BlueOrchard Academy

MICROFINANCE - CONTRIBUTION TO PORTFOLIO DIVERSIFICATION AND MEASURABLE IMPACT

October 2024

Marketing material for professional clients and qualified investors.

Do microfinance investments contribute to efficient portfolio diversification?

For over two decades, microfinance investments have offered investors the dual opportunity to achieve attractive risk-adjusted financial returns while generating a positive impact in emerging markets. As a specialised subset of impact investments, microfinance is recognised as an asset class that provides distinct advantages, including low correlation with traditional asset classes, reduced volatility, and effective inflation hedging. These attributes render microfinance an appealing choice for investors aiming to optimise their portfolio diversification strategies.

Key takeaways

We believe that microfinance investments represent a compelling asset class for investors seeking to diversify their portfolios while optimising efficiency. The unique resilience and low correlation of this asset class make it an appealing investment choice, offering favourable risk-return profiles within a global investment portfolio. As demand for financial services in emerging and frontier markets continues to rise, microfinance investments are expected to remain a critical option for investors aiming to achieve both financial returns and positive social impact. In this paper, we discuss the investment and portfolio characteristics highlighted below.

Low correlation and volatility: Microfinance investments provide low correlation and volatility, making them a strategic choice for portfolio diversification, particularly in response to rising interest rates.

Rapid sector growth: The microfinance sector is expanding rapidly, driven by the critical need to deliver financial services to underserved populations and micro, small, and medium enterprises (MSMEs) in emerging markets.

Resilience across economic cycles: Microfinance investments have demonstrated notable resilience during various economic cycles and market disruptions, attributable to their low correlation with macroeconomic fluctuations and traditional asset classes.

Strong historical drawdown protection: Microfinance have proven to provide limited drawdown during the months where the drawdown have been worst for equities and bonds.

Attractive risk-return metrics: When evaluated against traditional asset classes, microfinance investments exhibit compelling risk-return profiles.

Enhanced portfolio efficiency: Microfinance can significantly enhance portfolio efficiency, especially within fixed income-heavy strategies, while sustaining returns and mitigating risk.

Key risk mitigants: Robust credit analysis and systematic portfolio diversification are essential components that support the resilience of the microfinance asset class.

Reduced capital requirements: Microfinance low volatility and risk profile, may serve to reduce capital requirements under Solvency II, which measures capital charges based on risk profile of assets

Unique risks: Impact investments in emerging and frontier markets may entail unique risks, particularly those associated with foreign currency exposure.

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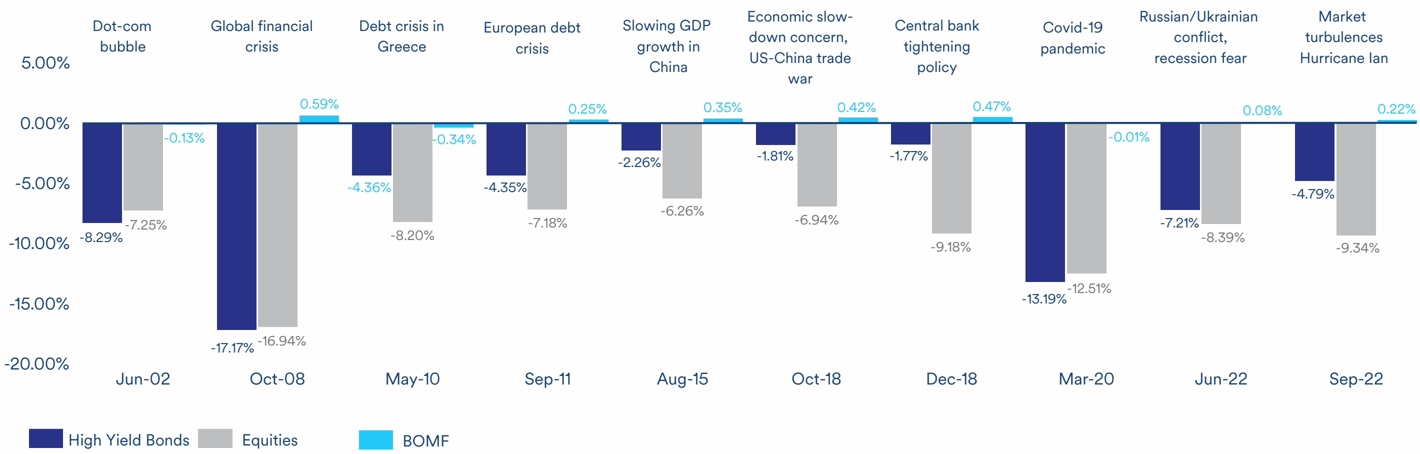
The financial angle: Resilient, low correlation

In contrast to traditional asset classes, microfinance investments have demonstrated notable resilience during significant market disruptions. Typically, when markets experience pressure, correlations among traditional asset classes tend to increase; however, microfinance investments have consistently deviated from this trend.

The BlueOrchard Microfinance Fund (BOMF) exemplifies this resilience, boasting a track record of over 20 years in navigating market challenges while maintaining consistent performance relative to other asset classes, as illustrated in Chart 1.

Chart 1: Strong historical drawdown protection

Monthly market drawdowns: Major macroeconomic events since BOMF's launch [1]



1. Note: Highest monthly returns during global macro-events. BOMF performance net of fees. Equities: S&P500 Index, High Yield Bonds: BofA Merrill Lynch Global High Yield Index. The indexes are used for illustrative purposes only and are not the official benchmark of the fund. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of investments to fall as well as rise. Performance data does not take into account any commissions and costs, if any, charged when units or shares of the fund are issued and redeemed. Source: BlueOrchard, Refinitiv, Bloomberg.

