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# 2018

## ANNUAL REPORT



perXmicro

il microcredito in italia



*"Small opportunities are often the  
beginning of great enterprises."*

Demosthenes



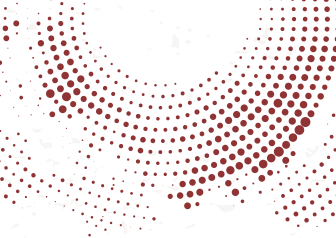
## Letter from the CEO

Dear stakeholders,

with this document we would like to tell you something about us with a new tool, which contains both economic and financial reports as well as the non-financial (social-environmental) ones; the aim to provide wide and deep information about PerMicro's business. The Financial Statement explains very clearly what happened during the year, but does not tell you much about our company, our dreams, our passions and our daily running to include (people).

The aim of this document is to attract your curiosity towards our company, so that you can develop a passion for the micro-credit, -as we all do!- discovering its shades that until today were less visible.

For us, the writing of the annual report, is the first step to begin the making process of an Integrated Financial Statement, which will contain the economics results, the socio-environmental performances and the Notes to the Financial Statement. The 2018 Annual Report has been drafted starting from the identification of the relevant stakeholders of PerMicro. In order to write an Integrated Financial Report, the next step will be to create and define a stakeholder engagement's system also aimed to build up a materiality matrix, that will underline the relevant aspects to be accounted. Meanwhile in 2018 we began to include our stakeholders to ask them some feedbacks which you will find later in the report.



2018 has been a year of growth for PerMicro, in terms of credit disbursed to individuals who were kept out from the traditional credit channels and in terms of company development (not only in number of branches and employees, but also in capital increase and substantial consolidation of the organizational processes and procedures).

We wish to highlight the excess of 150 million euros of disbursed credits, since the beginning of our business, of which the 67% towards family projects and the 33% to sustain the development or start up of micro enterprises. The number of active customers is growing and it has reached more than 8.500 people, where us and 16.435 served customers, who have received a unique opportunity thanks to PerMicro.

During the year our partnership with the “Centro Tiresia del Politecnico di Milano”, international research centre in the field of the social innovation ecosystem, has continued. With them we have concluded and presented the social impact measurement report generated by PerMicro starting from 2009 to 2016 and still with them we have improved the measurement methodology, which will let us monitoring our impact year after year, also thanks to our dedicated data platform. Interesting and relevant results have been emerged regarded to the access to credit: in almost 8 years, nearly 700 entrepreneurs e more than 2.700 families have become bankable.

Our business has brought benefits also to the Italian Government, thanks to the increase of the state revenue (46 million in total thanks to microcredits to enterprises and more or less 12 million in 8 years thanks to microcredits to families) and a reduction of public expenditure (almost 9,6 million euros).

2018 has been a very important year in terms of measure in

the environmental sustainability field: climate change is a topic which attracts considerable attention from everyone who works to live in a better world, generative and supportive, and PerMicro is one of them.

PerMicro is confirmed as being a leader both in Italy and in Europe in the microcredit sector, with the active presence in the Italian association of the microcredit's organizations (RITMI) and with the re-election in the European Microfinance Network (EMN) Board of Directors.

2018 it has confirmed a year of awards and goals:

- In April a social performance audit on PerMicro has been carried out by BNP Paribas with the use of SP14, an audit instrument developed by CERISE: the evaluation has been made with the use of several standard indicators and PerMicro has achieved a very good overall result (81%, with a benchmark of the MFI at international level equal to 64%).
- On the 28th of November in Bologna, during the Italian Benefit Corporations (BCorp) annual event, PerMicro has been awarded with the “Best for the world”, for the best impact on customers. The customer section measures the positive impact of the company on the customers through goods or services that promotes a benefit for the society. PerMicro received this important award thanks to its commitment in the microfinance sector and to its mission to make our clients bankable.
- We have opened our 15th branch in Palermo (in 2019 the 19th in Lecce) and we are now many, who work and believe in PerMicro: 59 employees on the 31th of December and 72 today, when our report goes to press, in an ambitious

path of reinforcement of our headquarter and of the network of our branches over the whole national territory.

