



# 2023 PERFORMANCE REPORT AUSTRALIAN DEVELOPMENT INVESTMENTS



#### About the cover photo:

*Phuong Pham, Sweef Capital's Director for Vietnam, mentors a middle manager at USM Healthcare to set and achieve targets. ADI's investment in SWEEF I, enabled Sweef Capital to provide equity investment in USM Healthcare. Additionally, through ADI Technical Assistance, USM Healthcare participates in a Leadership Development Program.*

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# Executive Summary

The Australian Development Investments (ADI) 2023 Performance Report showcases the socio-economic impact achieved through its targeted investment strategy, stakeholder engagement, and partnerships. ADI's multifaceted approach focuses on accelerating climate action, promoting gender equity, fostering inclusivity, and adopting practices to drive market-building through blended finance.

A landmark achievement for ADI was the Australian Government's decision to expand the Emerging Market Impact Investment Fund (EMIIF) pilot from AUD 40 million to AUD 250 million in May 2023. This expansion aims to address gender inequality and scale climate investments across South and Southeast Asia and the Pacific. The increase in ADI's size as a blended finance instrument significantly enhanced its profile within the Australian Government.

ADI has effectively demonstrated its ability to deploy capital, with the original pilot program committed to four fund investments by the end of 2023, and fully committed by the first quarter of 2024.

These funds have successfully raised additional capital from public and private investors, with ADI's own mobilisation ratio standing at over 1:6 as of the end of 2023 (one dollar of ADI capital leverages six dollars in private sector investment). This ratio is much higher than the average of 1:2 reported for the South Asia, East Asia, and the Pacific region by Convergence.<sup>1</sup> ADI also completed its first investment in climate finance in 2023. ADI committed AUD 4.4 million to the Southeast Asia Clean Energy Facility II (SEACEF II) using a blended finance instrument, mobilising an additional AUD 47.4 million for climate finance.

ADI's fund investees have facilitated value-add projects with local businesses, focusing on adopting gender and climate lenses in operations and safeguarding. This approach leverages ADI's technical assistance program to maximise impact. Notably, ADI indirectly invested in 26 active companies, supporting 9,834 full-time jobs, with women comprising 50 per cent of the workforce.

<sup>1</sup> Convergence defines private sector mobilisation as the amount of commercial capital, specifically from private sector investors, which has been leveraged by concessional capital. Blended finance leverage ratio - Blog - Convergence News | Convergence

Despite stable economic growth in the region, 2023 posed several challenges for ADI's portfolio companies. The global economy was strained by escalating geopolitical tensions, persistent inflation, and rising interest rates. These factors particularly affected the tech sector, as investors grew wary of high-risk tech startup investments. The tightening of follow-on capital forced some startup tech firms to shut down, while others had to forego expansion and cut costs, leading to job losses.

In terms of gender equality, the portfolio shows strong results in financial inclusion with 99 per cent of micro and small-to-medium enterprise (SME) borrowers being women and balanced representation of women employees. However, women remain underrepresented in higher leadership positions, such as board roles. The number of women-founded companies in ADI's portfolio stood at 23 per cent, surpassing the global venture capital industry

benchmark of 10 per cent, but still below ADI's minimum target of 25-33 per cent for its investees. Additionally, considerable differences across countries highlight that progress toward gender equality is still in its early stages in certain markets. ADI's highly tailored technical assistance program has focused primarily on gender lens coaching and improvement in policies and processes for fund managers and portfolio companies this year. While much remains to be done, it is a positive sign that 81 per cent of portfolio companies are aligned with the adapted 2X Challenge Criteria.<sup>2</sup>

Looking ahead, ADI's strategic expansion aligns with a pivotal moment in the global fight against climate change. Significant barriers still exist for clean energy investments in the region, including limited early-stage funding and a lack of technical expertise. ADI is well-positioned to act as a key anchor investor in climate funds, leveraging its strategic expansion to drive impactful climate investments in the region.

<sup>2</sup> The 2X Challenge Criteria (also known as 2X Criteria) is a global standard for assessing and structuring investments to promote gender equality. It emphasises providing women with leadership opportunities, quality employment, finance, enterprise support, and products and services that enhance their economic participation and access. The set of criteria was updated in Q1-2024 to reflect specific country and industry contexts.

# Impact Highlights of 2023

The 2023 ADI Performance Report presents findings from ADI’s ESG and Impact Survey of four SME fund managers and the 26 portfolio companies, highlighting successes, challenges, and relevant case studies. The report is undertaken by Sarena in consultation with DFAT and demonstrates ADI’s progress on its Theory of Change, showcasing the significant strides made towards achieving

development impact and market building (see summary table below). We note that progress towards the third pillar, organisational learning is not covered in this report. This pillar focuses on encouraging the broader adoption of blended finance within the Department of Foreign Affairs and Trade (DFAT), and therefore DFAT is better placed to undertake this analysis internally.

## ADI THEORY OF CHANGE

## 2023 OUTCOME

### Development Impact

**Decent work opportunities**

In 2023, ADI indirectly invested in 26 companies via four fund investments, supporting 9,834 full-time jobs, with women comprising 50% of the workforce.

Jobs figures declined by 1,171 as compared to 2022 primarily due to layoffs in the tech sectors in Bangladesh and Vietnam.

**Inclusive products and services**

ADI’s portfolio served 27 million beneficiaries, a significant increase from 1.6 million in 2022. The growth was driven by the addition of patients served by USM Healthcare, a new portfolio company of SWEEF I.

**Gender equity**

81% of portfolio companies aligned with the adapted 2X Challenge Criteria, meeting the impact investing industry’s gender equity standards.

In total, 23% of ADI’s portfolio companies are women-founded, surpassing the global venture capital industry benchmark of 10%, but still below ADI’s minimum target of 25-33%.

## ADI THEORY OF CHANGE

	<b>Climate action</b>
<b>Market building</b>	<b>Broadening the impact investment market</b>
	<b>Crowding in private capital</b>
	<b>Promoting industry best practice</b>

## 2023 OUTCOME

ADI initiated greenhouse gas (GHG) emissions measurement for its portfolio companies in 2023 using the Joint Impact Model to better understand its carbon footprint and develop net-zero strategies.

Fund managers like Lendable and Sweef Capital took proactive steps in reporting emissions and integrating climate risk management into their investments.

ADI continues to play a pivotal role in shaping the investment landscape by taking early and catalytic positions in transactions.

In 2023, ADI committed AUD 4.4 million to the SEACEF II climate mitigation fund using a blended finance instrument, mobilising AUD 47.4 million for climate finance. In total, ADI has mobilised 150 million in private investments from 2020-23 with a mobilisation rate of over 1:6.

ADI continued to promote gender lens investment and climate action at ESG events and conferences and hosted a gender lens investing (GLI) networking event for regional investors in 2023.

# Impact Highlights by country

## BANGLADESH

- 1 Portfolio companies
- 1,167 Jobs supported
- 827 New jobs created
- 6,523 Micro-entrepreneur borrowers
- 20,546 End beneficiaries
  - o 2X aligned companies
  - o Women-owned/founded companies

## VIETNAM

- 19 Portfolio companies
- 5,465 Jobs supported
- 527 New jobs created
- 3,096 Micro-entrepreneur borrowers
- 24.9 M End beneficiaries
  - 15 2X aligned companies
  - 7 Women-owned/founded companies

## PHILIPPINES

- 3 Portfolio companies
- 584 Jobs supported
- +101 New jobs created
- 144 Micro-entrepreneur borrowers
- 84,157 End beneficiaries
  - 3 2X aligned companies
  - 1 Women-owned/founded companies

## INDONESIA

- 3 Portfolio companies
- 2,618 Jobs supported
- +189 New jobs created
- 1 M Micro-entrepreneur borrowers
- 1.1 M End beneficiaries
  - 3 2X aligned companies
  - o Women-owned/founded companies





# Development Impact

This section highlights the development impact of ADI in 2023, including how the portfolio has supported decent work opportunities and access to inclusive products and services. This section also highlights progress towards gender quality and climate impact.

## Decent Work and Inclusive Products and Services

### Jobs created and supported

In 2023 ADI's portfolio companies supported a total of 9,834 full-time jobs<sup>3</sup>, with women representing 50 per cent of these positions and 37 per cent of leadership roles. Pressure on the global economy from escalating geopolitical tensions, persistent inflation, and rising interest rates led investors to grow wary of high-risk tech startup investments. The tightening of follow-on capital forced some startup tech firms to shut down, while others had to forego expansion and cut costs, leading to job losses. Jobs figures declined by 1,171 compared to 2022 due to downsizing in the tech sectors of Bangladesh and Vietnam. Job cuts disproportionately affected men, with at least 1,133 jobs lost for men and 38 jobs lost for women in Bangladesh and Vietnam.

