

August 28, 2024

Impact Investment in Schroders BlueOrchard Microfinance Fund -Supporting Financial Inclusion in Emerging Countries by Financing Microfinance Institutions-

The Dai-ichi Life Insurance Company, Limited (“the Company”; President and Representative Director: Toshiaki Sumino) has invested JPY 5 billion in “Schroders BlueOrchard Microfinance Fund (“the Fund”)”, which was launched by Schroder Investment Management (Japan) Limited. This impact investment¹ is part of the Company's ESG initiative.




- The Fund invests in private loans to microfinance institutions; financial institutions that primarily provide financial services to low-income people in emerging countries.
- The Fund is mainly managed by BlueOrchard Finance Ltd, a management company established in 2001 on the initiative of the United Nations. This is a global investment management firm with over 20 years of investment experience, which has broad network and presence, providing finance-related services to over 250 million people in 100 countries. It is known as a pioneer in this area, having launched the first microfinance fund for public investors in the world.
- It is estimated that approximately 1.4 billion adults worldwide are unable to have bank accounts for reasons such as problems in acquiring security interests and social creditability, and getting access to financial services is difficult for low-income people looking to expand their business. The microfinance institutions in which the Fund invests promote financial inclusion² by providing access to financial services through loans and other means to low-income people, particularly in emerging countries that known as Official Development Assistance (ODA).
- The Fund is expected to earn stable returns from loan income and to improve the overall portfolio risk-return ratio due to its low correlation with the returns of traditional assets such as equities and fixed income.



Photo by Schroder Investment Management (Japan) Limited

¹ Impact investment is an investment activity where an investor makes investment decisions with the intent to gain investment returns and generate social impact (e.g., structural change in society).

² Efforts to support access to basic financial services so that people left out of financial services for whatever reason can live economically stable lives.

Social Impact	Applicable SDGs
<ul style="list-style-type: none"> Promote financial inclusion of low-income groups, especially in emerging countries, contributing to the business expansion and retention and the economic independence of end customers <p><small>*Quantitative indicators of impact, such as number of end customers and companies receiving funding/support, are measurable.</small></p>	  

Through this investment, the Company expects stable return on investment and will financially supports Schroder Investment Management (Japan) Limited and BlueOrchard Finance Ltd in their efforts to promote the financial inclusion of low-income people, especially in emerging countries. and will continue to monitor their progress.

As a responsible institutional investor, the Company will continue to actively engage in ESG investment to acheive a sustainable society as well as to improve its investment returns through sophisticated and diverse investment methods.

Philipp Mueller, Chief Executive Officer of BlueOrchard Finance Ltd, provided the following comments:



We are honored to welcome Dai-ichi Life as an investor in our microfinance strategy, which aims to support millions of entrepreneurs in emerging markets as well as pursuing stable economic returns for investors. Building on our over two decades of experience since 2001 in developing impact investing solutions, we look forward to further advancing impact investing in the Japanese market. We see a growing demand from Japanese investors for sustainable and impact investing, and BlueOrchard is well-positioned to cater to various investors.

Fund Overview

Fund Name	Schroders BlueOrchard Microfinance Fund (Qualified Institutional Investors Only)
Fund Manager	Schroder Investment Management (Japan) Limited
Investment Targets	Private loans to microfinance institutions
Company's Investment Amount	JPY 5 billion

Dai-ichi Life's Impact Investment History (from fiscal 2022 onward)

Headline	Release Date	URL
Impact Investment in WASSHA Inc. - Contributing to Sustainable Development through Offering an Electric Power Service to Off-Grid Communities in Africa	Jun. 10, 2022	https://www.dai-ichi-life.co.jp/english/news_release/2022/pdf/index_004.pdf
Impact Investment in READYFOR INC. - Achieving a Society that Overflows with Heartfelt Support through Vitalization of the Donation and Subsidy Market	Jul. 13, 2022	https://www.dai-ichi-life.co.jp/english/news_release/2022/pdf/index_005.pdf
Impact Investment in Clean Energy Connect - Accelerating uptake of renewable energy by expanding off-site corporate PPAs	Aug. 1, 2022	https://www.dai-ichi-life.co.jp/english/news_release/2022/pdf/index_006.pdf
Impact Investment in JEPLAN, INC. - Contributing to a Sustainable Society through PET Chemical Recycling Technologies	Aug. 24, 2022	https://www.dai-ichi-life.co.jp/english/news_release/2022/pdf/index_007.pdf
Impact Investment in a Venture Fund by Energy & Environment Investment, Inc. - Supporting a Decarbonized Society via Venture Fund Focused on the Environment and Energy Sectors	Sep. 15, 2022	https://www.dai-ichi-life.co.jp/english/news_release/2022/pdf/index_008.pdf
Impact Investment in KAKEHASHI Inc. - Contributing to Medical DX and to Establishing a Sustainable Medical System	Apr. 19, 2023	https://www.dai-ichi-life.co.jp/english/news_release/2023/pdf/index_001.pdf
Investment in Climate Infrastructure Fund for Emerging Countries - Contributing to Resolving Climate Change Challenges Through Joint Public/Private Support for Development of a Low Carbon Economy	Jul. 8, 2021	https://www.dai-ichi-life.co.jp/english/news_release/2021/pdf/index_003.pdf
Impact Investment in PLANTX Inc. -Contributing to environmental conservation through sustainable plant production	Nov. 30, 2023	https://www.dai-ichi-life.co.jp/english/news_release/2023/pdf/index_008.pdf
Impact Investment in Instalimb Inc. -Providing high-quality and affordable 3D-printed prosthetic limbs for the improvement of the people's Quality of Life in developing countries - for the improvement of the people's Quality of Life in developing countries	Mar. 6, 2024	https://www.dai-ichi-life.co.jp/english/news_release/2023/pdf/index_014.pdf
Impact Investment in Rakuten Medical, Inc. -Supporting the development of a novel cancer treatment called Alluminox Treatment (Photoimmunotherapy) to advance treatment options for cancer patients -	Mar. 7, 2024	https://www.dai-ichi-life.co.jp/english/news_release/2023/pdf/index_015.pdf
Impact Investment in TYPICA Holdings, Inc. -Supporting Poverty Alleviation Through Providing a Platform to Purchase Coffee Beans Directly from Producers-.	Apr. 30, 2024	https://www.dai-ichi-life.co.jp/company/news/pdf/2024_008.pdf