EaSI Technical Assistance

Fundraising: How to collect private donations?

EaSI TA Webinar

Lucie Pichavant, lpichavant@adie.org

30th of June 2022, Paris
Fundraising

How to collect private donations?
3 pillars of Adie’s economic model

- **28%** Loan Margin
- **29%** Volunteering
- **43%** Public Funds
- **Private Donations**
Adie’s fundraising team

3 targets:

- **Public partners**: Europe, French State, regions, departments...
- **Private partners**: Companies, Corporate foundations...
- **Individual donations**: Family foundations, major donors, middle donors...
Adie and the SDGs

1. No Poverty
   - Reduce poverty and give access to resources to vulnerable people
   - 24,024 professional microcredits in 2021
   - 58% clients under the poverty line

8. Decent Work and Economic Growth
   - Promote decent jobs and entrepreneurship and generalize access to banking and financial services
   - 24,776 corporates financed
   - 81% sustainability rate after 3 years of activity

10. Reduced Inequalities
    - Empower people and promote their social, economic and political integration
    - 23% clients from deprived neighborhoods
    - 44% women
Public partners

43% of Adie’s budget

€28,5M in 2021

- 8% Regions
- 10% Europe
- 11% French state
- 7% Public establishments
- 4% Communes & communities of communes
- 3% Departments
Private partners

15% of Adie budget

€5,4M in 2021

Some “big” partners: BNP Paribas (1.3M), JP Morgan (800K) Société générale (167K), Fédération nationale des Banques Populaires (140K), Bank of America (100K), AG2R (100K), Banque Postale (90K)

And some smaller partners (between €10K and €50K): Fondation RATP, Azulis, Crédit Mutuel, Bred, ENI, Crédit Coopératif, Finance Active, Fondation Michelin, Fondation Orange, Google ...
Types of partnerships with companies

**Nonprofit approach**
- **Corporate sponsorship**
  - Financial support of a business to a nonprofit to further the nonprofit's mission
  - Fondation BNP Paribas
- **Societal innovation**
  - Create innovative solution to answer local issues
  - Garages Renault Solidaire Revitalization
- **Economic cooperation**
  - Construction of a common offer
  - Microcredit
  - Micro insurance
  - Club Mobilité
- **Responsible practices**
  - Contribution of knowledge from the association to the company
  - La Banque Postale: Training on how to work with vulnerable people

**Corporate approach**
Nonprofit and corporate partnerships

Human resources issues

Economic performance

Win-win partnerships

Stakeholder involvement

Innovation
How to convince companies?

**CSR Arguments - ISO 26 000**

**Community involvement**
- Invest in local communities
- Encourage local development, reduce unemployment and informal work, create non relocatable jobs

**Consumer issues**
- Reinforce their reputation
- Contribute to social and professional inclusion of fragile populations

Goal: Match your project with CSR areas
How to convince companies?

Measure your activities’ impact

Measure utility and efficiency:

Sustainability rate, exclusion score and job creation

Social Return on Investment:

$1 = 2.53€$

1€ donated to Adie brings back 2.53€ to the society after 2 years

Goal: Demonstrate the impact of your action on beneficiaries and society
How to convince companies?

**Thematic projects**

- Based on specific target groups: women, seniors, young people
- Based on fragile territories

**Goal:** Create a unique partnership and finance Adie’s action
Individual donations

2000 donors

€500K collected

Fundraising & communication tool: Endowment fund created to collect individual donations; communicate and encourage these donors
Technical Assistance

For more information about:

Technical Assistance, contact: easi.ta@fs.de

Ratings and Evaluations, contact: easi.ta@mf-rating.com

*EU Programme for Employment and Social Innovation

The author of this presentation takes full responsibility for its contents. The opinions expressed do not necessarily reflect the view of the European Commission.
Summary

1. Inclusive Finance:
2. The business opportunities offered by microfinance
In 2018, the World Bank (FINDEX) estimated that about **1.7 billion adults** lacked a bank account or were excluded from financial services (loans, insurance products etc.).

Inclusive Finance means universal access to a wide range of financial services, provided by a variety of sound and sustainable institutions and primarily designed to aid low income, fragile or marginalized populations. Inclusive finance service providers strive to enhance access to financial services for individuals, micro-, small and medium sized enterprises that usually do not have access to these services.