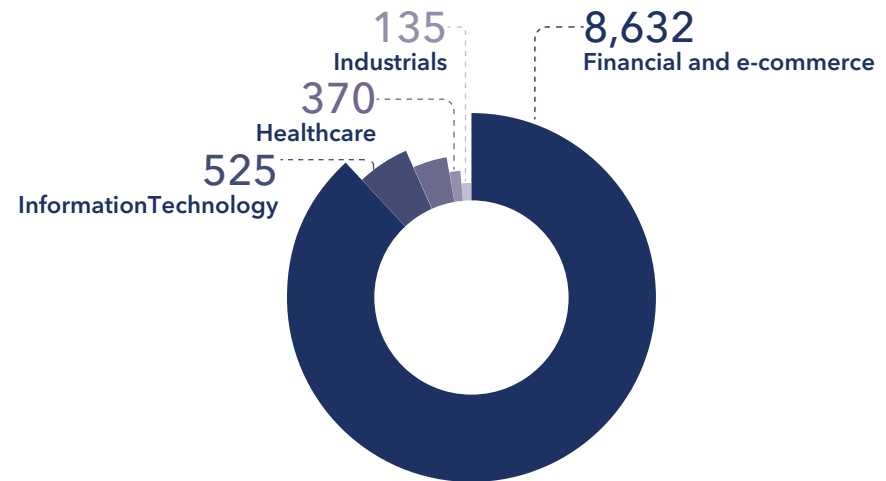
### Jobs supported by gender



<sup>3</sup> Full-time jobs include employees and managers. During the same period, three companies exited the portfolio, two companies were repaid, and one was written off, accounting for a cumulative total of 643 jobs. These jobs are still included in the graph figures.

The financial sector supports the highest number of full-time jobs at 8,632, followed by information technology with 525 jobs, and healthcare with 370 jobs. The energy sector has the fewest full-time jobs, with only 10. Due to the nascency of ADI's portfolio, the high volume of financial sector jobs reflects ADI's first investment in Lendable's fintech credit fund (LMFCF I). We expect these sectoral trends to shift as the number of ADI's energy and climate investments grow.

### Jobs supported by sector



Vietnam is the highest contributor to employment, with 19 portfolio companies it accounts for 5,465 jobs (56 per cent of the total). Vietnam has a high representation of portfolio companies because one of ADI's SME Fund investments is focused exclusively on Vietnam, and the remaining three have a presence in the country. Vietnam experienced a decrease of 527 jobs in 2023. The decline in employee

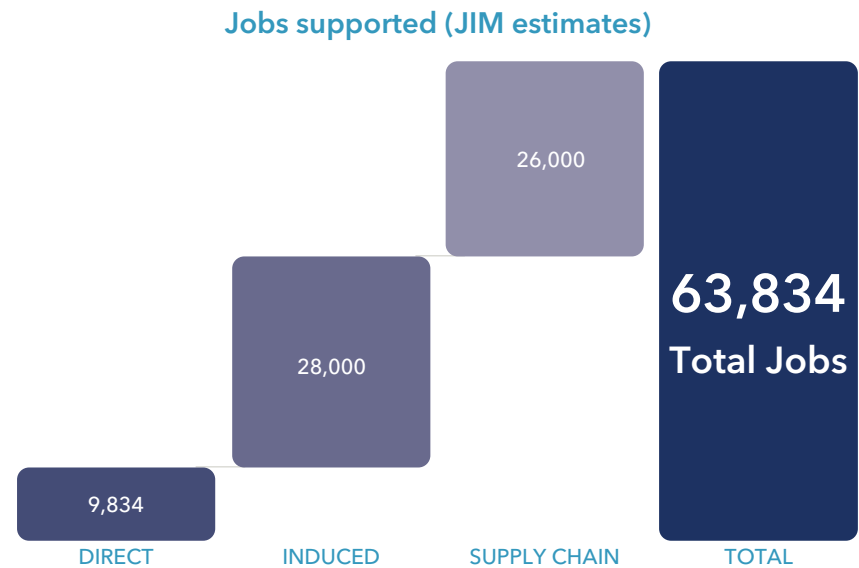
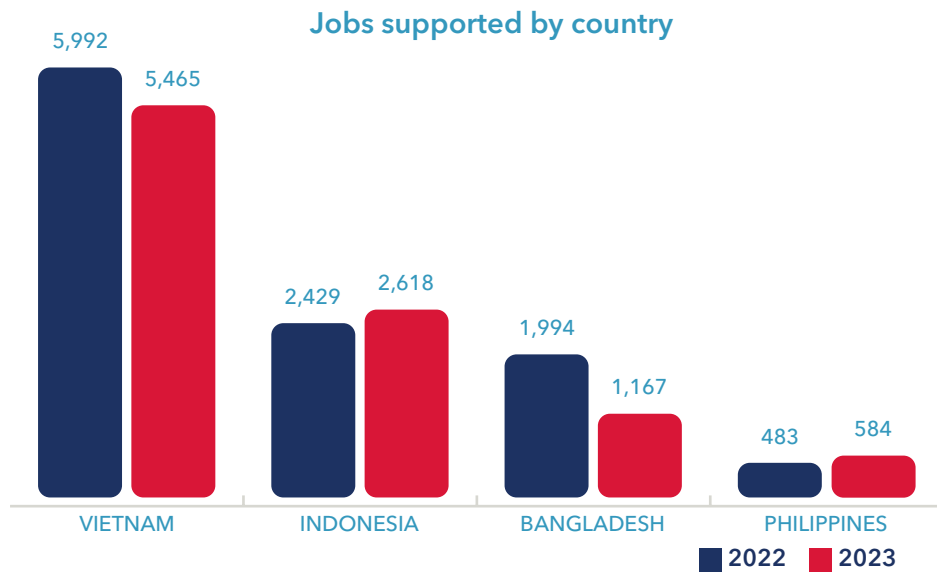
numbers was attributed to an ed-tech company's use of AI chatbots, which reduced the need for customer support staff; and a financial services company closing several non-performing branches.

Indonesia, with three portfolio companies, supported 2,618 jobs and experienced a modest increase of 189 jobs in 2023. The number of portfolio companies in Indonesia is expected to increase in the coming years with the introduction of KINETIK, a \$50 million window for climate-focused investments in Indonesia.

Bangladesh, which only has one portfolio company, experienced a notable decrease in 827 jobs this year to reach 1,167. The decrease is attributed to the company's decision to narrow its focus to a select few sectors for its e-commerce solutions. Previously serving a wide range of industries such as fashion, infrastructure, and agricultural inputs, the company has shifted its focus to consumer-packaged goods and daily essentials.

Collectively, ADI supports more than 63,000 jobs through its direct, induced, and supply chain activities. This estimate is based on the Joint Impact Model.<sup>4</sup>

- Direct Jobs are the positions created directly by the underlying SMEs through the operation of their business. As reported above, it is estimated that ADI directly supports 9,834 full time jobs.
- Induced Jobs arise from the spending by employees in direct jobs, generating employment in sectors such as retail and food services. It is estimated that ADI supports 28,000 induced jobs, of which 36% were held by women.
- Supply Chain Jobs, also known as indirect jobs, are generated in the supply chains that support the organisation's direct activities. This includes jobs in companies providing materials, components, or services. It is estimated that ADI supports 26,000 supply chain jobs, of which 26% were held by women.



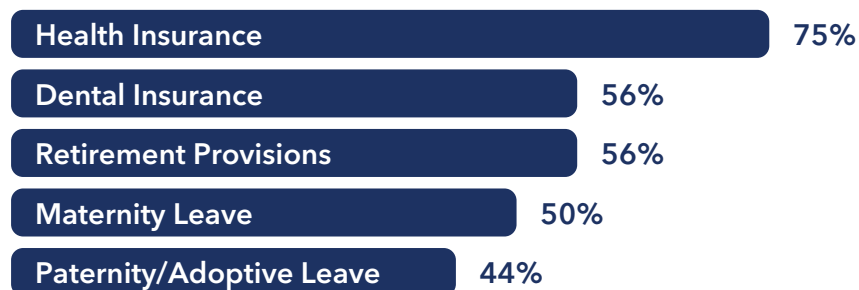
<sup>4</sup> The Joint Impact Model (JIM) is a tool designed to estimate a company's financial flows and their economic, social, and environmental impacts.