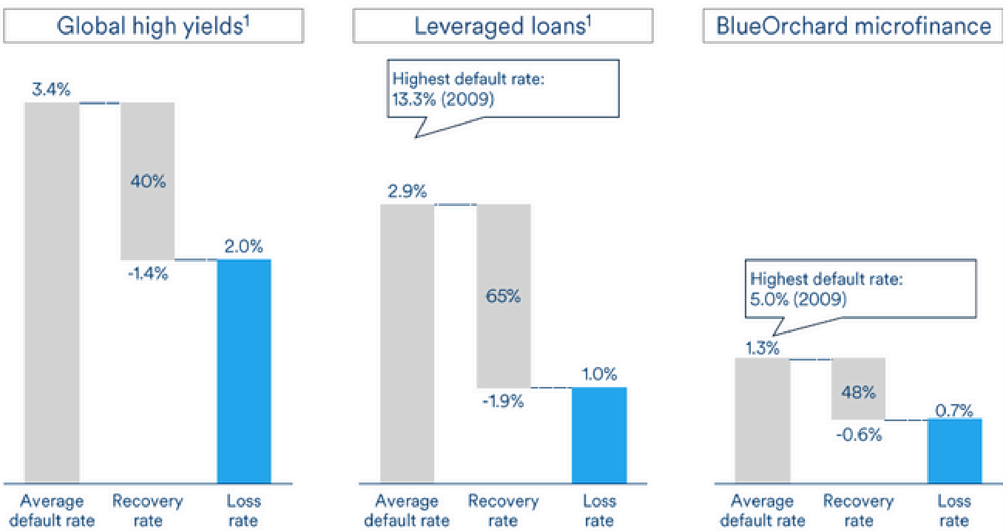
Several factors contribute to the low correlation of microfinance investments with traditional markets. Microfinance institutions primarily extend loans to small, local businesses that are less susceptible to global economic fluctuations, focusing on essential goods and services within the "real" sector. Additionally, BlueOrchard actively manages currency risk and prioritises floating-rate loans in its portfolios. This strategy ensures that the value of these loans adjusts in response to interest rate changes while mitigating foreign exchange risks associated with local currencies.

Furthermore, microfinance investments offer substantial portfolio diversification. As of December 2023, BOMF's portfolio comprises loans to 165 microfinance institutions across 53 countries, ultimately benefiting 1 million MSMEs.

This broad diversification across various regions and a significant number of financed MSMEs result in low internal correlation with macroeconomic events and traditional markets, contributing to low default rates and consistent performance (refer to Charts 2, 3, and 4).

Chart 2: Historically low rate of default across microfinance sector [2]

Default rates of global high yields, leveraged loans, and BlueOrchard microfinance.
Effective diversification and rigorous risk management practices result in low default rates and decent recovery rates.



2. As of December 2023. Based on historical data since 2001. Source: BlueOrchard. JP Morgan.

Chart 3: Risk-Return enhancement through decorrelation

Microfinance vs. major asset classes (correlation matrix) [3]

	LIBOR/SOFR 6m	Global Aggr Bond index	MXWO Index	MXEF Index	SMX	Infra	PE	PD	RE	PC
LIBOR/SOFR 6m	1	-0.016	-0.041	0.032	0.457	0.131	-0.149	-0.035	0.004	-0.091
Global Aggr Bond index	-0.016	1	0.510	0.490	0.139	0.081	0.167	0.170	-0.066	0.138
MXWO Index	-0.041	0.510	1	0.824	-0.024	0.290	0.478	0.491	0.212	0.469
MXEF Index	0.032	0.490	0.824	1	0.026	0.292	0.412	0.463	0.156	0.409
SMX	0.457	0.139	-0.024	0.026	1	0.056	0.001	-0.014	-0.047	0.000
Infra	0.131	0.081	0.290	0.292	0.056	1	0.625	0.640	0.658	0.695
PE	-0.149	0.167	0.478	0.412	0.001	0.625	1	0.804	0.655	0.983
PD	-0.035	0.170	0.491	0.463	-0.014	0.640	0.804	1	0.576	0.860
RE	-0.004	-0.066	0.212	0.156	-0.047	0.658	0.655	0.576	1	0.749
PC	-0.091	0.138	0.469	0.409	0.000	0.695	0.983	0.860	0.749	1

Overall, microfinance investments present an opportunity for investors seeking a blend of attractive risk-adjusted financial returns and positive social impact while serving as a safeguard against global economic volatility.

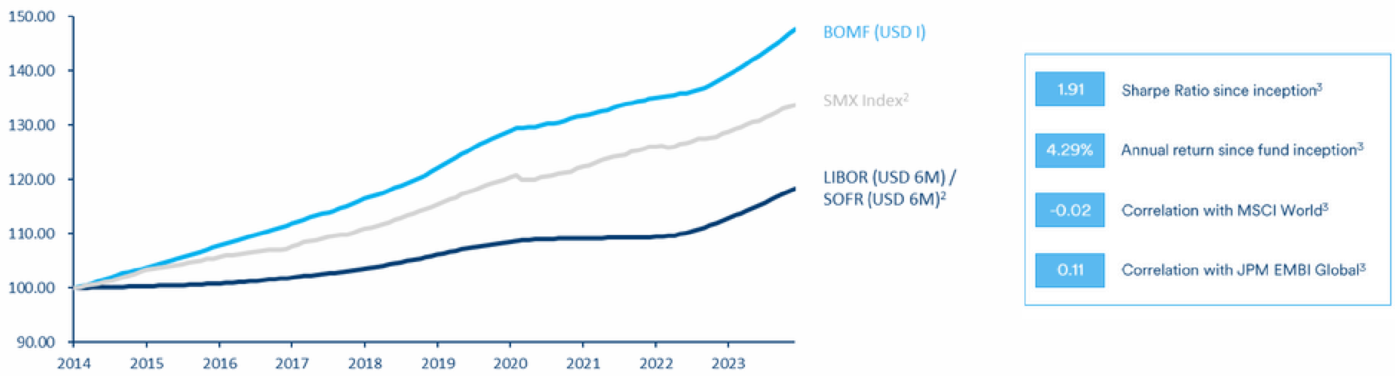
The 20-year track record makes this sector unique in the more recent impact investing asset class, exemplified by the performance of BOMF.