**Financial inclusion** is defined as the availability and equality of opportunities to access financial services: Financial inclusion is commonly seen as seeking to unlock development opportunity, especially for the poor, by expanding access to affordable and responsible financial services. It encompasses a range of financial (credit, saving, insurance, payment system, transfer,...) and non-financial products and services (training, software, advice,...).
MICROFINANCE IS CRITICAL FOR THE GROUP’S SOCIAL STRATEGY

OVER 2.2 MILLION PEOPLE, AMONGST WHICH 81% OF WOMEN, HAVE BENEFITTED FROM BNP PARIBAS SUPPORT TO MICROFINANCE INSTITUTIONS OVER THE LAST 32 YEARS. MICROFINANCE IS A POWERFUL LEVER FOR FINANCIAL INCLUSION, WHICH IS PART OF OUR CSR COMMITMENTS.

Microfinance, a source of success for BNP Paribas

...that remains at the heart of its social commitments

In the SAM extra-financial rating, 2 indicators have received a 100/100 score, materiality analyses and financial inclusion.

BNP Paribas has achieved an overall score of 82/100

In the frame of the 2022-2025 Sustainable Plan, financial inclusion has been selected as one of the targets to achieve BNP Paribas’s CSR commitments. The Group indexed its CSR performance in the remuneration policy:

- Within the Group Sustainability and Incentive Scheme (GSIS), CSR criteria has been incorporated in the calculation of the deferred variable compensation plan (up to 20%) of over 7,700 key employees of the Group.
- Criteria related to the Group’s CSR performance has been integrated in the calculation of the annual variable compensation (up to 10%) of the Executive Corporate Officers.

<table>
<thead>
<tr>
<th>KPI Inclusive Finance target - Number of beneficiaries</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>224,555</td>
<td>250,000</td>
<td>275,000</td>
<td>315,000</td>
<td>350,000</td>
</tr>
</tbody>
</table>

- In respect of 2022-2025 Sustainable Plan, BNP Paribas’s CSR commitments:

- As for our 2022-2025 goals:

Financial Inclusion  February 2022  18
**BNP PARIBAS HAS BEEN INVOLVED IN INCLUSIVE FINANCE FOR 30 YEARS**

Over 2.2 million people, amongst which 81% of women, have benefitted from BNP Paribas support to microfinance institutions over the last 32 years.

BNP Paribas support for microfinance reached €316 million in 2021*

Direct financing of 19 MFIs in 15 countries and indirect financing of 100 MFIs around the world.

Global group

- **BNP Paribas named “World’s Best Bank for Financial Inclusion 2020” by Euromoney**

International presence in Microfinance (2021)

- France, Belgium, Luxembourg, Italy, UK, USA; Africa: Ivory Coast, Morocco, Senegal, South Africa; APAC: India, Vietnam, China, Indonesia, La

Historical and growing support, weakened by the epidemic crisis

- In 2021, this support reached EUR 367 million, thereby directly financing 22 MFIs in 14 countries and indirectly more than 100 MFIs in most countries around the world.

- Due to the crisis, authorisations granted to MFIs have decreased by 38% due to lower funding requests.

* Data as of June 2021

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**BNP PARIBAS**

The bank for a changing world.
Summary

1. Inclusive Finance: at the heart of social commitment

2. The business opportunities offered by microfinance
INCLUSIVE FINANCE: AT THE HEART OF THE SOCIAL COMMITMENT

A COMMITMENT FROM ALL BUSINESS LINES - BNP PARIBAS ASSET MANAGEMENT

Sustainable Funds

- Microfinance & Soutien à l'Entrepreneuriat
  - 22,337 ventures supported
  - 83% of loan interest repayable in 3 years

- Solidarité Internationale
  - 107 countries intervened
  - 66 million beneficiaries

Solidarity Fund 90/10

The BNPPAM 90/10 Solidarity Funds distribute the savings of these members (employees and other individuals):
- 90% of funds invested in SRI securities
- 10% in solidarity companies: employment, access to housing and health, dependency

- Outstanding amounts on solidarity funds: 27 billion euros
- Solidarity investments: 15 billion euros
- Solidarity partners: 15

BNP Paribas Global Bond Plus

A similar 80/20 fund was also developed by BNL and related to financial inclusion (the 20% amounted to EUR 27M as of December 2020)
THE BUSINESS OPPORTUNITIES OFFERED BY MICROFINANCE

LEVERAGE THE GREAT RANGE OF OPPORTUNITIES

Vanilla Loans

- Amount: between € 3M and € 15 in emerging countries and up to 30MPRO BONO in Europe.
- Average maturity: 2 years
- Local currency

Potential side businesses

- **FX deals**: VaR & MDDR lines for FX hedging given to open-ended debt funds that invest in microfinance institutions in emerging and developed countries
- **IPO**: India
- ** Loans based on biodiversity criteria**: loan over 3 years, disbursed in 3 loans based on MEbA’s criteria (Microfinance for Ecosystem-based Adaptation) with JuST Institute

Raising awareness in sustainable finance

Pro Bono Missions to Talents with the aim of raising their awareness of microfinance while developing their learning agility and leadership.