## Employee benefits

Wage data suggests that ADI supports good quality job opportunities. The 2023 annualised median salary of ADI companies of USD 12,732 (AUD 18,648) is significantly higher than the average annual GDP per capita in these markets, which ranges between USD 2,500 and USD 4,300. ADI-supported jobs offer better pay because they are in the tech and financial sectors where higher education degrees are often required, and because companies tend to be in the capital cities.

Employee benefit data provides further evidence that ADI supports good quality job opportunities. The 26 surveyed portfolio companies continue to prioritise health insurance (offered by 75 per cent of companies), dental insurance (offered by 56 per cent of companies), and retirement provisions (offered by 56 per cent of companies). Many companies also provide supplementary benefits, including childcare support, free lunch, personal and professional development opportunities, housing allowances, and transportation support.

### Core benefits



**Additional Benefits:** Disability coverage, life insurance, and stock ownership.

## Inclusive products and services

In 2023, ADI portfolio companies collectively served 27 million end beneficiaries, increasing from the previous year's 1.6 million. This growth is driven by the addition of patients served by USM Healthcare, a new portfolio company of SWEEF, producing medical devices (see *USM Case Study*).

End beneficiaries are categorised into two main groups:

**Individual users:** Over 26 million individuals. Among companies reporting gender data, 45 per cent of clients are women.

- 24 million patients.
- 938,000 individuals availed of consumer loans.
- Over 1 million food product customers.
- 43,000 students, with 20 per cent being female.

**Micro and SME Borrowers:** Over one million borrowers from micro and small-to-medium enterprise (SME) borrowers, including:

- ADI fund investee Lendable LMFCF serves more than 1 million micro-enterprise borrowers via the fund's financed fintech companies, 99 per cent of whom are women micro-entrepreneurs.
- 2,086 SME borrowers, with 21 per cent representing women-owned or led 'mom-and-pop' shops.
- Fintech lenders within the portfolio provide business loans to women entrepreneurs, significantly enhancing their access to financial resources. This reach underscores the ADI portfolio's contribution to financial inclusion and support for women entrepreneurs.

## Decent Work and Inclusive Products Case Study: USM Healthcare

ADI provided an anchor equity investment in 2022 into SWEEF I, helping mobilise millions in co-investment from private and public investors. As an equity fund, SWEEF I used this capital to invest into USM Healthcare.

USM is one of the major local producers of medical devices in Vietnam, producing cardiovascular equipment like coronary stents. As the sole domestic manufacturer in this sector, USM sold 24 million units in 2023, highlighting its essential role in meeting national healthcare needs. By offering cost-effective stents, USM ensures broader access to lifesaving treatments for low- to medium-income patients.

USM demonstrates gender equity, with 50 per cent women in senior management and 57 per cent women staff, and full alignment with the 2X Criteria. Its robust Code of Conduct fosters an ethical, supportive work environment that promotes innovation. Operating a state-of-the-art facility in Saigon Hi-Tech Park, USM adheres to ISO standards and produces a diverse array of medical products. The company's expansion into orthopaedics demonstrates its commitment to advancing healthcare innovation and self-sufficiency in Vietnam.



*USM workers engaged in the production of stents, catheters, and other medical equipment.*

## Gender Equality

ADI assesses its performance towards gender equity using the 2X Criteria. The 2X Criteria promotes women in leadership and quality employment opportunities, and champions products and services that enhance women's economic participation and quality of life. The criteria, which were previously based on gender representation in employment, managerial, and Board positions, were updated in January 2024 with additional targets for management systems and supply chains.

### Gender representation in portfolio companies

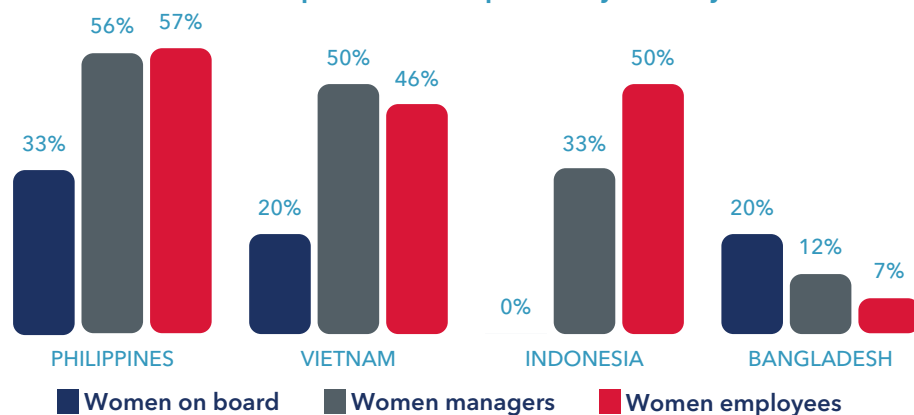
In the ADI portfolio, 81 per cent of ADI's portfolio companies align with the updated 2X Criteria, with the number of women employees and managers meeting or exceeding country and sector-specific thresholds. All companies had governance frameworks, including action items or plans, to promote gender equity, and regularly collect and analyse gender-related data.

However, gender equity varies significantly by country, reflecting diverse socio-cultural, economic, and policy factors. Common barriers to women's full economic participation across these countries are socio-cultural norms, family responsibilities, and inflexible workplace

policies. Annex 2 provides detailed information on portfolio companies' alignment to the 2X Criteria.

Portfolio companies in the Philippines excel in gender equity, with 57 per cent women employees, 56 per cent in managerial roles, and 33 per cent on boards. ADI portfolio companies outperform the country average, as the labour force participation rate for females in the Philippines is 47 per cent.<sup>5</sup> The Philippines ranks 25 out of 146 countries in the World Economic Forum's Global Gender Gap Report 2024<sup>6</sup>, due to progress in wage equality, female political participation, and education. After taking into consideration country benchmarks, portfolio companies in the Philippines are 100 per cent aligned with the 2X Criteria.

### Women representation in various roles across portfolio companies by country



Note: Data is shown as a median for 26 portfolio companies.

Portfolio companies in Vietnam also performed well, with 46 per cent women employees, 50 per cent of women in managerial roles, and 20 per cent of women on boards. Vietnam has high female labour force participation at 68 per cent<sup>7</sup>, supported by educational gender parity, family-friendly laws, and a robust legal framework for gender equality.<sup>8</sup> Despite progress, women's representation in senior leadership roles lags. The country ranks 72nd on the Gender Gap index.<sup>9</sup> After taking into consideration country benchmarks, portfolio companies in Vietnam are 79 per cent aligned with the 2X Criteria.

Of the portfolio companies in Indonesia, 50 per cent of employees and 33 per cent of managers were women, with no women board members. Indonesia's female labour force participation rate has remained relatively stable at just above or below 50 per cent since 1990.<sup>10</sup> The country faces challenges due to societal norms that dictate women's role in marriage and childbirth,<sup>11</sup> and inflexible workplace policies placing it 89th overall in the Gender Gap index. Women are overrepresented in professional and technical roles but underrepresented in senior leadership. After taking into consideration country benchmarks, portfolio companies in Indonesia are 100 per cent aligned with the 2X Criteria.

The Bangladesh-based portfolio company is not 2X-aligned, mirroring the country's low female labour force participation of 37 per cent<sup>12</sup>. Despite improved educational access, social norms and family responsibilities severely limit women's career prospects, leading to low representation in senior positions<sup>13</sup> with an 88 per cent disparity in managerial positions.<sup>14</sup> Bangladesh ranks 99th in the Gender Gap index.

<sup>5</sup> World Bank, Labor force participation rate, female, Philippines <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS?locations=PH>

<sup>6</sup> The Global Gender Gap Index benchmarks gender parity across four dimensions: Economic Participation and Opportunity, Educational Attainment, Health and Survival, and Political Empowerment. Launched in 2006, it is the longest-standing index tracking global progress in closing these gaps.

