

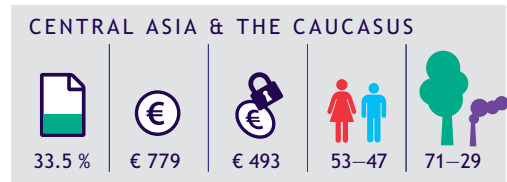
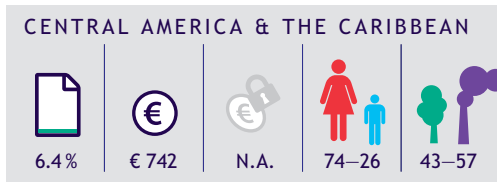
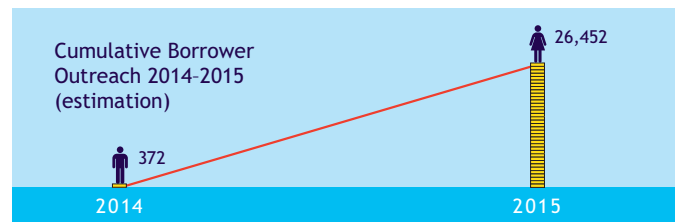
ACTIAM Institutional Microfinance Fund III

The Fund invests in microfinance institutions that provide access to finance to poor people across the world. It focuses on the development and delivery of financial products and services for deprived communities, thereby contributing to

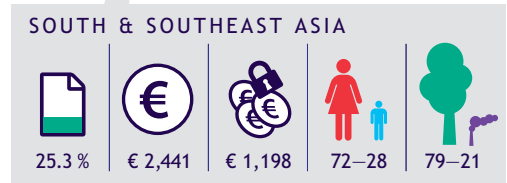
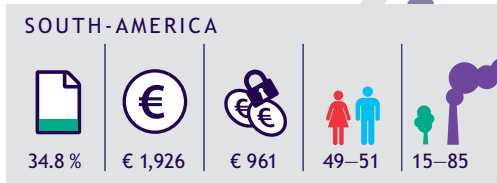
the development of an inclusive financial sector in the developing world. In doing so, the Fund simultaneously strives for capital appreciation and the realisation of market-rate financial returns for its investors and their beneficiaries.

ACTIAM and DWM have jointly managed Institutional Microfinance Funds since 2007.

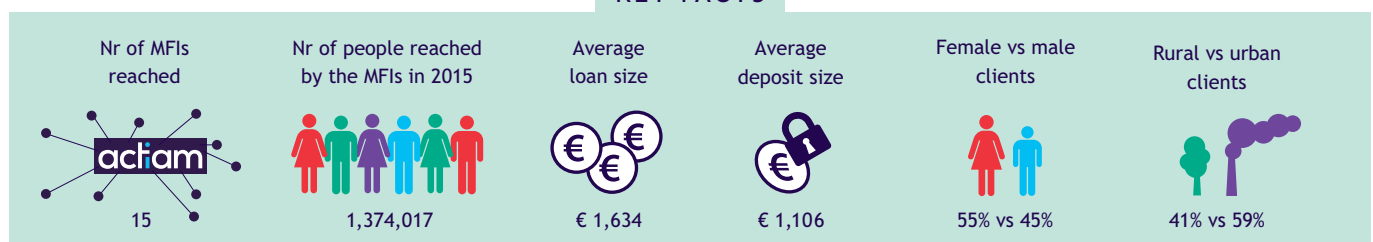
The ACTIAM Institutional Microfinance Fund III builds on a combined outreach of these Funds of more than 2.5 million micro entrepreneurs.