Skills mentoring

Potential clients opportunities: providing clients who are not served

Hosting MF in the common spaces and enarging the clients
THE BUSINESS OPPORTUNITIES OFFERED BY MICROFINANCE

FOCUS: GREEN INCLUSIVE FINANCE

Climate & Biodiversity Positive Initiative for Smallholder Finance

A coalition of private actors wishing to highlight their capacity to provide funding and technical assistance to IFSPs using instruments available to their respective institutions, was formed.

The initiative aims to foster the disbursement of loans to IFSPs end-clients, with the objective to strengthen their capacity to adapt to climate change and the preservation of biodiversity.

Private actors members of the coalition

MEbA Project

The world’s 500M smallholder farm households and the rural poor are among the most vulnerable to climate change even as they contribute little to it.

The Microfinance for Ecosystem-based Adaptation (MEbA) project seeks to provide rural populations with access to microfinance services that allow them to invest in sustainable activities increasing their climate resilience.

Soon the JuST Institute helping to increase biodiversity for small holder farmers
## OUR 4 PILLARS

<table>
<thead>
<tr>
<th>THE ECONOMY</th>
<th>OUR PEOPLE</th>
<th>THE COMMUNITY</th>
<th>THE ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing the economy in an ethical manner</td>
<td>Developing and engaging our people responsibility</td>
<td>Being a positive agent for change</td>
<td>Accelerating the ecological and energy transition</td>
</tr>
</tbody>
</table>

## OUR 12 COMMITMENTS

1. INVESTMENTS AND FINANCING WITH A POSITIVE IMPACT
2. ETHICS OF THE HIGHEST STANDARD
3. SYSTEMATIC INTEGRATION AND MANAGEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS
4. PROMOTION OF DIVERSITY, EQUALITY AND INCLUSION IN THE WORKPLACE
5. A GOOD PLACE TO WORK AND RESPONSIBLE EMPLOYMENT MANAGEMENT
6. A LEARNING COMPANY SUPPORTING DYNAMIC PROFESSIONAL PATH
7. PRODUCTS AND SERVICES THAT ARE WIDELY ACCESSIBLE
8. COMBAT SOCIAL EXCLUSION AND SUPPORT HUMAN RIGHTS
9. CORPORATE PHILANTHROPY POLICY FOCUSED ON THE ARTS, SOLIDARITY AND THE ENVIRONMENT
10. ENABLING OUR CLIENTS TO TRANSITION TO A LOW-CARBON ECONOMY RESPECTFUL OF THE ENVIRONMENT
11. REDUCING THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS
12. ADVANCE AWARENESS AND SHARING OF BEST ENVIRONMENTAL PRACTICES

## OUR GOVERNANCE

**Governance**

- driven by a culture of responsibility and integrity
Le tableau de bord de pilotage RSE 2019-2021 : 8 indicateurs sur 9 ont été atteints