<sup>7</sup> World Bank, Labor force participation rate, female, Vietnam <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS?locations=VN>

<sup>8</sup> IFC (2018). As women advance in Asia's labour force, Vietnam is a standout

<sup>9</sup> Ibid

<sup>10</sup> World Bank, Labor force participation rate, female, Indonesia <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS?locations=ID>

<sup>11</sup> Lembaga Demografi Faculty of Economics and Business Universitas Indonesia. Social Norms and Women's Economic Participation in Indonesia

## Gender equity in ADI fund managers

All ADI fund managers align with the 2X Criteria, fulfilling the basic 2X ESG standards and minimum Governance & Accountability requirements. Women are fairly represented among employees and leadership. Out of 56 total employees, women constitute 50 per cent, with 11 per cent belonging to underrepresented groups based on race, gender identity, sexual orientation, or disability. While this distribution reflects a positive trend toward gender parity and inclusivity, there is still room for improvement in involving underrepresented groups.

The median percentage of women as Partner or Executives is 42 per cent, with 6 per cent from underrepresented groups. Across the four fund managers, women hold 27 per cent of the Investment Committee roles. Given its role in driving decision-making, the Investment Committee (IC) is crucial in allocating capital to close gender gaps. A diverse IC can strategically deploy investments in women-led funds or companies championing gender equality, fostering innovation, and promoting more equitable and profitable investment outcomes. Recognising the benefits, ADI is committed to supporting its fund managers to improve and build the business case for gender diversity across all levels of their organisation.

Two fund managers reported having underrepresented individuals in executive positions, management roles, and general employee categories. Furthermore, three out of the four fund managers actively engage their staff by conducting annual or biannual surveys and sharing the results internally. However, these surveys currently do not disaggregate responses by gender, suggesting an area for future enhancement to better understand and address gender-specific experiences.

Overall, ADI fund managers have enhanced Diversity, Equity, and Inclusion (DEI) within their teams and organisational culture in 2023.



*AVV's Partner Hau Ly speaks at a women founders' event.*

One fund manager established a dedicated DEI committee, reflecting a formal commitment to these principles. Another manager has taken a significant step by becoming a signatory of the Institutional Limited Partners Association (ILPA), aligning their practices with broader industry standards for diversity and inclusion.

## Technical Assistance to improve gender practices

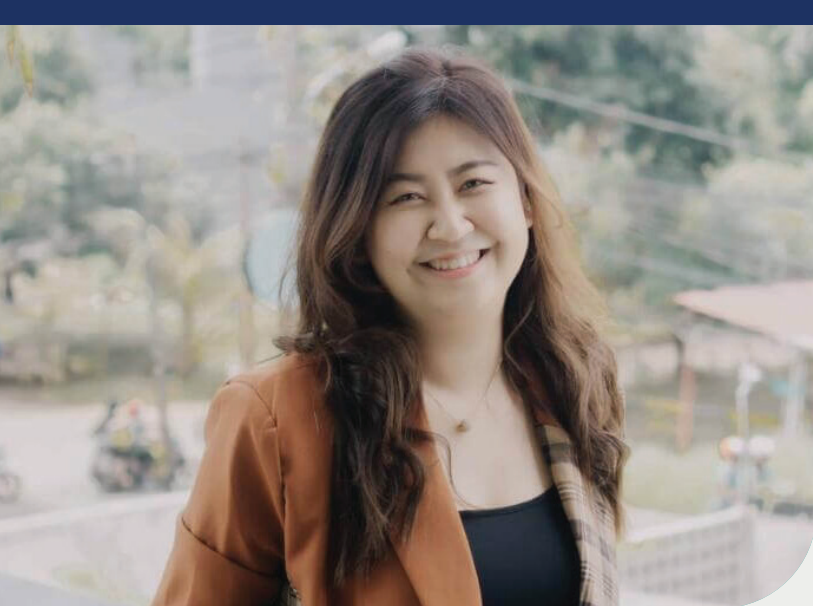
To advance gender equity further, ADI Technical Assistance develops the capability of portfolio companies to implement gender equity policies aiming to improve recruitment, retention, and promotion of women, and foster safe and inclusive workplaces. Technical assistance equips SMEs with essential knowledge, skills, and tools to scale their operations, adopt sustainable business practices, and enhance organisational resilience. Technical assistance helps SMEs to improve risk management and adhere to applicable standards and regulations. ADI provides tailored support, co-creating activities that align with each SME's unique priorities and goals.

By the end of 2023, ADI had extended technical assistance to four portfolio companies. The technical assistance focused on enhancing gender-inclusive workplaces, developing gender-responsive products and services, obtaining memberships in industry bodies, and ensuring compliance with DFAT social safeguarding standards. For more information on ADI Technical Assistance see Annex 3.

<sup>12</sup> World Bank, Labor force participation rate, female, Bangladesh <https://genderdata.worldbank.org/en/indicator/sl-trlf-acti-zs>

<sup>13</sup> UNDP Bangladesh (2023) Over 99% of Bangladesh hold at least one bias against women.

<sup>14</sup> World Economic Forum (2021). Global Gender Gap Report



*Eunike Adelia founder of the Jakarta-based coffee shop chain Kopitagram. KoinWorks funding helped Eunike open new Kopitagram branches in more locations around Jakarta and other cities.*

## Gender Equity Case Study: KoinWorks

ADI provided first loss equity to Lendable in 2021, which was critical to attracting private institutional investors into the fund. Lendable used its capital to invest in Koinworks.

KoinWorks was founded in 2016 to help the micro, small, and medium enterprises (MSMEs) in Indonesia secure capital. Its peer-to-peer (P2P) online platform bridges the gap between MSME borrowers and retail lenders. Today, KoinWorks has a user base of 1.4 million individual investors, with one in every four being a female investor.

To support more women entrepreneurs, KoinWorks is developing gender-specific solutions in partnership with Sagana, ADI's Technical Assistance partner. This includes analysing the unique needs and buying behaviours of women resellers, who have lower loan application rates despite being the predominant group among online resellers. The data gathered has informed the creation of gender-inclusive financial products, empowering more women in the online marketplace.

Specifically, Sagana's tailored technical assistance has included:

- **Behavioural Analysis:** Delving into female buyer behaviour, exploring decision-making processes, product usage, and anomalies while researching successful digital products and aligning KoinWorks product objectives with industry best practices.
- **Product Development:** Workshops to impart insights from the comprehensive analysis and guide developing prototypes. Further insights will be incorporated from engaging end-users to ensure feedback-driven design and user-focused functionalities.
- **Gender Inclusive Market Strategy:** Developing marketing strategies that resonate with female consumers' preferences and buying behaviours, considering women as both resellers and end customers, and developing a framework for implementing initiatives to empower women resellers, encouraging active participation.



## Climate Action

ADI Target countries are highly vulnerable to climate change. The countries are home to large populations of people on very low incomes who are vulnerable to extreme weather events, climate-related disasters, and food insecurity.<sup>15</sup> The Southeast Asia region is at risk of losing an estimated USD 28 trillion in economic potential due to climate inaction by 2050.<sup>16</sup>

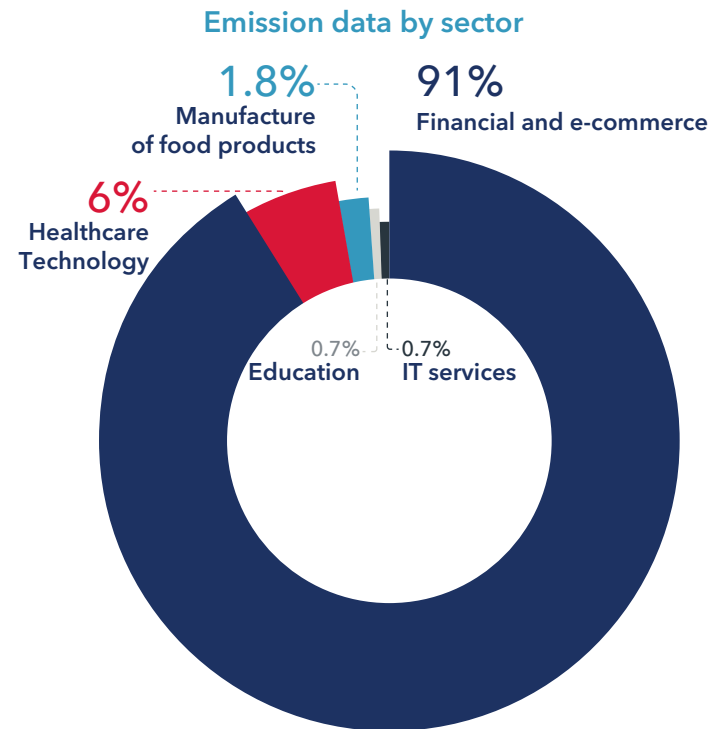
### Portfolio greenhouse gas emissions

In 2023, ADI began evaluating its portfolio's impact in terms of greenhouse gas (GHG) emissions to better align with global sustainability standards. ADI uses the Joint Impact Model (JIM), a tool designed to estimate financial flows and carbon footprint, as opposed to collecting data directly, due to poor quality reporting from SMEs.