- A 5 million euro increase of capital has been deliberated (nominal plus share premium) and the contributions have begun and they will be concluded in 2019.
- The entrepreneurial history of one of our clients in Pescara, Prosciutteria Firenze, has been told on a national tv channel. Not only him availed of the attention and curiosity of the media, who discover in our clients a new and overflowing energy, that is good for our Italy.

Scan the qr code your smartphone  
to watch the video!

<http://bit.ly/ProsciutteriaFirenze>



A year marked by several success and goals, that we will tell you in the following pages.

While we are waiting to meet each other in person to celebrate together, we wish you a pleasant reading!

*Turin, 8th May 2019*

*Andrea Ianni*

## Methodological Note

The Annual Report is a document which reports the financial position of the company and the results of activities made during the financial year. Especially it provides both the accountability of the financial position and the social-environmental (non financial information) one, which describes the direct and indirect effects

of the activities of PerMicro with regard to our several stakeholders. For this kind of reporting we started from the identification our stakeholders, in order to account all the relevant information and data.

Our stakeholders have been identified and grouped in the following macro-areas:



With reference to the data measurement techniques and to the basis of calculation, it is noted that all the data contained in this document have been taken from the company accounts or they have been elaborated on the basis of the documentation possessed by PerMicro.

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# 1. WHO WE ARE AND WHAT WE DO







## Who we are

### History

PerMicro was born in 2007 in Turin thanks to the support of **Oltre Venture** and **Fondazione Paideia**, the two founding shareholders. Between 2008 and 2018 PerMicro's shareholder structure has grown and today puts together the interest of very different entities, brought together by the common goal of promoting social inclusion and employment through microcredit.

PerMicro is a financial intermediary ex art. 106 supervised by the Bank of Italy.

Since its foundation in 2007, PerMicro has disbursed **21.042 loans** for a total amount of **152 million euro**, contributing to the support of several families with temporary difficulties and supporting the creation and development of business activities in different sectors like small businesses, restaurant activities, handcraft, personal

services and many others.

PerMicro collaborates with MicroLab Onlus, a non-profit organization with social solidarity aims, that seeks to improve the life of people with social and economic disadvantages.

In partnership with MicroLab, PerMicro carries out several different activities and project related to microcredit, such as mentoring to micro entrepreneurs and support to young entrepreneurs.

### Mission

*"We create employment and social inclusion through professional disbursement of credits and microcredits, financial education and services for starting-up and supporting enterprises, with the aim of reaching the complete sustainability of our activity. We address to professional people with a good entrepreneurial idea and to people with primary financial needs (home, health, education), who are excluded from traditional credit channels because of insufficient credit history or precarious working position."*



## What we do

### PerMicro IMPRESA

This product is addressed to individuals who want to start or develop a small business activity and, although they do not have any collateral, they have a valid business ideas and technical and entrepreneurial skills to realize their business.

Our loan officers assist the micro entrepreneurs through the whole process implementing the following activities: support during the drafting of the business plan; support during the start-up stage; supervision for the entire duration of the loan.

**Amount: 3.000 euro - 25.000 euro**

### PerMicro FAMIGLIA

PerMicro Famiglia was designed to respond to urgent credit needs from individuals and families. PerMicro disburses up to 10.000 euro to sup-

port family expenses like: health care, home renovation, moving, change of car, attending educational courses or children education.

**Amount: 2.000 euro - 10.000 euro**

### OTHER SERVICES

Completing the credit products PerMicro, through commercial agreements with partners, also offer microfinance products like current accounts, insurance policies, payment systems and telephony contracts.