3. Data sources: Refinitiv, BlueOrchard, Bloomberg
Assumption: data as of Dec-2023.
Legend: Libor/SOFR: tracks the cost of cash, Global Aggr. Bond Index: Bloomberg Global Aggregate Credit Total Return Index Value Hedged USD, tracks the global investment grade of corporate related bonds, issued in DMs and EMs, MSCI World index: tracks large and mid-cap across DMs, MSCI EMs index:
tracks large and mid-cap across EMs, Microfinance: Microfinance index (SMX: Symbiotics Microfinance Index.), Infra: Private asset, Global Infrastructure (Burgiss), PE: Private asset, Global Private Equity (Burgiss), PD: Private asset, Global Private Debt (Burgiss), RE: Global Real Estate (Burgiss), PC: Private capital (aggregate of Global Infrastructure, Global Private Equity, Global Private Debt, Global Real Estate) (Burgiss).

Chart 4: Consistent performance, uncorrelated returns and low volatility

Past performance is not a guide to future performance and may not be repeated

Performance history [4]



Monthly performance (last 12 months)

Share Class	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24
I USD	0.58%	0.57%	0.59%	0.57%	0.45%	0.44%	0.59%	0.58%	0.44%	0.69%	0.60%	0.63%

Yearly performance (2014 – 2023)

Share Class	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
I USD	3.78%	3.87%	3.76%	4.02%	4.67%	5.82%	2.37%	2.58%	2.77%	6.45%
USD LIBOR /SOFR 6M	0.34%	0.49%	1.06%	1.47%	2.50%	2.32%	0.69%	0.20%	2.83%	5.20%

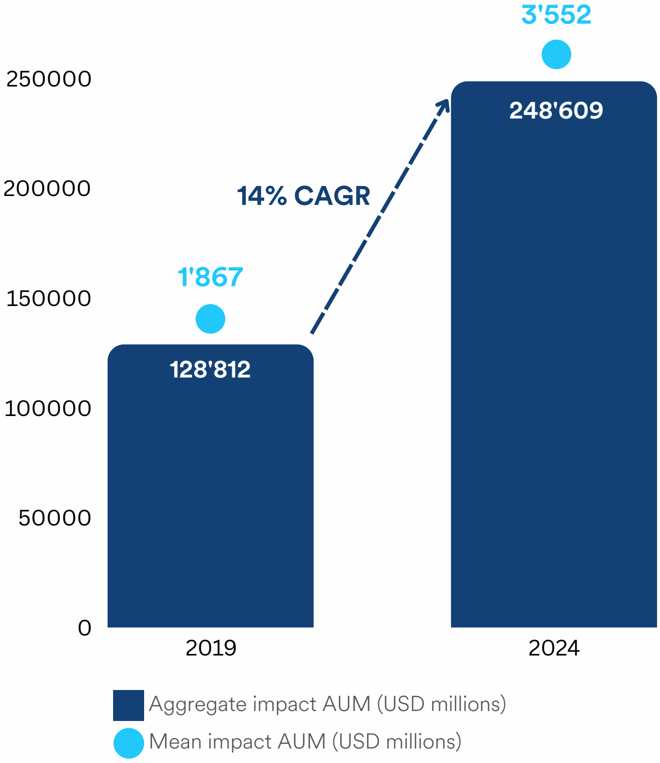
4. Note: Monthly returns, as of 30 September 2024. For Year 2020 onward LIBOR (LIBOR USD 6M) has been substituted by SOFR (TSFR 6M). 1. Indexed at 100 at January 2014; Performance history for BOMF Class I Shares calculated using realized gross performance of Class P Shares, net of current fees for Class I Shares (until 31 October 2013); from 1 November 2013 effective net performance of Class I Shares. 2. SMX and LIBOR (USD 6M) / SOFR (USD 6M) indices are used for illustrative purposes only and are not the official benchmarks of BOMF. 3. Since fund inception 18 September 1998. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of investments to fall as well as rise. Performance data does not take into account any commissions and costs, if any, charged when units or shares of the fund are issued and redeemed. Source: BlueOrchard.

The impact angle: A powerful instrument for advancing financial inclusion and financing entrepreneurial growth

Investors have increasingly directed significant resources toward impact investments, including microfinance, in recent years. According to a survey by the Global Impact Investing Network (GIIN), total impact assets under management (AUM) grew at a CAGR of 14%, rising from $129 billion in 2019 to $249 billion in 2024. [5]

Chart 5: Impact AUM growth over the five-year period 2019-2024 [5]

In USDmm



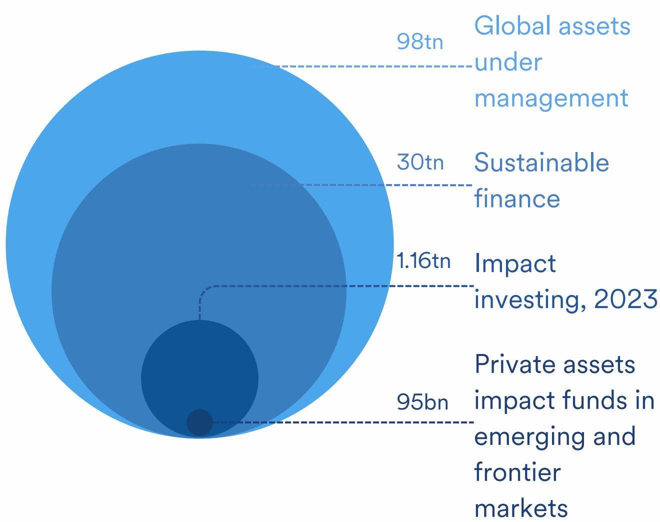
Note: This figure represents a subset of 71 respondents from the 2019 and 2024 Impact Investor Surveys. Between 2019 and 2024, impact AUM grew by a CAGR of 14%.