The total GHG emissions from ADI investments in 2023 was 153,939 tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>eq), comprising of:

- 1,413 tCO<sub>2</sub>eq in Scope 1 direct emissions from ADI-owned and ADI-controlled sources, such as vehicles or on-site fuel combustion.
- 38,569 tCO<sub>2</sub>eq in Scope 2 in indirect emissions from energy consumption. These emissions stem from the generation of purchased electricity, steam, heating, and cooling consumed by ADI.
- 113,957 tCO<sub>2</sub>eq in Scope 3 other indirect emissions. This category includes all other indirect emissions in the company's value chain, such as those from business travel, procurement, waste, and goods transportation.

The financial and e-commerce sectors have the most emissions at 140,622 tCO<sub>2</sub>eq. One e-commerce company alone drives 75 per cent of ADI's GHG emissions, due to its national footprint and logistics services. Healthcare technology also exhibits significant emissions, totalling 9,144 tCO<sub>2</sub>eq or 6 per cent of ADI finance emissions. The manufacture of food products sector has moderate emissions at 2,718 tCO<sub>2</sub>eq (1.8 per cent), while Education records relatively low emissions of 1,010 tCO<sub>2</sub>eq (0.7 per cent). IT Services have the lowest emissions, amounting to 445 tCO<sub>2</sub>eq or 0.3 per cent of total emissions. Knowing the relative weight of each company in GHG emissions enables ADI to focus mitigation and adaptation efforts on the top emitters.



<sup>15</sup> IFRC, World Disaster Report 2020

<sup>16</sup> Deloitte, Southeast Asia's turning point: How climate action can drive our economic future 2021.

## Climate related concerns and opportunities for fund managers

ADI fund managers continued to identify physical risks and transition risks from climate change as the most significant in 2023. Physical risks such as higher costs from workforce impacts and decreased production capacity due to supply chain interruptions, continue to be significant concerns. Transition risks, including increased costs of raw materials and challenges associated with shifting consumer preferences and transitioning to lower emissions technology, also remain prominent.

A new climate risk highlighted in 2023 was the uncertainty in market signals, stemming from the unpredictability of regulatory frameworks, government policies, and market dynamics related to climate change. This uncertainty poses challenges for fund managers in terms of long-term planning.

In terms of opportunities, ADI fund managers see significant potential in transitioning to lower-emission energy sources and accessing new markets in sustainable products and services. Overall, while the risks associated with climate change continues to evolve, the opportunities in renewable energy adoption and sustainable market expansion offer avenues for financial growth and diversification. Balancing these opportunities with effective risk management strategies will be crucial for business stability and growth.



*Vilo's recycling efforts. Vilo is Sweef Capital's portfolio company in Indonesia.*

## Climate Case Studies: Lendable and Amartha

ADI provided first loss equity to Lendable in 2021, which was critical to attracting private institutional investors into the fund. With its commitment to carbon neutrality, it is essential that GHG emissions produced by Lendable's fintech borrowers do not increase. The fund manager actively supports its portfolio companies in measuring and managing emissions by providing tools, advisory support, and creating an automated reporting system. For instance, over 60 per cent of its portfolio companies utilise its user-friendly carbon calculator.

Portfolio companies like Amartha, which provides loans to unbanked women micro-entrepreneurs in rural Indonesia, have integrated renewable energy sources and engaged in community-based carbon offset projects, aligning with Lendable's vision for sustainable development. Transitioning to a peer-to-peer lending platform in 2015, Amartha developed technology to automate borrower applications, data gathering, and credit scoring. Since inception, it has disbursed loans to over 500,000 borrowers across 10,000 villages in Java, Sulawesi, and Sumatra.

Since 2022, Amartha has engaged in carbon offset projects, focusing on long-term sustainability by balancing community prosperity and environmental protection. Committed to becoming carbon-neutral in Indonesia within five years, Amartha launched a mangrove conservation program with Blue Forest and Womangrove. They have planted 4,000 mangroves to rehabilitate coastal areas and enhance resilience.



*Mangrove conservation project that acts as a carbon offset for Amartha, a Lendable portfolio company.*

# Market Building

This section highlights ADI's market building efforts to date including broadening the financial intermediary market, crowding in private capital and promoting best practice in ESG and impact investing.

## Broadening the Impact Investment Market

ADI continues to play a pivotal role in shaping the investment landscape by taking early and catalytic positions in transactions. Through blended finance, ADI expands access to capital for impactful

businesses and collaborates with investors to scale gender-smart investment strategies. ADI has demonstrated its ability to effectively deploy capital, with four fund investments by the end of 2023, and having fully committed the original pilot program by the first quarter of 2024.

ADI completed its first climate investment in 2023 via AUD 4.4 million commitment to the Southeast Asia Clean Energy Facility II (SEACEF II) using a blended finance instrument. Clime Capital's total AUM rose from USD 22.3 million in 2022 to USD 127.3 million in 2023.

Indicator	Lendable LMFCF I	AVV AVV Alpha Fund I	Sweef Capital SWEEF I	Clime Capital SEACEF II
				
Fund Size USD	\$110.3m	\$59.5m	\$43.5m	\$127.3m (first close)
Date of ADI commitment	Aug 2021	Jan 2022	Oct 2022	Dec 2023
ADI Commitment AUD	\$5.8m Junior equity	\$5.1m Pari passu	\$6.0m Pari passu	\$4.4m Junior Equity

Indicator	Lendable LMFCF I	AVV AVV Alpha Fund I	Sweef Capital SWEEF I	Clime Capital SEACEF II
Private Finance Mobilised	2x	7x <sup>17</sup>	6x	11x
% Capital Deployed	100%	40%	32%	No deployment in 2023
Distributions AUD	\$1.5m	-	-	-
# of Companies Financed	10	16	3	-
# of Exited Companies	2	1 write off	-	-

## Crowding in Private Capital

ADI plays a critical role as an anchor investor, either by assuming a junior position in the fund structure or by providing an early commitment to catalyse additional investment. This strategic approach significantly enhances the funds' capacity to attract further capital. ADI has successfully co-invested with several high-profile public investors and mobilised significant amounts of capital from the private sector. As of December 31, 2023, ADI had mobilised AUD 150 million in private investment. This indicates that for every dollar invested, DFAT successfully mobilised<sup>18</sup> over 6 dollars from private sector sources, higher than the average for South Asia, East Asia and the Pacific of 1:2.<sup>19</sup>

Private sector mobilisation is an important indication of a project's ability to crowd in private capital, but it should be considered within the context of other metrics. For example, a high impact fund from a non-government organisation may not attract large amounts of private investment but still deliver substantial development impact. Such a fund would still be a worthwhile investment despite having a low mobilisation rate. Similarly, a commercial transaction may attract a high mobilisation amount, but the transaction may not require public investment. Therefore, the investment would not be worthwhile, despite its high mobilisation rate, as it could be an indication that public funding is not additional and could even be crowding out private investment.

<sup>17</sup> Mobilisation calculations include commitments from Investing in Women

<sup>18</sup> Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) methodology

<sup>19</sup> <https://www.convergence.finance/news/4cC8kVJXvOFZDVxGQ6HLNH/view>



*Clime Capital team with investee company Mober.*

## Market Building Case Study: SEACEF II

As climate challenges intensify, Clime Capital's SEACEF II aims to lead the low-carbon transition in Southeast Asia. The fund targets climate change mitigation through renewable energy, energy efficiency, and clean technology innovations, while creating inclusive economic opportunities.

ADI has worked with SEACEF II since its fundraising journey began in 2021. ADI's early involvement signalled to other investors that SEACEF II's strategy was vetted by a major development institution, offering co-investment opportunities and technical assistance.

Mason Wallick, CEO of Clime Capital, remarked, "ADI's leadership and commitment from the outset demonstrated proof of concept for our investment strategy. Their guidance and technical assistance were invaluable in refining our approach."

With ADI's anchor investment role, SEACEF II was able to reach a significant milestone of USD127 million at first close. This is a significant achievement for a first of its kind blended finance climate fund.