<table>
<thead>
<tr>
<th>Indicateur RSE</th>
<th>Référence 2018</th>
<th>Résultat 2019</th>
<th>Résultat 2020</th>
<th>Résultat 2021</th>
<th>Objectif 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Montant des financements aux entreprises en faveur de la transition énergétique et des secteurs considérés comme contribuant directement aux ODD</td>
<td>168 Md€</td>
<td>180 Md€</td>
<td>188 Md€</td>
<td>200 Md€</td>
<td>Augmenter de 10 Md€ / an en moyenne sur la période</td>
</tr>
<tr>
<td>2 Taux de collaborateurs ayant suivi une formation sur un sujet d'éthique et de conduct</td>
<td>96,2 %</td>
<td>95,4 %</td>
<td>97 %</td>
<td>98,7 %</td>
<td>Maintenir &gt; 95 % chaque année</td>
</tr>
<tr>
<td>3 Taux de femmes au sein de la population SMP (Senior Management Position)</td>
<td>28 %</td>
<td>29 %</td>
<td>31 %</td>
<td>32 %</td>
<td>&gt; 31 %</td>
</tr>
<tr>
<td>4 Taux d’entités de plus de 1 000 salariés ayant pris un engagement en faveur du handicap</td>
<td>91 %</td>
<td>94 %</td>
<td>100 %</td>
<td>100 %</td>
<td>100 %</td>
</tr>
<tr>
<td>5 Taux de collaborateurs ayant suivi au moins 2 formations dans l’année</td>
<td>91,8 %</td>
<td>94,8 %</td>
<td>90,2 %</td>
<td>98,3 %</td>
<td>Maintenir &gt; 90 %</td>
</tr>
<tr>
<td>6 Nombre d’heures de mécénat de compétences réalisées par nos collaborateurs</td>
<td>305 000 heures</td>
<td>&gt; 450 000 heures</td>
<td>&gt; 510 000 heures</td>
<td>509 000 heures</td>
<td>1 million d’heures</td>
</tr>
<tr>
<td>7 Soutien (financement, investissements pour compte de tiers, mécénat financier ou de compétences) aux associations et entreprises de l’économie sociale et solidaire</td>
<td>5,6 Md€</td>
<td>6,2 Md€</td>
<td>6,3 Md€</td>
<td>6,6 Md€</td>
<td>6,3 Md€</td>
</tr>
<tr>
<td>8 Montant des financements consacrés aux énergies renouvelables</td>
<td>15,4 Md€</td>
<td>15,9 Md€</td>
<td>17,8 Md€</td>
<td>18,6 Md€</td>
<td>18 Md€</td>
</tr>
<tr>
<td>9 Bilan d’émission de gaz à effet de serre en tonnes équivalent (teq) CO₂ / Equivalent Temps-Plein (ETP) (kWh des bâtiments, incluant l’IT, + déplacements professionnels)</td>
<td>2,45 teq CO₂ / ETP</td>
<td>2,32 teq CO₂ / ETP</td>
<td>1,80 teq CO₂ / ETP</td>
<td>1,50 teq CO₂ / ETP</td>
<td>2,31 teq CO₂ / ETP</td>
</tr>
</tbody>
</table>
## 2022-2025 CSR DASHBOARD

<table>
<thead>
<tr>
<th>Economic responsibility</th>
<th>1. Amount of sustainable loans</th>
<th>€ 150 bn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Amount of sustainable bonds</td>
<td>€ 200 bn</td>
</tr>
<tr>
<td></td>
<td>3. Amount of sustainable investment and savings (assets under management of article 8 &amp; 9 SFDR funds)</td>
<td>€ 300 bn</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social responsibility</th>
<th>4. Share of women among the SMP population (Senior Management Position)</th>
<th>40 %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5. Number of solidarity hours performed by the employees (#1MHH2Help)</td>
<td>1 million hours (on 2 rolling years)</td>
</tr>
<tr>
<td></td>
<td>6. Share of employees who completed at least four training courses during the previous 12 months</td>
<td>90 %</td>
</tr>
</tbody>
</table>

| Civic responsibility | 7. Number of beneficiaries of products & services promoting financial inclusion | 6 million beneficiaries |

<table>
<thead>
<tr>
<th>Environmental responsibility</th>
<th>8. Amount of the support enabling our clients to transition to a low-carbon economy</th>
<th>€ 200 bn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9. Amount of financing to companies contributing to protect terrestrial and marine biodiversity</td>
<td>€ 4 bn</td>
</tr>
<tr>
<td></td>
<td>10. Greenhouse gas emissions in tons of CO2 equivalent (tCO2eq) / full-time employees (buildings kWh, including IT, + business trips)</td>
<td>1,85 tCO₂eq / FTE</td>
</tr>
</tbody>
</table>
INCLUSIVE FINANCE: AT THE HEART OF BNP PARIBAS’ SOCIAL COMMITMENT

FIGHT AGAINST EXCLUSION: A COMMITMENT FROM ALL BUSINESS LINES (1/2)

Some examples

- **Fragile customers:**
  - Retail Bank in France has set up a system for individuals who are in financial difficulty and can therefore be advised in budgetary solutions, such as the postponement of monthly loan repayments, or the use of insurance solutions.

- **Axelle:** Creation in September 2020 of the AXELLE platform, by BDDF, dedicated to fragile customers facing financial difficulties. After registering on the platform, customers can access inclusive offers on essential products and services to reduce their expenses and benefit from job search assistance.

