

Media release

Report on financial and socially relevant aspects of investments

responsAbility publishes its Social Performance Report 2008

Zurich, 02.10.2008 – As at the end of June 2008, the responsAbility investments in Microfinance, SME financing, Fair Trade and independent media show a positive financial and social return in all 54 countries. With the social return, responsAbility measures the improved economic integration of people living at the base of the income pyramid. Since the last Social Performance Report in December 2006, the assets managed by responsAbility have increased to USD 584 million.

responsAbility invests in companies and institutions offering services and products for people at the base of the income pyramid. Patrik Huber, Member of the Management Board, sums up:

“Microfinance, Fair Trade and SME financing schemes contribute towards poor people being able to improve and diversify their income and form savings. They are thus in a position to cover risks, make planning for the future, as well as to implement decisions.” responsAbility investments reach the following institutions as at the end of June 2008: 181 microfinance institutions, 7 local SME risk capital funds, 10 Fair Trade farmers’ cooperatives and a fund for the promotion of independent media.

Microfinance

- The volume of the assets invested in microfinance amounted to USD 549 million as at June 30, 2008. The assets are spread over three microfinance products and refinance 400,700 microfinance clients.
- In addition to micro loans, the microfinance institutions are increasingly also offering financial services, such as savings, consumer loans, housing loans or life and health provision insurance schemes. In addition, products for SME are to be found ever more often in the microfinance institutions’ portfolio. Nevertheless, with over 60 percent micro loans remain the most used product. Altogether, the 181 microfinance institutions in the responsAbility funds serve 8 million loan clients and manage 6.6 million savings accounts.
- With 58 percent, the share of women among microfinance clients continues to be high. Seen in absolute terms, thanks to a sharp growth in volume, the responsAbility monies are reaching over 150,000 women more than in the last period under review (December 2006).
- Fair interest rates and responsibility in serving microfinance clients are two focus topics responsAbility discusses in its Social Performance Report.

- 29 percent of the responsAbility Global Microfinance Fund monies are used for loans to production plants and agriculture (6 percent more than in the last period under review). These sectors are above all important for a sustainable growth of economies.
- In the last 12 months (as at the end of June 2008), the responsAbility Global Microfinance Fund earned a return of 6.2 percent in the fund currency (USD).

Fair Trade

- The assets invested in Fair Trade farmers' cooperatives grew from USD 0.9 million to nearly USD 6 million. Thanks to the Fair Trade premium, farmers receive delivery prices lying above the world market price and thus contribute towards a higher family income.

SME Financing

- responsAbility invested some USD 25 million in seven local SME risk capital funds. As a result, long-term capital for 44 SME was made available. The SMEs are of essential importance as the providers of jobs and goods at affordable prices.

Independent media

- The responsAbility Media Development Basket finances independent media with CHF 4 million. The fund thus makes access to free reporting possible for 2.7 million people in 17 countries.

The Social Performance Report and further analyses, case studies and discussion papers are to be found at: www.responsAbility.com/spr/en .

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About responsAbility Founded in 2003, responsAbility Social Investments AG is one of the world's leading social investments companies. With its investment products, responsAbility enables people at the base of the global income pyramid to have access to markets, information and other services important for their development in sectors such as microfinance, fair trade, independent media, SME financing, healthcare and education. Private and institutional investors can thus contribute to positive social development and at the same time aim for a financial return in a professional manner. responsAbility is backed by well-established Swiss financial institutions and a social venture capital company as founders and shareholders. These include Baumann & Cie, Banquiers, Credit Suisse, Raiffeisen Schweiz, Swiss Re, Bank Vontobel AG as well as George Avenue. responsAbility currently manages more than USD 640 million in over 200 institutions and almost 60 countries. (as in September 2008)