## Promoting Best Practices in ESG and Impact

Across its funds and underlying portfolio companies, ADI promotes good governance and compliance with DFAT Safeguards. During the reporting period, all portfolio companies reported compliance with local labour, tax, and environmental regulations, reflecting a commitment to ethical and legal standards. Given the funds of funds

model, ADI is unable to direct individual portfolio companies to implement its specific safeguard policies. Instead, DFAT Safeguards are applied at both the ADI Level and the SME Fund Level (and by extension to SMEs per the policies of the SME Funds). In this way, DFAT ensures that SME fund managers have the tools to implement effective safeguards and to screen out companies with poor business practices. In addition, where ADI provides TA to SMEs, Child Protection and Prevention of Sexual Exploitation, Abuse and Harassment (PSEAH) Safeguards are incorporated into the training.

**DFAT Social Safeguards:** During the reporting period, there were no reported incidents of harassment or discrimination based on gender or race among ADI fund managers or portfolio companies. However, all four ADI fund managers expressed interest in enhancing their policies on sexual harassment and child labour. ADI developed a Safeguarding toolkit for fund managers and SMEs, including informational videos and policy templates to enhance investees' understanding and support their policy development. Technical assistance for fund managers also guides the integration of safeguarding into investment processes.

**Child protection policy, including no child labour policy:** Among the 19 reporting companies, 31 per cent have implemented a child protection policy, including provisions against child labour. Notably, two of these companies have established dedicated processes and assigned specific staff members to oversee and enforce these policies, ensuring the prevention of child labour. In addition, 31 per cent reported that they are not child-focused and do not engage in activities or provide services directly involving children.

**Prevention of sexual and gender-based violence (SGBV) policy and process:** 54 per cent of the portfolio companies have dedicated policies to prevent sexual and gender-based violence, of which 43 per cent have implemented specific processes and appointed staff to manage these policies, demonstrating proactive measures against SGBV.

**Tax Compliance and Contributions:**<sup>20</sup> During the reporting period, seven of the 26 companies, primarily startups, reported no tax payments to the government. This variation reflects different levels of tax liabilities or stages of financial maturity. Conversely, the remaining companies collectively contributed a substantial AUD 42.7 million in



*F88's gender sensitivity training in Hanoi.*

taxes, with a median annual payment of AUD 91,150. In comparison, the previous year's data showed that companies paid AUD 19.6 million in taxes, with a higher median annual payment of AUD 105,358, as there were fewer startups in the portfolio.

**ESG policies and reporting:** All fund managers publish annual Impact/ESG/Values reports. This reinforces their dedication to advancing ESG and impact management standards. ESG considerations are integrated throughout the investment lifecycle by all fund managers, covering stages from deal identification, due diligence, and investment committee decisions to negotiation, contracting, and investment monitoring. However, only one fund manager, Clime Capital, has published climate disclosure reports. More information is available in Annex 3.

<sup>20</sup> Average rate for year ended 31 Dec 2023 is AUD 1=USD 0.6644. Rates for financial year ending 30 June 2024 | Australian Taxation Office (ato.gov.au)

## Industry engagement

ADI forges collaborative relationships with key investors, including the Development Finance Institutions community and Australian impact investors, by organising and participating in learning and networking events. ADI's catalytic role underscores its ability to leverage its position to drive greater investment into impactful initiatives, particularly in the realm of clean energy and gender equity.

In June 2023, ADI hosted a gender lens investing (GLI) networking event in Singapore, gathering regional investors to discuss the role of GLI in identifying untapped opportunities, mitigating risks, and driving both financial and social returns.

Attended by around 60 investors, the GLI event underscored that applying a gender lens is not just morally right but also economically advantageous, with significant upside for businesses, economies, and communities. Attendees learned that gender-diverse investment teams consistently outperform their counterparts, and GLI differentiates funds in a competitive landscape, aligning investments with the values of influential women and younger investors, and attracting diverse capital sources.

Participants were encouraged to incorporate gender considerations at multiple levels, from individual portfolio companies to organisational practices and investment processes. The growing array of toolkits and industry standards, such as the 2X Criteria, were presented as valuable resources for new and experienced investors looking to integrate gender-smart practices and unlock the full potential of their investments.



*Fund Managers share the GLI practices at a GLI event organised by ADI.*

All ADI's fund managers are active members of the ESG community, and several are signatories and members of industry standards and top bodies, including:

- **UNPRI (United Nations Principles for Responsible Investment)**  
**Signatories:** Lendable and Sweef Capital are signatories to the UN Principles for Responsible Investment (UNPRI).
- **Additional Conventions:** Sweef Capital also adheres to TCFD/ISSB and Operating Principles for Impact Management (OPIM); Clime Capital follows OPIM, employs IPCC methodologies, and aligns with SFDR (Sustainable Finance Disclosure Regulation) (Article 8) reporting requirements.
- **2X Global Membership:** Lendable and Sweef Capital are members of 2X Global, highlighting their commitment to gender-responsive investment.



## ESG Case Study: Ascend Vietnam Ventures and TechCoop

With support from ADI Technical Assistance Partner, Sagana, Ascend Vietnam Ventures (AVV) developed the Startup Impact Score (SIS). The SIS is an impact measurement framework that aims to augment common impact metrics and better capture the multifaceted impact of startups in various stages, markets, and industries. The SIS captures how its portfolio companies advance UN SDGs and the firm's key impact themes: financial inclusion, quality education, and decent work and economic growth.

SIS is integrated into AVV's investment process, enhancing both pre-investment assessments and ongoing portfolio management.<sup>21</sup> It operates on two primary dimensions: Scale and Impact Rating. Scale represents the company's development stage, serving as a proxy for potential reach and growth, with scores adjusting as companies progress from Idea/Pre-seed to Series C+. Impact Rating is a composite score derived from five key indicators: Underserved Beneficiaries, Underserved Markets, Impactful Product/Service, Gender Inclusive Prosperity, and Equitable Workplace.

Hau Ly, Partner at AVV explained "SIS is designed to allow us to quantify a company's impact in real-time, thus giving us a unique bird's eye perspective on their impact potential at any given point as well as its evolution over time".

Eddie Thai, General Partner at AVV, added, "Sagana's team spent time to understand AVV's context and then worked with us to design an impact strategy tailored to our firm and portfolio. SIS also aligns with global best practices in impact measurement and DFAT's gender and social inclusion principles."

### SIS in action: TechCoop

TechCoop, an AVV investee, provides financial solutions to agriculture companies, cooperatives, and farmers. The company also integrates digital technology into the agricultural supply chain, enhancing the availability of inputs and equipment and ensuring food safety and quality standards. As of end of 2023, TechCoop has partnered with



*TechCoop staff visit a citrus grower who is also a member of a farmer club supported by the company.*

more than 1,500 agri-SMEs and farmer clubs and disbursed U\$8 million for both input and output financing with a 100 per cent on-time repayment rate.

AVV used SIS to assess TechCoop during its seed round investment in July 2023. As a woman-owned business with 50 per cent of its workforce being women, TechCoop aligned with AVV's Financial Inclusion theme and scored 20/20 on the SIS Impact Rating.

<sup>21</sup> Disclaimer from AVV: SIS is an iterative framework. During implementation, SIS will be subject to ongoing refinement and adjustments to ensure it will best represent AVV's impact and align with standard impact measurement practices.



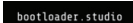
# Annexes and Notes

## Annex 1. Companies List



**BlokID**  
<https://www.blokid.com/>

A digital advertising analytics and ad attribution platform using blockchain-verifiable data. BlokID is building a blockchain-powered solution for the cookie-less era to enhance attribution while upholding user privacy. The solution captures and verifies attribution data independently and then stores user data in secure Clean Rooms.



**Bootloader (Vietnam)**  
<https://bootloader.studio/>

Bootloader is using AI for building effective human interaction solutions. Founded in 2022 by Bryan Pelz, a serial entrepreneur and co-founder of Vietnam's first unicorn VNG, the first product built by bootloader is an AI pet companion for mixed reality to help improve users' emotional wellbeing. The company is melding mixed reality and AI to deliver emotionally positive experiences through augmented reality.



**Cerebry**  
<https://www.cerebry.co/>

Cerebry is an AI-driven adaptive learning platform for STEM, founded by Rahul Singhal when he was a Ph.D. student in computer science at the National University of Singapore. Cerebry automates and personalizes practice problem sets for math and science curricula. The solution provides AI-generated problem sets that progress based on students' performance and is designed to be highly configurable by the team, i.e., allowing it to tailor to a jurisdiction's curriculum requirements within one month.