Interestingly, the allocation of assets under management by impact-only investors rose at a compound annual growth rate of 9%. In contrast, the allocation by investors incorporating both impact and non-impact investments saw a significant increase, growing at a CAGR of 34%. This trend indicates that impact investing is gaining traction as a viable strategy among investors.

By the end of December 2021, GIIN estimated that global assets under management in impact investing reached $1.164 trillion, surpassing the $1 trillion threshold, a clear sign of substantial growth in this sector since its inception nearly 15 years ago. [6]

Chart 6: Investment Universe [7]

In USDtn



5. The Global Impact Investing Network: State of the Market 2024 - Trends, Performance and Allocations.
6. The Global Impact Investing Network, Sizing the Impact Investing Market 2022.
7. Tameo: Private Asset Impact Fund report 2023.

Despite these advancements in promoting financial inclusion, approximately 1.4 billion adults worldwide remain unbanked [8], with a significant portion being women and low-income individuals in emerging and frontier markets.

Access to financial services is similarly constrained for micro, small, and medium-sized enterprises (MSMEs) in these regions, which face considerable financing challenges that impede their growth and job creation potential. This issue is critical, as MSMEs account for approximately 70% of total employment and contribute nearly 50% of national income (GDP) in emerging markets. [9]

Addressing financing challenges is key to sustainable development, with an estimated $4.2 trillion of additional investments needed annually for developing countries, leading to an increase in the United Nations Sustainable Development Goals (SDGs) financing gap of over a 50% since pre-pandemic levels.

Projections suggest that 600 million people will live in extreme poverty by 2030, disproportionately affecting women, as many developing countries face high capital costs and limited access to affordable financing. [10]

Strengthening investment flows to microfinance institutions have proven effective in extending credit and other financial services to underserved populations and MSMEs. In fact, regulated local financial institutions play a crucial role in facilitating access to credit, savings, insurance, trade finance, remittances, and other services that microfinance institutions provide to specific beneficiary groups such as MSMEs.

Moreover, the rise of digitalisation, digital banking, and digital finance presents promising opportunities to enhance financial inclusion. Emerging markets have shown high levels of digital banking adoption, with an increasing number of individuals utilising fintech applications and e-wallets to meet their financial needs. Supporting MSMEs operating within the digital sector can further promote economic and social development in these regions.

Microfinance has consistently demonstrated its effectiveness in advancing financial inclusion and alleviating poverty in emerging and frontier markets. The following section summarises the impact achieved by the BlueOrchard Microfinance Fund (BOMF) as of December 2023, illustrating the significant results of this impactful approach.

8. Worldbank, 2022: Global Findex Database 2021 - COVID-19 Boosted the Adoption of Digital Financial Services
9. IFC, Factsheet 2024: IFC Financial Institutions Group (FIG) MSMEs
10. United Nations, Report 2024: Financing for Sustainable Development Report 2024

BOMF Impact Performance Indicators

As of December 2023. Past performance is not a guide to future performance and may not be repeated. [11]