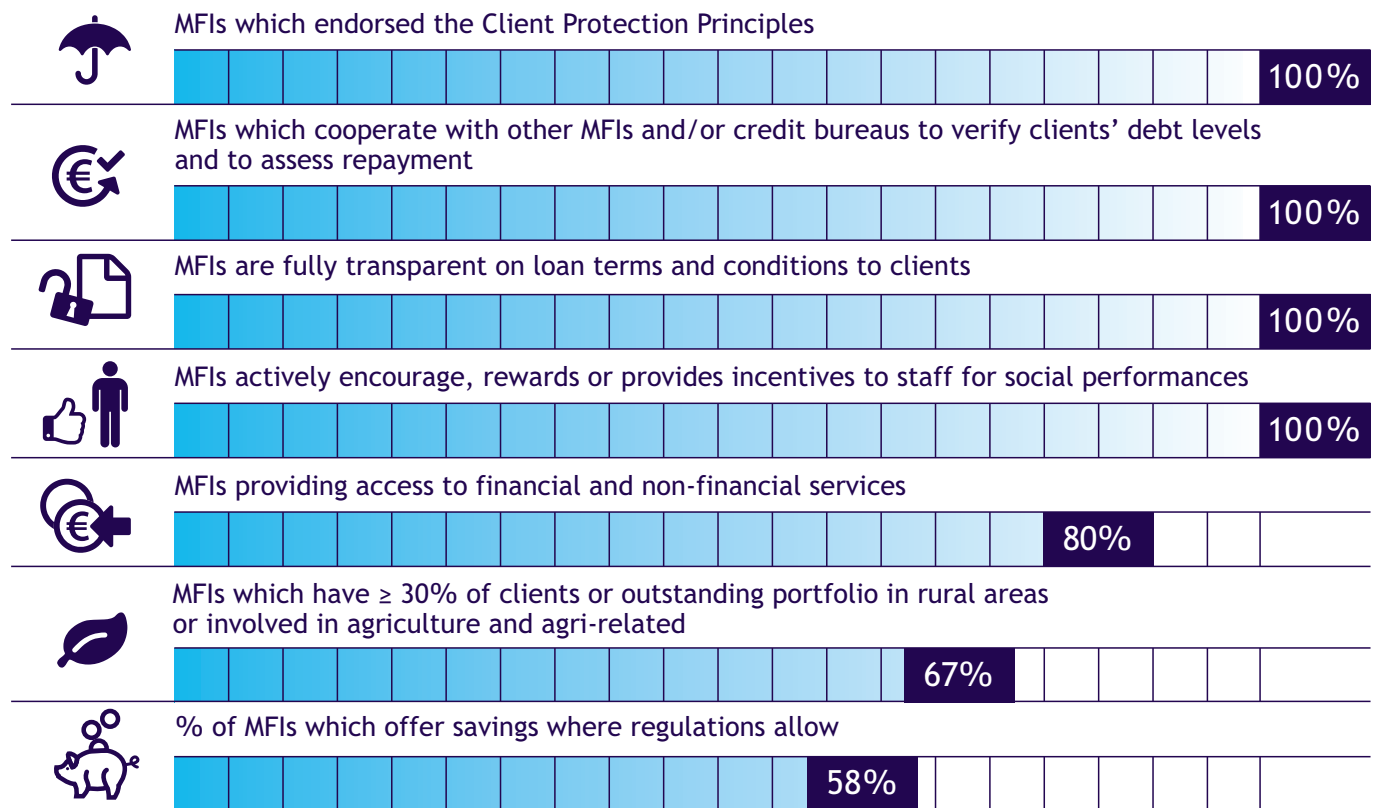
- LEGEND**
- AIMF Exposure (%)
 - Average loan size (€)
 - Average Deposit Size (voluntary)
 - Female vs male clients (%)
 - Rural vs urban clients (%)



KEY FACTS



The Principles for Investors in Inclusive Finance (PIIF) in AIMF III investments



Harmonizing sector standards

The ACTIAM Institutional Microfinance Fund III was launched aiming to contribute to increased worldwide and responsible development of the inclusive financial industry. The Principles for Investors in Inclusive Finance (PIIF) address seven key risks that investors should tackle in order to make responsible investments in inclusive finance. Fund Manager ACTIAM and Investment Manager DWM were actively involved in the development and two of the first signatories. The principles range from risks associated with client over-indebtedness to the need for increased transparency. While some indicators can be quite easily quantified, the seventh principle with regards to harmonized standards to support further development of inclusive finance is more lucent.

An inspiring example of a country where standards are harmonized is Peru. Peru ranks highest by The Economist Intelligence Unit (EIU)'s Global Microscope 2015, which assesses the regulatory ecosystem for financial inclusion in 55 countries. Financial Inclusion has been high on the agenda of policy-makers for years, resulting in a competitive and open market, with regulation acting to facilitate market forces. Institutions professionalize over time, and stakeholders cooperate to develop products addressing the needs of poor and vulnerable populations. Furthermore, schools and communities offer financial literacy educational programmes.

ACTIAM and DWM continue to be deeply involved in a number of initiatives aimed at further developing the inclusive finance industry. Over the past year we collaborated with the Social Performance Task Force to revise Lenders' Guidelines for Setting Covenants in Support of Responsible Microfinance. This is an initiative aimed at easing reporting constraints for Financial Institutions, by involving public and private socially responsible investors that aspire to harmonize the definition of covenants and social undertaking. Another example is the realized progress with regards to the client Protection Principles (CPP) of the Smart Campaign, which are created to implement a common code of conduct governing how clients should be treated and to help implement client protection safeguards within the industry's operations. Whereas **68%** of our microfinance portfolio MFIs endorsed the CPP in 2012, this increased to **100%** in 2015.

In summary, our goal is to continue to contribute to the improvement of access to and quality of financial services targeting the financially excluded. We work hard to achieve our goal individually, by funding some of the most inclusive MFIs in the investment universe and collectively, by striving to further align industry standards.