**EasyGop (Vietnam)**  
<https://easygop.com/>

A buy-now-pay-later service founded by fintech professional Truong-Anh "Olivia" Nguyen. EasyGop focuses on flexible application (i.e. offline & online, bigger-ticket but beneficial products & services), fair & transparent terms, and collaborative debt servicing could build a BNPL brand to last.



**Foodmap (Vietnam)**  
<https://foodmap.asia/>

An agtech/foodech startup by Tung Pham, the former automation-engineer-turned-farm-director of Cau Dat Farm (a well-known 100+ year old tea and coffee farm). Foodmap's current line-up includes an ecommerce enabler platform that provides supply-side support to farmers, an agriculture commerce platform facilitating export, B2B trade, and B2C ecommerce, and a portfolio of in-house-developed private label brands.



**Good Story Time (Vietnam)**  
<https://www.goodstorytime.com/>

A low-code/no-code platform to develop and distribute web-based interactive video games. The founder Khoi Nguyen brings two decades' experience in building and leading software engineering teams in bleeding-edge technology, and scaling them to maturity. With markets such as gaming, traditional entertainment, and social markets converging, the company's objective is to disrupt how story content is created, discovered and enjoyed by leveraging web-focused technologies to create PC/next generation console experience to be delivered through the browser on any device.



**Mandu (Vietnam)**  
<https://mandu.com.vn/>









A social commerce enablement startup launched by husband-and-wife duo Tung "Jerry" Hoang and Linh Dang. Mandu is an ecosystem where resellers buy goods and products from suppliers and resell them to customers on social media or other e-commerce platforms. Mandu provides everything resellers need to sell online, removing the need for heavy working capital and empowering them to scale their business faster and more efficiently.



**Mfast (Vietnam)**  
<https://mfast.vn>

The company was founded by two brothers Long and Vinh Thanh in September 2020, long time technologists and serial entrepreneurs. Mfast offers financial institutions an asset-light and cost-efficient agent network to expand financial services to rural Vietnamese. Banks tend to focus on urban customers, and whilst agent banking (e.g. a person in a village) networks tried to fill the gap, scaling has been difficult. Mfast has developed a tech application for its agents to generate and convert leads (earning income and gaining experience), and creating a seamless experience for all stakeholders.

## Annex 1. Companies List (Cont.)

	<p><b>Persona (Vietnam)</b>  <a href="https://www.personal.ai/">https://www.personal.ai/</a></p> <p>Persona is a platform to help anyone build and distribute the next wave of generative AI applications. With their no-code platform integrated with various third-party APIs, Persona's agents will be able to engage users where they are, thereby preventing the hurdle of prompt engineering, to serve their needs.</p>		<p><b>Superfine (Vietnam)</b>  <a href="https://superfine.org/">https://superfine.org/</a></p> <p>Superfine is an end-to-end user acquisition solution for blockchain projects, providing marketers with a platform to drive advertisements to the best audiences efficiently. The company was founded by Christian Calderon who led marketing at various gaming companies. The company offers a data management platform that unifies fragmented on-chain and off-chain data that supports its plethora of offerings..</p>
	<p><b>PowerTrade (Vietnam)</b>  <a href="https://power.trade/">https://power.trade/</a></p> <p>A crypto derivatives exchange for institutional investors founded by Mario Gomez Lozada, Konstantyn Holoborodko, and Jon Myers, finance veterans with prior experience at Bloomberg, Credit Suisse, Merrill Lynch, &amp; Liquid (cryptocurrency exchange, etc). PowerTrade delivers a suite of institutional-grade crypto derivative market solutions to hedge funds, family offices, and professional traders. Its current core products include the flagship PowerTrade marketplace and PowerQuote, which is an automated RFQ workflow with an integrated position builder.</p>		<p><b>T&amp;C Logistics (Vietnam) - Winding Down</b>  <a href="https://tncjsc.com/">https://tncjsc.com/</a></p> <p>T&amp;C Logistics is a spinoff of a family-owned business group launched in January 2021 by Phan Nguyen, son of the business group chairman, who has 10 years' of experience in building and operating distribution networks and supply chains. For merchants, T&amp;C is an end-to-end solution for e-commerce logistics, so they can focus more on sales and customer service. For warehouses, T&amp;C increases revenue of a warehouse by as much as 1000x per square meter per day.</p>
	<p><b>Qode (Vietnam)</b>  <a href="https://qode.world">https://qode.world</a></p> <p>Qode is an engineering talent platform enabling engineers to showcase their talents and identify, and apply to curated job opportunities. The company leverages the core tech platform it used in the retail sector while operating as Kilo, for the talent market under its new brand. The company has engineered custom crawlers, predictive models and simulations allowing it to amass data points from jobs seekers, employers and recruiters worldwide.</p>		<p><b>Techcoop (Vietnam)</b>  <a href="https://techcoop.vn/">https://techcoop.vn/</a></p> <p>Techcoop has built an enterprise SaaS and embedded finance solution to digitize agricultural transactions and address the 70% credit gap in Vietnamese agriculture. The company was founded in August 2022 by Hao Diep and Tuan Nguyen. TechCoop offers a suite of solutions to digitize how agricultural anchors and farming cooperatives operate, serves as a data-driven lender to farming households and cooperatives, and provides other value-added services and resources in other parts of the agricultural supply chain.</p>
	<p><b>Solano</b>  <a href="https://www.solano.energy/">https://www.solano.energy/</a></p> <p>A renewable energy startup founded by Tuan Anh "TA" Tran and Binh Le, engineers educated at Oxford and Cambridge respectively with prior experience at Rolls-Royce and Siemens, among others. Solano is developing affordable, quality solar energy solutions for households and businesses in Vietnam. The company provides a solar energy system targeting residential customers and will expand eventually to industrial customers to generate and store electricity for their consumption.</p>		<p><b>Virtual Internships</b>  <a href="https://www.virtualinternships.com/">https://www.virtualinternships.com/</a></p> <p>A global remote internship placement and management platform founded in 2017 by Daniel Nivern and Edward Holroyd Pearce, two entrepreneurs that have worked together for over a decade in the experimental learning industry. The company helps provide an effective alternative solution to address barriers students face in undertaking an internship. The company supports universities employability rates, help students gain global experience and help firms secure high calibre interns at no cost.</p>

## Annex 1. Companies List (Cont.)



**Advance (Philippines)**  
<https://advance.ph/>

Advance Tech Lending Inc. is a B2B2C financial technology startup founded in 2019 that focuses on providing ondemand salary advances to employees in business processing outsourcing (BPO), logistics and gig economy. The company provides alternative, salary-backed funding to underbanked employees.



**Lhoopa (Philippines)**  
<https://lhoopa.com/>

A tech-enabled house purchaser and renovator that delivers affordable housing to low-income buyers in the Philippines, and helps arrange financing for their home purchase. The company was founded in 2017 and targets to fill a high shortage of affordable housing units in the country.



**Amartha (Indonesia)**  
<https://amartha.com>

The company was founded in 2010 to provide loans to unbanked female micro-entrepreneurs in rural areas of Indonesia. Amartha became a P2P platform in 2015. The company has developed a technology platform to automate operations including borrower applications, data gathering and credit scoring. Since inception, the company has disbursed loans to over 500 thousand individual borrowers in more than 10 thousand villages in Java, Sulawesi, and Sumatra.



**Fazz (Indonesia)**  
<https://fazz.com/en/about/>

An all-in-one finance company born from the merger of a payment gateway in Singapore and a payment acceptance in Indonesia. It allows MSMEs in Singapore and in Indonesia to open virtual business accounts, from which they can send and receive payments, grow their capital, issue corporate credit cards, get funding, and access digital assets.



**F88 (Vietnam)**  
<https://f88.vn/bao-hiem>

F88 was founded in 2013 and is the pioneer and leading chain of secured lending in Vietnam, targeting micro & small businesses and individual consumers. Having once experienced running out of money for his previous business and faced challenges in borrowing, Mr. Phung Anh Tuan, one of the co-founders, saw the potential of bringing quick financial access to people and businesses in order to provide lending in a fast and easy way.



**Savii (Philippines)**  
<https://savii.io/>

Savii was founded in 2016 and launched its lending model in 2017, providing salary deduction loans to full time employees of partner companies in the Philippines. These companies provide Savii with data on employees for underwriting and deduct loan repayments from borrower salaries. Savii provides financial education seminars, podcasts and online courses for employees of partner companies that are available to all who register for an account.