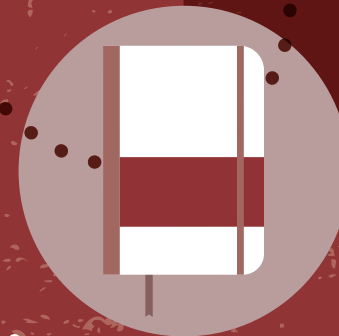
### Branches

Today PerMicro is present with 16 branches in 12 Italian regions.





## 2. HIGHLIGHTS 2018



## FINANCIAL POSITION

Financed amount in 2018	euro 27.371.383
Credit Outstanding 31/12/2018	euro 54.246.645
Net Income (Loss) 2018	(euro 375.377)

## COMMUNITY AND TERRITORY

in progress

(available from 2019)

## STAFF

Number of employees	59
% of females	56%

## MARKET

Active costumers 8.645

of which

active costumers FAMILY 6.867

active costumers BUSINESS 1.778

★ Un-bankable people who become bankable 3.400

★ Created jobs 1.249

★ Increase in government revenues euro 58 million

★ Reduction of government expenses euro 9,6 million

## GOVERNANCE

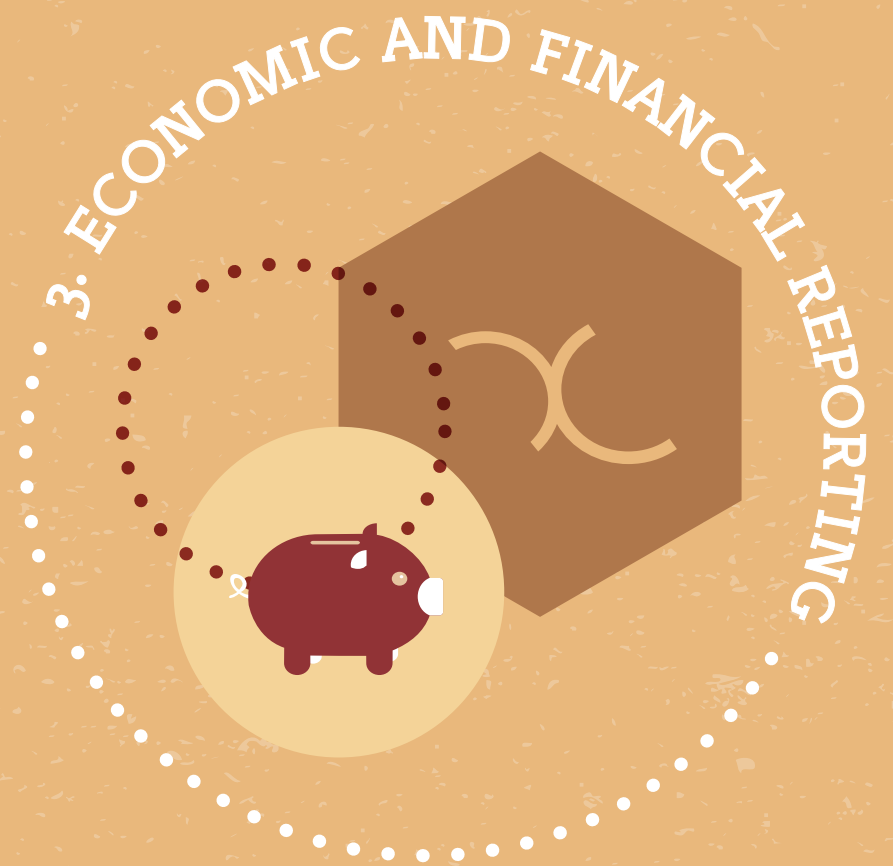
Number of advisors	10
Number of statutory auditors	4
Participation rate to the Boards of Directors meetings	81%

## ENVIRONMENT

in progress

(available from 2019)

★ data referring to the period of analysis of the research conducted by the Politecnico di Milano (measurement of the impact generated 2009-2016).



## Economic and Financial Reporting

The main elements that drove our economic performance, which remarks a loss for the financial year equal to 375.377 euros, can be summed up as follow:

- Obtaining of the New production volume of disbursement nearly equal to 27,4 million euro of which 30,6% to enterprises;
- Maintaining of the incomes for services, from 220 thousands to 249 thousands euro;
- The intermediation margin, amounting to 5,3 million euro, increased by 5,4% compared to 2017.

