

## RESPONSABILITY MICRO & SME FINANCE DEBT FUND

*A Private Debt Fund available through the VIP program\**

There are more than 1.3 billion adults and millions of small businesses worldwide that remain unbanked or under-banked.<sup>1</sup> Creating a more inclusive financial system is critical to economic development in several key ways, including expanding businesses, improving health and education access, and building resilience to economic shocks such as job loss, crop failure or illness. Access to finance is a vital tool for women's empowerment, giving women greater control over household financial decisions, which has been proven to lead to increased spending on basic needs such as nutrition, health and children's education.

FINANCIAL INCLUSION for micro, small and medium-sized enterprises in EMERGING MARKETS

responsAbility's Micro and SME Finance Debt Fund (the Fund) provides capital to local financial institutions in emerging markets that offer financial services to micro, small and medium-sized enterprises (MSMEs). The Fund currently supports 42.6 million borrowers, 2.1 million SMEs and 42.3 million jobs at portfolio SMEs in over 50 countries. Since its inception in 2007, the Fund has provided more than \$3.1B in capital to financial institutions.

The Fund's investment strategy seeks to deliver stable returns alongside portfolio diversification, low interest-rate sensitivity and low correlation to global markets. The Fund is best suited for an investor comfortable with the risks inherent to emerging markets who is looking to minimize additional risks by working with an established manager with more than two decades of emerging markets microfinance experience.

### ABOUT RESPONSABILITY INVESTMENTS

responsAbility Investments AG is an impact asset manager specializing in private market investments across three investment themes: Financial Inclusion, Climate Finance, and Sustainable Food. All responsAbility investment solutions target specific measurable impact alongside market returns. Since its inception in 2003, responsAbility has deployed over \$17.6 billion in impact investments. With over 280 employees collaborating across six offices, the company manages \$5.8 billion in assets. Since 2022, responsAbility has been a part of M&G plc, benefitting from expanded international presence and enhanced impact investing capabilities.

#### RISK RETURN MATRIX

The Risk Return Matrix is a risk calculation determined solely by ImpactAssets.

RISK LEVEL	HIGH			
	MODERATE			☑
	LOW			
		NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
		RELATIVE RETURN		

On average, an investment in financial inclusion of **\$1M** over **5 years** will provide financial services for **9,570 low-income people** in developing countries:

**40%**  
located in rural areas.

**68%**  
women entrepreneurs.

\*Investment options covered in this fact sheet are only available through the ImpactAssets Donor Advised Fund Investment Platform.

## INVESTMENT SPOTLIGHT

In the small but growing Southeast Asian nation of Timor-Leste, Kaebauk Investimentu no Finansas (KIF) has become a cornerstone of financial inclusion and sustainable economic development. Established in 2001 as Tuba-Rai Metin and rebranded in 2016, KIF has played a pivotal role in the country's post-conflict reconstruction. Over two decades, it has grown into Timor-Leste's largest microfinance institution, supporting local entrepreneurs in building resilient livelihoods. KIF contributes to its clients' household income stability and broader economic resilience.



## STRATEGY SUMMARY

**ASSET CLASS** Private Debt

**FUND AUM** \$621MM (as of 12/31/25)

**LIQUIDITY** Monthly, subject to 90 calendar days' notice

**TARGET RETURN** Secured Overnight Financing Rate (SOFR) plus 3.7–4.5%. At the end of 2025, the 180-day SOFR was ~4.2%, implying a target gross IRR of approximately 7.9–8.7%. If interest rates continue to decline, the target return for this investment may trend lower over time as well.

**GEOGRAPHY** Emerging Markets

**IMPACT AREAS** Financial Inclusion

**FUND MANAGER FEES** •Management Fee: 1.13%  
•Total Expense Ratio: 1.19% per annum

**INVESTMENT FEES** This investment recommendation will incur an additional fee of 0.40%.

## INVESTMENT THESIS

- responsAbility makes private debt investments in local financial institutions that extend financing to micro, small and medium-sized enterprises (MSMEs), and seeks to deliver stable financial returns, portfolio diversification, low interest-rate sensitivity and low correlation to global markets
- responsAbility believes the deepening of the financial sector in emerging markets provides attractive growth financing opportunities, boosted by regulatory evolution, new technology, and the availability of mobile payment solutions

## IMPACT THESIS

- Access to financial services for low-income households is essential to reducing poverty
- Support for MSMEs creates jobs and contributes to economic growth
- Financial inclusion empowers women business owners, thereby supporting gender equality

## STRENGTHS

- Fund has achieved an average annualized return of 4.49% since its inception in 2007.
- Diversified portfolio by both company and geography with an average portfolio company exposure of just 0.6%. Currently invested in 174 portfolio companies across 56 countries.
- Rigorous and high-caliber risk management function with sophisticated and well-documented processes.

## RISKS

- Elevated operational, legal, and political risk associated with investing in emerging economies, mitigated by responsAbility's expertise and 20+ year track record.

## ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets – a market leader in impact investing– VIP enables philanthropic dollars to be directed towards both non-profit and for-profit companies that are seeking to make positive social or environmental impact. For further information, contact Safia Kryger-Nelson at MCF, 415.464.2515 or skryger-nelson@marincf.org.

**IMPACTASSETS LEGAL AND PROGRAM DISCLAIMER:** This is not a solicitation to buy or sell securities, nor a private placement offering. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets only for use in its donor advised fund asset base. It is only for use by its donors. Any allocation to private debt and equity investment options may result in losses and illiquidity that will be borne solely by each donor advised fund account with investment in these options, as will associated program fees. Investment minimums apply. Grant making from the principal value will not be possible until distributions are returned to The ImpactAssets Donor Advised Fund.

There is no guarantee of any recovery of capital. The Fund Manager has not approved the information contained in this Fund profile, including the assignment of risk ratings contained herein. The Units may be offered solely to, and subscriptions will be accepted only from “Accredited Investors,” as defined in Rule 501(a) of Regulation D promulgated under the authority of the Act, who are also “Qualified Clients,” as defined in Rule 205-3 of the United States Investment Advisers Act of 1940, as amended.