Portfolio impact KPIs

46%
loans provided in local currency

53
countries receiving investments

165
institutions financed

32.5m
total number of MSMEs supported by FIs in the portfolio

1m
directly attributable to BOMF financing

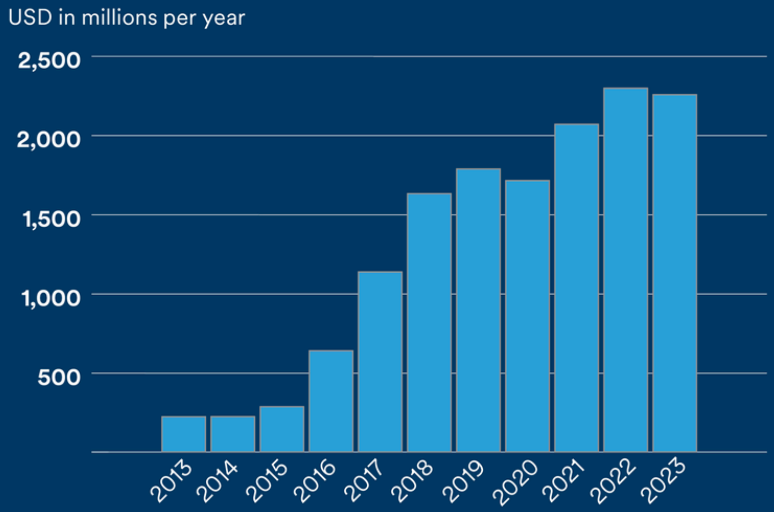
USD 14.9k
average loan size to MSMEs

163.6k
medium

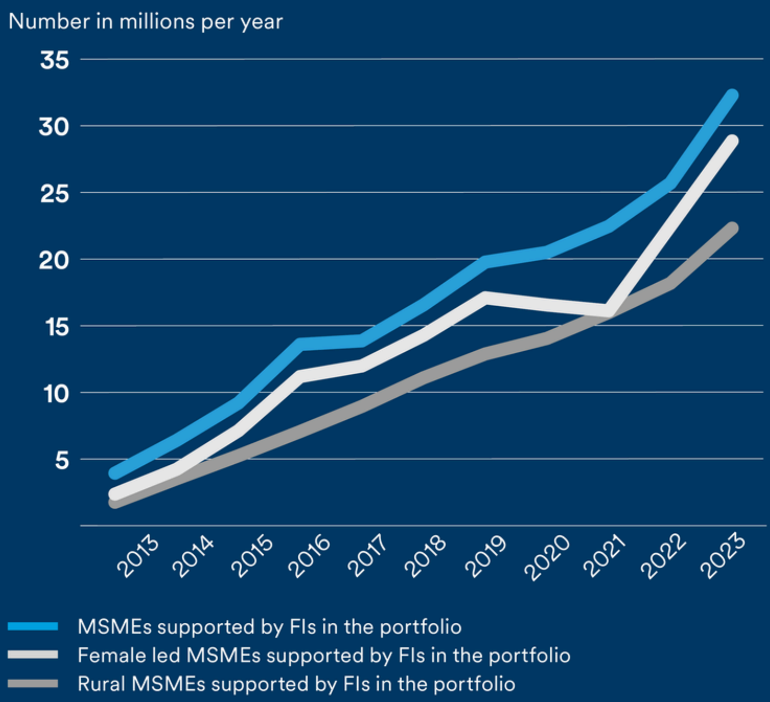
31.7k
small

4.0k
micro

BOMF outstanding investment volume (trend over the last 10 years)



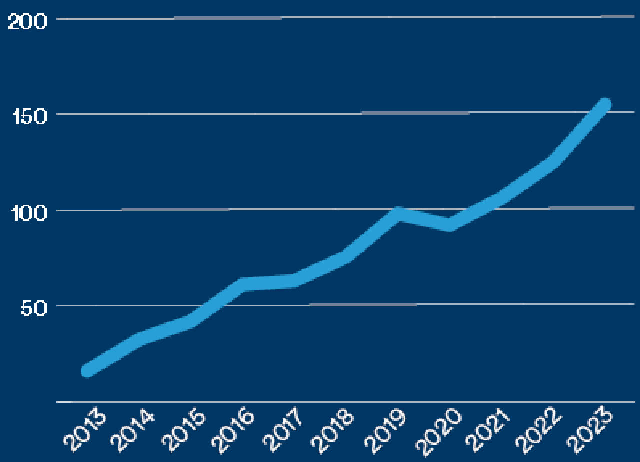
MSMEs supported by FIs in the portfolio



11. Source: BlueOrchard Microfinance Fund Annual Impact Report 2023

Jobs created or maintained by MSMEs supported by FIs in the portfolio

Number in millions per year



157.1m
total number of jobs created or maintained by FIs in the portfolio

3.9m
directly attributable to BOMF financing

Methodology
The size and classification of the underlying MSME clients are based on their loan size at origination (in USD). The following applies:

- **Micro**
if loan is below USD 15k at origination.
- **Small**
if loan is between USD 15k to USD 150k at origination.
- **Medium**
if loan is between USD 150k to USD 250k at origination.

For the number of jobs created, the number of MSMEs are multiplied with the average number of employees for each enterprise size category as defined by the IFC.

[24] Based on reported data with 78% coverage
[25] Based on reported data with 77% coverage.

SDG alignment

1 NO POVERTY

32.5m
MSMEs supported by FIs in the portfolio

31.9m
micro-borrowers supported by FIs in the portfolio

USD 14.9k
average loan size to MSMEs
- micro: 4.0k
- small: 31.7k
- medium: 163.6k

29.5m
rural end-borrowers reached by FIs in the portfolio[24]

62%
rural end-borrowers reached by FIs in the portfolio[24]

USD 2.3bn
investments in developing countries providing access to financial services

5 GENDER EQUALITY

39.8m
number of female clients reached by FIs in the portfolio[25]

81%
female clients reached by FIs in the portfolio

8 DECENT WORK AND ECONOMIC GROWTH

31.9m
micro-borrowers supported by FIs in the portfolio

594k
SMEs supported by FIs in the portfolio

157.1m
number of jobs created or maintained by MSMEs supported by FIs in the portfolio

10 REDUCED INEQUALITIES

32.5m
MSMEs supported by FIs in the portfolio

31.9m
micro-borrowers supported by FIs in the portfolio

USD 14.9k
average loan sizes to MSMEs

29.5m
rural clients reached by FIs in the portfolio

62%
rural clients reached by FIs in the portfolio[25]

USD 2.3bn
investments in developing countries providing access to financial services

17 PARTNERSHIPS FOR THE GOALS

USD 2.3bn
investments in developing countries providing access to financial services

