

News Release

UOB Venture Management and Credit Suisse raise more than US\$60 million at the first close of the Asia Impact Investment Fund II

Singapore, 11 December 2020 – UOB Venture Management Pte. Ltd. (UOBVM), the private equity arm of UOB, in collaboration with Credit Suisse, has raised more than US\$60 million at the first close¹ of its second impact fund, the Asia Impact Investment Fund (AIIF) II. The fund is committed to improving the well-being and livelihoods of low-income communities, also known as the ‘base of the economic pyramid’², in Southeast Asia and China through its investments.

The AIIF II’s first round of fundraising has received capital commitments from institutional and accredited investors, including UOB, global family offices and high-net-worth individuals. The final closing of the fund is expected to be completed next year, with a target of US\$100 million to be raised in total. The AIIF II will then make equity investments of about US\$1 million to US\$15 million into private, high-growth companies in sectors such as agriculture, education, healthcare and logistics or that focus on improving the accessibility of affordable housing, sanitation, clean water and energy.

The AIIF II has a double bottom-line fund mandate to achieve meaningful social impact and financial returns. As part of their ongoing collaboration, Credit Suisse continues to act as the impact adviser³ to UOBVM, the fund manager for the AIIF II.

Mr. Seah Kian Wee, Chief Executive Officer of UOBVM, said, “The success of the AIIF I and the momentum of the AIIF II to-date reflects investors’ growing emphasis on sustainability. While we seek to achieve quality financial returns for our investors, we also continue to partner them in generating positive social impact by helping the vulnerable segments of the community across Southeast Asia and China. Our common goal of advancing social development through investments underpins our joint efforts to forge a sustainable future for all.”

¹ With the closing of its first fundraising round, the AIIF II will be able to commence investing activities.

² The majority of people at the ‘base of the economic pyramid’ live in rural or remote areas with a lack of infrastructure and access to facilities to meet their basic needs.

³ Credit Suisse AG, Singapore was also impact adviser to UOBVM for the first AIIF that was launched in 2015. As the impact adviser, it provides objective assessments of the impact created or added by the fund’s investee companies and through the fund’s investments.

Mr Joost Bilkes, Head of Sustainability Strategy, Advisory and Finance, Asia Pacific at Credit Suisse, said, “Appetite for impact investing solutions has been growing steadily in recent years and we are delighted to see strong demand for this new impact investment strategy from our clients. As testament to the success of the first fund, many of our existing AIIF I investors have re-committed to this new fund, reflecting strong interest to invest in proven solutions that can address the social challenges in Asia while achieving quality financial returns. We are also observing a broadening of our investor base for such solutions, which now includes ultra-high net worth individuals, corporates, family offices and many next generation clients.”

Making an impact through the AIIF

The COVID-19 pandemic has exacerbated global poverty and is estimated to push up to 150 million more people into extreme poverty⁴ by 2021⁵, including tens of millions in Southeast Asia⁶. The unprecedented global pandemic has set back the progress made to alleviate poverty, which was already affected by socioeconomic tensions and climate change.

UOBVM’s impact funds – AIIF I and AIIF II – invest into companies, primarily small- and medium-sized enterprises, across the region that use technology to transform traditional business models for the benefit of low-income communities. An example is AIIF’s investment into Indonesia’s largest agritech company, TaniHub Group earlier this year. The company connects local farmers to customers on TaniHub Group’s proprietary digital platform to overcome challenges such as lack of market access, food security and farming techniques

The AIIF I raised US\$55 million in 2016. To-date, more than 15 million low-income individuals have benefitted from the efforts of the AIIF I’s investee companies, from getting higher income to better access to financing or affordable and quality products and services.

The AIIF I is aligned with the Operating Principles for Impact Management⁷, of which UOBVM remains the only financial institution in Singapore to be a signatory⁸. The Principles are a global framework that

⁴ Defined as living on less than \$1.90 a day.

⁵ Source: *Poverty and Shared Prosperity Report 2020: Reversals of Fortune*, World Bank, October 2020.

⁶ Source: *Policy Brief: The Impact of COVID-19 on South-East Asia*, United Nations, July 2020.

⁷ The initiative to develop the Operating Principles for Impact Management was led by the International Finance Corporation in consultation with leading impact asset managers and asset owners. Please refer to <https://www.impactprinciples.org> for more information.

provides a common market standard on managing impact investments. UOBVM is also a signatory of the United Nations-supported Principles for Responsible Investment⁹.

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About UOB Venture Management Private Limited

UOB Venture Management Private Limited (UOBVM) is a wholly-owned subsidiary of United Overseas Bank Limited (UOB), a leading bank in Asia with a global network of more than 500 branches and offices in Asia Pacific, Europe and North America. Since 1992, UOBVM has provided financing to more than 250 privately-held companies through direct equity investment, mainly in Southeast Asia and Greater China. UOBVM advocates responsible investing through making impact investments and integrating environmental, social and governance considerations into its investment process. It is a signatory to the United Nations-supported Principles for Responsible Investment. As at 30 November 2020, UOBVM had more than S\$1.9 billion in assets under management.

About Credit Suisse

Credit Suisse is one of the world's leading financial services providers. Our strategy builds on Credit Suisse's core strengths: its position as a leading wealth manager, its specialist investment banking capabilities and its strong presence in our home market of Switzerland. We seek to follow a balanced approach to wealth management, aiming to capitalize on both the large pool of wealth within mature markets as well as the significant growth in wealth in Asia Pacific and other emerging markets, while also serving key developed markets with an emphasis on Switzerland. Credit Suisse employs approximately 48,800 people. The registered shares (CSGN) of Credit Suisse Group AG, are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. Further information about Credit Suisse can be found at www.credit-suisse.com.

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⁸ The Secretariat for the Operating Principles for Impact Management [announced on 30 September 2019](#) that UOBVM became a signatory.

⁹ Please refer to UOB news release: [“UOB investment arms sign up to the United Nations-supported Principles for Responsible Investment”](#), 5 January 2020.