic financial services** they need to grow their own income-generating activities and build a path out of poverty. The problem is particularly marked for women. Oikocredit targets these issues by providing loans, equity and other support to inclusive finance enterprises (including microfinance institutions and co-ops), placing particular emphasis on **women's economic empowerment & rural communities** (e.g. *KWFT Kenya, Anapurna India*).
- **Agriculture, including co-operatives, fair trade and organic (€ 157 million):** Around **1 in 4 of the world's poorest people live in rural areas**, relying on smallholder agricultural activities to meet their daily needs. 70% of the world's agricultural production comes from these smallholder farmers who are also **most at risk** from the impacts of **climate change** on their crops as well as **volatile pricing** and **unfair competition**. As one of Oikocredit's strategic growth sectors, we support this group by providing finance and technical assistance to agricultural co-operatives, fair trade producers, suppliers and distributors. We place particular emphasis on ensuring that they can secure fairer, more robust positions in the value chain and build greater resilience in the face of climate change and other obstacles (e.g. *Divine Chocolate, Cafédirect, Ambootia Tea Estates, Cocafcal*).
- **Renewable Energy (€ 40 million):** Around **1.2 billion people** world-wide live **without access to clean, affordable energy**, and around **4 out of 5 live in rural**, often **remote, off-grid** areas. As another strategic growth priority for Oikocredit, we invest in ventures that provide renewable energy in underserved regions in a way that is economically, socially and foremost environmentally sustainable (e.g. *BBOXX Rwanda, PEG Ghana*).

Oikocredit operates through its regional offices and **supplements its impact investment activity** with **capacity-building donations** raised from investors (via dividend contributions) and institutions (for example, the Church of Sweden). This top-up funding is used to enhance the technical skills of partners and their end beneficiaries, while helping to de-risk your investment.



#### 5. OUR CRITERIA FOR INVESTING IN PARTNERS

The majority of Oikocredit's investments in social enterprises and inclusive finance institutions range between € 2 - € 15 million per project. We are one of the largest private providers of investment to the inclusive finance sector, and to Africa (€ 189 million in 2016, +19% versus 2015). Our core criteria for investing in partners includes:

- Investments that will **create income and jobs** for **financially-excluded groups** - particularly women and rural communities.
- Activities that promote **fair trade** principles and adhere to strict **client protection** principles.
- Projects where **women** are influential in management and/or implementation (over 50% of our partners have a gender policy).
- Activities that are responsible in terms of their **environmental impact** (over 60% of our partners have an environmental policy. 98 of our partners are classified as 'green' enterprises).
- Projects that are **financially sustainable**, or can soon become so, and have **suitable governance** in place.

#### 6. INVESTING IN OIKOCREDIT AS AN INDIVIDUAL OR ORGANISATION

Investment is by way of depository receipts in the **Oikocredit International Share Foundation (OISF)** and can be in either GBP Sterling or EUROS. A consistent 2% gross dividend has been paid each year, every year since 2000\*, although there is likely to be some future reduction in the dividend in order to factor in the low, global interest rate environment. Investors have always had their capital repaid. The minimum investment is £150 or €200. There is no maximum investment; no fixed notice period, and no annual management charges. Investments can be made as lump sums or instalments; and by cheque, bank transfer or standing order.

**Terms and conditions apply. Your investment is at risk. It is not covered by a Financial Compensation Scheme and is potentially illiquid. If you are in doubt about the suitability of this investment, please contact a financial advisor. Past performance is not a guide to future performance and repayment of your investment is not guaranteed. Oikocredit have the right to postpone redemptions for up to 5 years.**

Although depository receipts have similar characteristics to ordinary shares, they do not come with voting rights, thereby protecting the triple bottom line mission of Oikocredit and ensuring a sustainable balance between financial, social & environmental returns. Over 80% of investors' capital reaches the field within 3 months, with a further 15% held statutorily on reserve for liquidity.

**IF YOU ARE INTERESTED IN FINDING OUT MORE ABOUT INVESTING IN OIKOCREDIT**

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