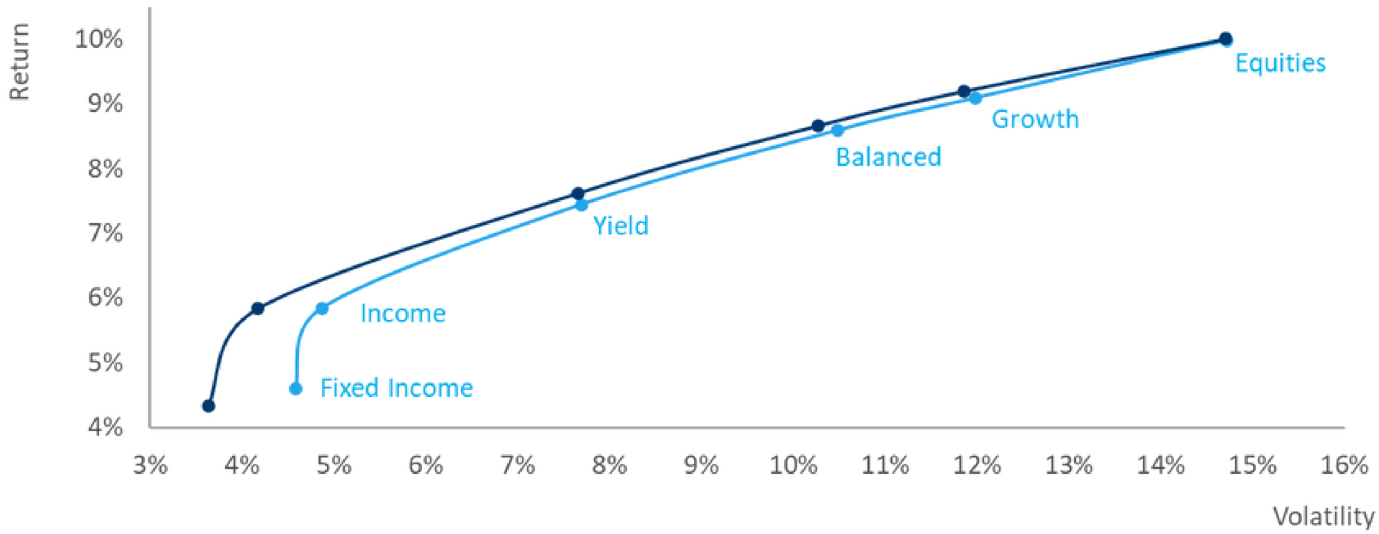
Enhancing the risk-return profile of a portfolio

The characteristics of optimising the risk-return profile through the inclusion of microfinance investments render this asset class a well-suited component for global portfolio construction.

For example, the BlueOrchard Microfinance Fund (BOMF) offers a relatively high level of liquidity, with monthly redemption options for investors, and each position is hedged to USD, effectively eliminating local foreign exchange exposure. This makes BOMF an appealing alternative for many investors seeking to replace traditional fixed income investments.

To illustrate the impact of microfinance on portfolio efficiency, BlueOrchard conducted simulations assessing the effects of gradually reducing fixed income exposure in favour of microfinance investments. The observation period spanned from January 2004 to December 2023. The results indicate a significant reduction in risk while maintaining returns in fixed income-heavy strategies, such as "Fixed Income," "Income," "Yield," and "Balanced." In contrast, the impact was less pronounced in "Growth" and "Equities" strategies, where fixed income allocations were smaller (see Chart 7).

Chart 7: Low-correlated asset for portfolio stability [12]



Microfinance aims to enhance portfolio returns and reduce variance by providing a low-correlation asset that minimises overall portfolio risks while delivering consistent returns.

Consequently, incorporating microfinance into a global portfolio can effectively mitigate volatility and enhance overall stability. As a result, including microfinance into a global portfolio can help reduce volatility.

12. Dots illustrate portfolios with and without microfinance exposure. Microfinance is used as a substitute of bonds. Impact in growth and equity style portfolios is less due to the lower overall allocation, assuming a higher allocation would lead to a lower volatility, too, albeit with an impact on the expected portfolio return.
Neutral Asset Allocation without Microfinance Exposure: “Fixed Income”: Cash 5%, Bonds 95%, “Income” Cash 5%, Bonds 75%, Listed Equities DM 5%, Listed Equities EM 5%, Real Estate 5%, Private Capital 5%. “Yield”: Cash 5%, Bonds 50%, Listed Equities DM 20%, Listed Equities EM 15%, Real Estate 5%, Private Capital 5%. “Balanced” Cash 5%, Bonds 30%, Listed Equities DM 30%, Listed Equities EM 25%, Real Estate 5%, Private Capital 5%. “Growth” Cash 5%, Bonds 20%, Listed Equities DM 34%, Listed Equities EM 31%, Real Estate 5%, Private Capital 5%. “Equities” Cash 5%, Bonds 10%, Listed Equities DM 50%, Listed Equities EM 35%
Neutral Asset Allocation with Microfinance Exposure: “Fixed Income”: Cash 5%, Bonds 75%, Microfinance 20% “Income” Cash 5%, Bonds 50%, Listed Equities DM 8%, Listed Equities EM 5%, Microfinance 22%, Real Estate 5%, Private Capital 5%. “Yield”: Cash 5%, Bonds 31%, Listed Equities DM 24%, Listed Equities EM 15%, Microfinance 15%, Real Estate 5%, Private Capital 5%. “Balanced” Cash 5%, Bonds 14%, Listed Equities DM 33%, Listed Equities EM 24%, Microfinance 14%, Real Estate 5%, Private Capital 5%. “Growth” Cash 5%, Bonds 6%, Listed Equities DM 37%, Listed Equities EM 30%, Microfinance 12%, Real Estate 5%, Private Capital 5%. “Equities” Cash 5%, Bonds 4%, Listed Equities DM 51%, Listed Equities EM 35%, Microfinance 5%

Based on data from Jan-2004 to Dec-2023. Note: For illustrative purposes only, past performance provides no guarantee of future results. The portfolio will evolve over time and may have different characteristics and allocations compared to what is presented above.
Source: BlueOrchard, Bloomberg, Refinitiv.

Unlocking efficient use of capital under Solvency II

Allocating capital to low-risk, stable assets such as microfinance investments can significantly enhance overall portfolio stability.

Compared to other asset classes, microfinance demonstrates substantial potential for portfolio optimisation and resilience across varying market conditions.