- **Economic assistance for young people**
  - BNP Paribas (BCEF) has decided to dedicate a budget of EUR 20 million to offer unsecured loans for scholarship students wishing to pursue high-level studies (reaching 10 million unguaranteed loans)

- **Customers with disabilities**
  - BNP Paribas Cardif (in partnership with the Gramen Creative Lab) has supported the launch of the social business Tangata Emploi, an intrapreneur project supported by the incubator for positive impact projects « People’sLab for Good » aiming to have a positive impact on the employment rate of people with disabilities

  - BNP Paribas Cardif, in 2020, provided the 33 countries in which the company operates with best practices to identify a vulnerable client and offer them an offer adapted to their specific needs.

- **Economic assistance for seniors**
  - BNL, the Group’s subsidiary in Italy, launched in 2021 BNL FuturoPensione (Future retirement)
FINANCIAL INCLUSION WITH NICKEL: AN ACCOUNT FOR EVERYONE

Since 2017, Nickel is a subsidiary of the group and acts as a key player in financial inclusion, it accepts 190 passeports.

As of April 2022, more than 2,5 million Nickel accounts have been opened by customers with the following characteristics:

- income of less than 1500€ per month (71%)
- unemployed or without regular income (41%)
- without personal accommodation (living with friends) (30%)

Evolution of the number of Nickel accounts

Nickel also work with numerous other actors from the social and public sectors in order to make sure that it is accessible to people who need it most:

- A current account for everyone, from 12 years old, without conditions
- A current account to pay and be paid
- A French payment institution
- Holder of an ACPR approval (n°16598-R)
- Subject to the same rules and controls as banks: security, internal control, fight against fraud, money laundering and terrorist financing

BNP PARIBAS

The bank for a changing world
Financial inclusion at BNPP Personal Finance

1. **FINANCIAL INCLUSION IS PF’S DNA**

- **An historic positioning of Cetelem:**
  Cetelem was founded 70 years ago to help people access equipment goods, when a washing-machine costed several month wages!

- **“Responsible lending” approach:**
  “more responsible together”. This approach aims at better accompanying customers through transparent offers, supporting them in difficult situations and fighting over indebtedness.

- **Fragile customers process:**
  Since 2012 a fragile customer process allowing early identification of customers who may face financial issues due to specific events (natural catastrophy for example).

- **This process inspired French law which now make it compulsory for any financial institution.**
  It is deployed in all PF entities (23 entities covering more than 30 countries).

- **During Covid 19 crisis:**
  Over 1,3 million customers were supported through postponed repayments in 2020.

- **Specific value propositions for near prime/subprime customers:**
  In Germany, PF has a risk debt consolidation offer, granting credit to customers rejected by other financial institutions. Micro credit offers are also available in few countries.

2. **PF IS COMMITTED TO SUPPORT FINANCIAL LITERACY**

- **A long history in financial literacy:**
  For many years PF has been involved in financial literacy through partnerships with local NGOs or foundations, such as Cresus in France.

- **Concrete actions implemented:**
  PF built and deployed “Budget responsible” serious game in 3 countries (France, Italy and Belgium) to accompany youngsters in understanding finance. Thanks to this game and numerous financial literacy actions, 60k young people were accompanied in 2021, in 14 countries.

- **Neymo: the personal finance management tool:**
  PF is also deeply committed to equip customers with personal finance management tool: Neymo is a budget coaching application, which allows users to have an overview of all their bank accounts in one place.

- **Commitment #6:**
  Increase financial literacy and awareness about sustainable consumption among 1 million people worldwide, to shape autonomous and responsible citizens.

25 NEW INITIATIVES IN 13 COUNTRIES
**FOCUS: CEP: AN EXAMPLE**

A good development despite the COVID-19 crisis

- 364,000 people of which 293,000 microborrowers supported
- Operates in HCMC and 8 adjacent provinces
- $162 M loans outstanding
- 35 branches in Vietnam (666 staff)
- Average loan outstanding per client: $1,127
- ROE 12%, ROA 3.4%
- PAR30 (asset quality): 2.53%
- Gearing ratio is low: 0.22
- Portfolio yield: 17.4%
- 71.2% of borrowers are women
- A minimum of 80% of CEP’s new clients must be classified as either poor or poorest when then enter the credit program.

A strong social commitment

- CEP run a “community development program” which primarily provides scholarships and basic foods and goods to around 220,000 clients.
- CEP has been decreasing permanently its interest rates for loans since the Covid-19 crisis.
- CEP evaluates social performance annually using Cerise SPI Audit Tool. 2020’s self-assessment Alinus score: 96%.

**Products offered**

- Income generating loans
- Seasonal loan
- Education loan
- Saving products

Meet here Phuong and many other stories of women entrepreneurs

Last author borrower in 2020: USD 7M (VND 163bn)
Thank you for your attention!
Any questions?

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