**Koinworks (Indonesia)**  
<https://koinworks.com>

A licensed peer-to-peer lending platform based in Jakarta. It started lending in 2016 and provides unsecured productive loans to smaller SMEs in Indonesia with an average loan size of \$15k, it has over 200 employees, and operates predominantly in the Java area.



**ShopUp (Bangladesh)**  
<https://shopup.org/>

A B2B commerce platform for small retail shops across Bangladesh. The company provides SMEs access to a large marketplace of retail goods and provides working capital loans and delivery services to their clients.

## Annex 1. Companies List (Cont.)



**TEKY Alpha JSC (TEKY)**  
<https://teky.edu.vn/>

TEKY Alpha JSC (TEKY) is a multidisciplinary innovation academy in Vietnam. It provides STEAM education services for children aged 5–18-year-olds operating a chain of 16 STEAM centres in 5 major cities as well as more recently entering the public school segment.



**USM Healthcare (Vietnam)**  
<https://usm.com.vn/>

The first and only Vietnamese domestic manufacturer of coronary stent systems, balloon catheters, intravenous catheters, and orthopedic products. The factory, located in Saigon Hi-Tech Park, which completed in mid- '15, has a capacity of 35K coronary stents, 50K balloons and 10MM IVs per annum.



**Vilo (Indonesia)**  
<https://vilogelato.com/>

Vilo is leading Indonesian packaged ice cream brand offering premium gelato ice cream. Since '17, VILO has grown significantly and today has 28 outlets spread across Indonesia with more than 300 flavours created and selling 77k+ jars per month to over 23k customers.

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## Annex 2. Alignment with the 2X Criteria

Company name	MSCI Primary sector	Country	% women employees	2X employee country benchmark	% women managers	2X managers country benchmark	% women on board	2X board country benchmark	Meets at least one 2X Challenge Criteria
Good Story Time	Communication Services	Vietnam	0%	50%	0%	30%	0%	30%	No
Mandu	Consumer Discretionary	Vietnam	52%	50%	33%	30%	50%	30%	Yes
Foodmap	Consumer Staples	Vietnam	56%	50%	29%	30%	20%	30%	Yes
TechCoop	Financials	Vietnam	52%	50%	55%	30%	67%	30%	Yes
Vilo	Consumer Staples	Indonesia	63%	45%	33%	35%	67%	30%	Yes
Solano Energy	Energy	Vietnam	33%	25%	50%	30%	0%	30%	Yes
ShopUp	Financials	Bangladesh	7%	25%	12%	30%	20%	30%	No
Amartha	Financials	Indonesia	50%	35%	34%	35%	0%	30%	Yes
Koinworks	Financials	Indonesia	49%	35%	21%	35%	0%	30%	Yes

## Annex 2. Alignment with the 2X Criteria (Cont.)

Company name	MSCI Primary sector	Country	% women employees	2X employee country benchmark	% women managers	2X managers country benchmark	% women on board	2X board country benchmark	Meets at least one 2X Challenge Criteria
Advance	Financials	Philippines	57%	50%		50%	0%	30%	Yes
Lhoopa	Financials	Philippines	74%	50%	73%	50%	33%	30%	Yes
Savii	Financials	Philippines	50%	50%	40%	50%	33%	30%	Yes
F88	Financials	Vietnam	53%	50%	29%	30%	13%	30%	Yes
MFast	Financials	Vietnam	51%	50%	36%	30%	43%	30%	Yes
USM	Healthcare	Vietnam	55%	50%	37%	30%	17%	30%	Yes
T&C Logistics	Industrials	Vietnam	33%	25%	100%	30%	33%	30%	Yes
Depower Co	Information Technology	Vietnam	14%	40%		30%		30%	No
Qode (fka Kilo)	Information Technology	Vietnam	30%	40%	0%	30%	0%	30%	No



## Annex 2. Alignment with the 2X Criteria (Cont.)

Company name	MSCI Primary sector	Country	% women employees	2X employee country benchmark	% women managers	2X managers country benchmark	% women on board	2X board country benchmark	Meets at least one 2X Challenge Criteria
Superfine	Information Technology	Vietnam		40%		30%		30%	No
BlokID	Information Technology	Vietnam	25%	40%	50%	30%	0%	30%	Yes
Bootloader	Information Technology	Vietnam	38%	40%	50%	30%	0%	30%	Yes
Cerebry	Information Technology	Vietnam	44%	40%	38%	30%	25%	30%	Yes
EasyGop	Information Technology	Vietnam	56%	40%	100%	30%	25%	30%	Yes
Persona	Information Technology	Vietnam	20%	40%	50%	30%	33%	30%	Yes
Teky	Information Technology	Vietnam	75%	40%	56%	30%	47%	30%	Yes
Virtual Internships	Information Technology	Vietnam	49%	40%	53%	30%	0%	30%	Yes
Portfolio Median			50%		39%		20%		

## Annex 3. List of Technical Assistance Delivered in 2023

ADI TA	Technical Assistance for Funds	Technical Assistance for Portfolio Companies
Lendable	<ul style="list-style-type: none"> <li>• Two impact reports published</li> <li>• Impact Director on-boarded</li> <li>• LMCF 2 launches as a GLI fund</li> </ul>	Koinworks, F88, Lhoopa: Gender responsive and women focused financial product
AVV	<ul style="list-style-type: none"> <li>• Impact report published</li> <li>• ESG and impact DD score designed and implemented in the investment process</li> </ul>	EasyGop: PSEAH integration and marketing outreach
Sweef Capital	<ul style="list-style-type: none"> <li>• Embedded climate consideration in DD process</li> <li>• Climate-gender nexus report published</li> <li>• First impact report published</li> </ul>	TEKY: Child safeguarding advanced training Q1 2024 pipeline: Vilo and USM for Corporate Governance
Clime Capital	<ul style="list-style-type: none"> <li>• GLI training for the Clime team</li> <li>• Facility Design</li> <li>• Female IC (Investment Committee) member search</li> </ul>	Q1 2024 pipeline: Upgrade, Hijau, Mober, and Nami for ESMS (Environmental and Social Management System) and investment readiness

ADI developed a Safeguarding toolkit for fund managers and SMEs, including informational videos and policy templates to enhance investees' understanding and support their policy development. Technical assistance for fund managers also guides the integration of safeguarding into investment processes.

## Annex 4: Impact Data and Methodology

### Data Sources and Validation:

The report, covering the period from 1 January 2023 to 31 December 2023, is based on data provided by four ADI fund managers and 26 portfolio companies through Sarona's 2023 Annual ESG and Impact Survey. All impact numbers reflect the total impact generated by our private sector investees, not just the portion supported by our investments

In 2023, Sarona adopted a fully digital data collection method for the ESG and Impact survey. The implementation process for this new methodology involved close collaboration with the fund managers and portfolio companies to ensure data accuracy. Through our data validation process, we identified that one of our SME fund managers (Lendable) provided incorrect portfolio data. Following this assessment, Lendable both re-submitted ADI's ESG and Impact survey and amended their already-published Impact Report. Our data validation process also identified incorrect and inconsistent information submitted by the underlying SMEs, which we worked with those teams to rectify. For this reason, the results in this report vary from those previously reported. We remain committed to improving our data collection and analysis to better interpret and understand these insights.

All photographs were sourced from ADI fund managers and Sarona's photo library.

### Definitions:

**Jobs Supported:** This metric includes all jobs, encompassing employees and managers, reported cumulatively by each portfolio company at the end of the reporting period.

**Jobs Created:** This metric tracks the net increase in employment reported by portfolio companies. For new companies, baseline figures are set at onboarding. For existing companies, the net number of new jobs is calculated by comparing employment data from the previous year to the current reporting period, reflecting actual employment trends.

**2X Challenge aligned Fund managers and companies:** Data are shown as median.

**Capital Mobilisation:** ADI uses OECD (Organisation for Economic Cooperation and Development) methodology to calculate the amount of private finance mobilised by ODA funds.

**Portfolio companies:** refer to active companies. During 2023, three companies were exited and they were not included or reporting for this year's report.



[ADI.Fund](https://www.adifund.com)



[ADI@saronafund.com](mailto:ADI@saronafund.com)



[ADIFund](https://twitter.com/ADIFund)



[Australian Development Investments](https://www.linkedin.com/company/australian-development-investments)

*ADI is an initiative of the Australian Government's Department of Foreign Affairs and Trade (DFAT).  
Sarona Asset Management acts as ADI's Investment and Technical Assistance Manager.*