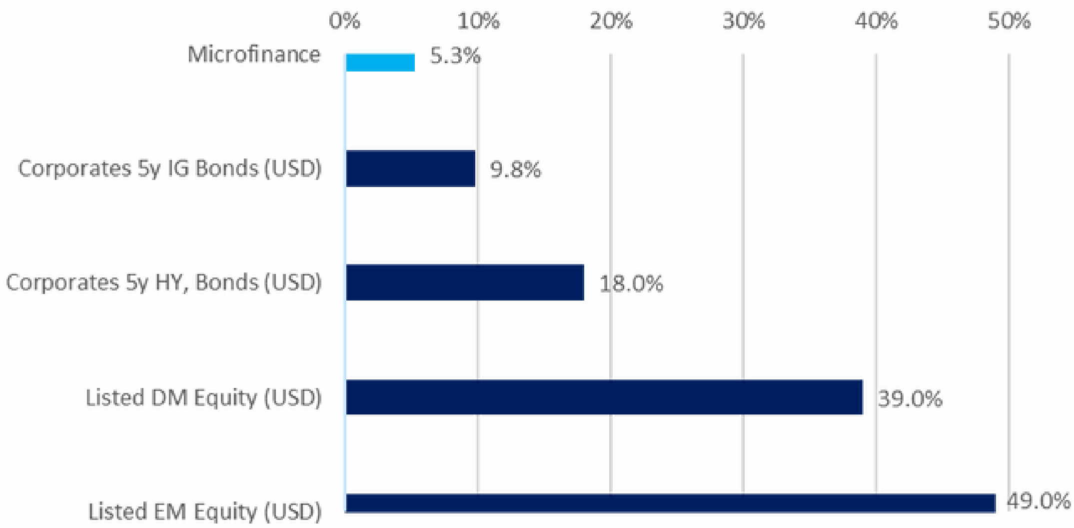
These attributes are particularly relevant in the context of Solvency II capital charges [13], which are designed to reflect an insurer's asset risk profile, ensuring that sufficient level of capital is maintained to cover potential losses and uphold financial stability.

Due to its stable performance and low correlation with traditional asset classes, microfinance investments can attract more favourable capital charges compared to higher-risk assets (see Chart 8).

The low volatility associated with microfinance returns translates into reduced capital requirements, as Solvency II measures capital charges based on an asset's risk profile.

A well-balanced investment strategy that integrates low-risk microfinance exposures with higher-yielding assets can provide a robust foundation for long-term capital protection, sustainable financial performance, and free-up capacity for a more efficient use of capital charges under Solvency II.

Chart 8: Solvency II capital charges [14]



13. Solvency II - European Union (europa.eu)
14. Source: Schroders, Aladdin, PRA, EIOPA. SCR charges exclude interest rate risk, currency risk and equity risk symmetric adjustment. As of 31 December 2023. Based on Schroders interpretation of Solvency II Standard Formula. Corporates IG based on 50%-50% A-BBB, Corporates HY based on 50%-50% BB-B.

Risk considerations for BOMF

Counterparty risk
The Fund may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the fund may be lost in part or in whole.

Credit risk
A decline in the financial health of an issuer could cause the value of its bonds, loans or other debt instruments to fall or become worthless.

Currency risk
The Fund may lose value as a result of movements in foreign exchange rates, otherwise known as currency rates.

Emerging markets & frontier risk
Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty, operational and liquidity risk than developed markets.

Interest rate risk
The Fund may lose value as a direct result of interest rate changes.

Liquidity risk
The Fund invests in illiquid instruments, which are harder to sell. Illiquidity increases the risks that the fund will be unable to sell its holdings in a timely manner in order to meet its financial obligations at a given point in time. It may also mean that there could be delays in investing committed capital into the asset class.

Market risk
The value of investments can go up and down and an investor may not get back the amount initially invested.

Microfinance risk
Microfinance involves the provision of credit to microentrepreneurs and microenterprises in developing countries, many of whom have incomes below the applicable poverty level and little or no previous credit history with commercial or other lenders. These micro-loans typically are not secured by any collateral or other type of traditional guarantee. There is no assurance that the micro-clients will be able to repay the micro-loans to the microfinance institution, and as a consequence, the Fund may be adversely affected.

Operational risk
Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the fund.

Performance risk
Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult to achieve.

Sustainability risk
The Fund has the objective of sustainable investment. This means it may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the investment manager. The fund may invest in companies that do not reflect the beliefs and values of any particular investor.

Tax risk
The Fund and its returns may rely on certain available tax efficiencies at the inception of the Fund which may be subject to changes in tax treatment or interpretations. Any change in the actual or perceived tax status or exposure of the Fund or its investments as well as in tax legislation, practice or in accounting standards could adversely affect the anticipated level of taxation.

Valuation risk
The valuation of private asset investments is performed on a less frequent basis than listed securities. In addition, it may be difficult to find appropriate pricing references for private asset investments. This difficulty may have an impact on the valuation of the portfolio of investments. Certain investments are valued on the basis of estimated prices and therefore subject to potentially greater pricing uncertainties than listed securities.

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The Fund qualifies as a Alternative Investment Fund ("AIF") structured as a Société d'Investissement à Capital Variable ("SICAV") and incorporated as an Société Anonyme ("S.A.") under Luxembourg law.
The Fund has been passported under the Alternative Investment Managers Directive ("AIFMD") and can therefore be marketed in the EEA to Professional Clients in the following countries: Austria, Belgium, Denmark, Finland, France, Germany, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Spain and Sweden, Switzerland, and United Kingdom.

The Fund has been notified to the FCA under NPPR for marketing to Professional Clients in the UK.
Subscriptions may only be made on the basis of the Fund's legal offering documents which can be obtained from BlueOrchard Asset Management (Luxembourg) SA on request.

The representative in Switzerland ("Swiss Representative") is 1741 Fund Solutions AG, Burggraben 16, 9000 St. Gallen, and Bank Tellco AG, Bahnhofstrasse 4, 6430 Schwyz is the paying agent in Switzerland. The prospectus for Switzerland, the key information document, the articles of incorporation and the annual and semi-annual reports may be obtained free of charge from the Swiss Representative.

An investment in the Fund entails risks, which are fully described in the Fund's legal documents.

The Fund has the objective of sustainable investment within the meaning of Article 9 of Regulation (EU) 2019/2088 on Sustainability-related Disclosures in the Financial Services Sector (the "SFDR"). For information on sustainability-related aspects of this fund please go to https://www.blueorchard.com/sustainability-disclosure-documents/
Any reference to regions/countries/sectors/stocks/securities is for illustrative purposes.

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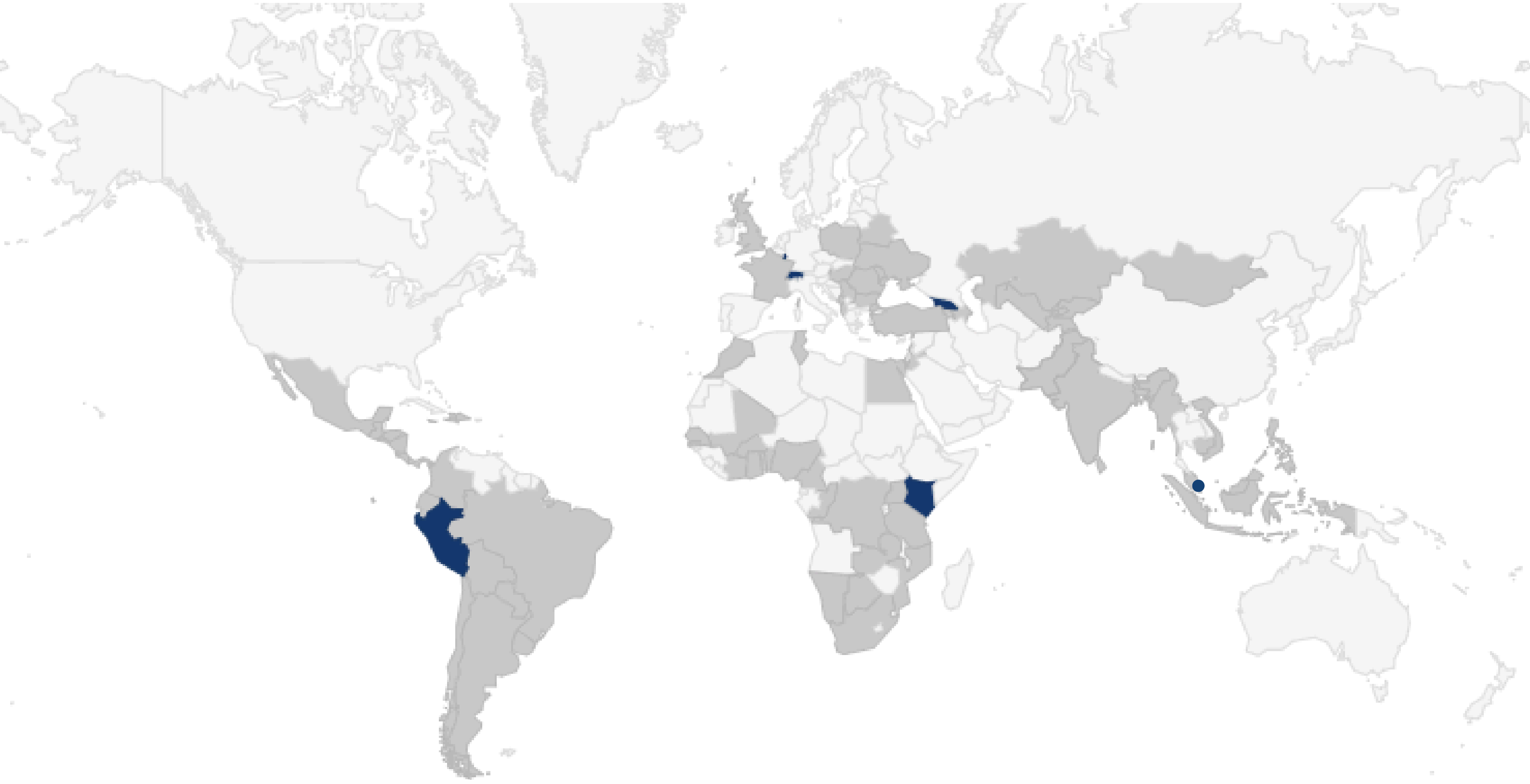
About BlueOrchard Finance Ltd

BlueOrchard is a leading global impact investment manager and member of the Schroders Group. As a pioneering impact investor, the firm is dedicated to generating lasting positive impact for communities and the environment, while aiming at providing attractive returns to investors. BlueOrchard was founded in 2001, by initiative of the UN, as the first commercial manager of microfinance debt investments worldwide. Today, the firm offers impact investment solutions across asset classes, connecting millions of entrepreneurs in emerging and frontier markets with investors with the aim to make impact investment solutions accessible to all and to advance the conscious use of capital. Being a professional investment manager and expert in innovative blended finance mandates, BlueOrchard has a sophisticated international investor base and is a trusted partner of leading global development finance institutions. To date, BlueOrchard has invested over USD 10 billion across more than 100 countries. Over 280 million poor and vulnerable people in emerging and frontier markets received access to financial and related services with the support of BlueOrchard as of December 2022. For additional information, please visit: www.blueorchard.com.



● Countries invested in since inception of BlueOrchard ● BlueOrchard has7 offices on 4 continents: Peru, Kenya, Georgia, Singapore, Luxembourg, and Switzerland

BlueOrchard Academy

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