Regarding the main expenses:

- The increase of the operating expenses of the company (equals to 3,8 million euro), mainly caused by the labour cost and by the administrative expenses with reference to the research and development of new methodologies for the portfolio impairment measurement, this has been done by taking in consideration some of the updates introduced by the IFRS 9 principle, which have affected both the business and managerial fields and the accounting activities;
- Stable risk cost, in terms of absolute value, compared to 2017.

## Income Statement

	2018	2017
Interest income and similar revenues	4.054.618	3.977.778
Interest expense and similar charges	(653.957)	(570.651)
<b>INTEREST MARGIN</b>	<b>3.400.662</b>	<b>3.407.127</b>
Commission income	2.156.876	1.981.188
Commission expense	(399.249)	(408.451)
<b>NET COMMISSIONS</b>	<b>1.757.627</b>	<b>1.572.737</b>
Income/loss generated by selling or repurchasing of financial activities valued at amortized cost	92.274	-
<b>INTERMEDIATION MARGIN</b>	<b>5.250.562</b>	<b>4.979.864</b>
Credit Risk valued at amortized cost	(1.946.701)	(1.984.501)
<b>NET PROFIT FROM THE FINANCIAL MANAGEMENT</b>	<b>3.303.861</b>	<b>2.995.363</b>
OPERATING EXPENSES	(3.728.279)	(3.198.613)
GROSS PROFIT (LOSS)	(424.418)	(203.250)
Income Taxes	49.041	(5.091)
<b>NET PROFIT (LOSS)</b>	<b>(375.377)</b>	<b>(208.341)</b>

5,4%  
+

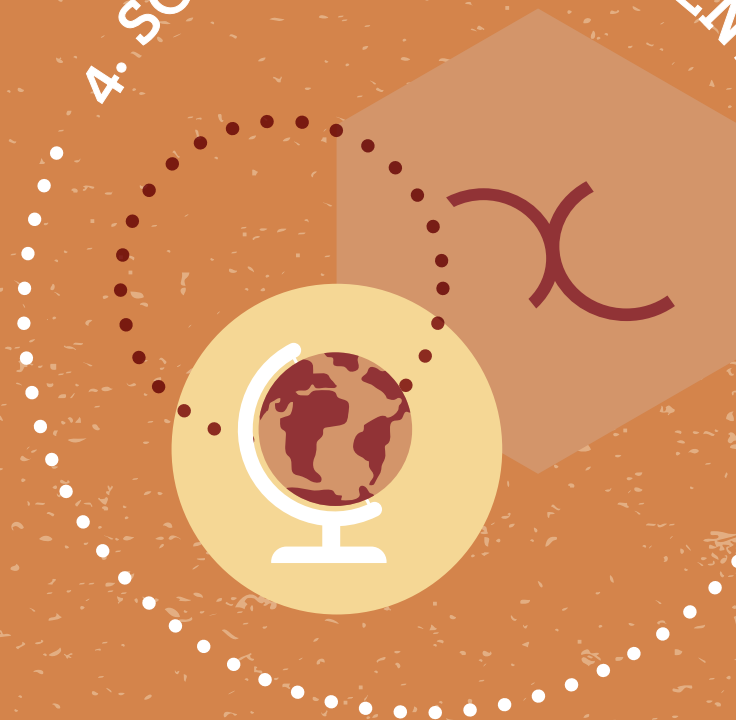
10%  
+

2018 has been a year marked by a strong increase in capital, that brought benefits on the capital ratios and it guaranteed the compliance with the capital thresholds for supervisory purposes.

Financial Statements 2018:

<http://bit.ly/bilanciPerMicro>

## 4. SOCIO - ENVIRONMENTAL REPORTING



## Socio - Environmental reporting

### GOVERNANCE

#### Capital composition

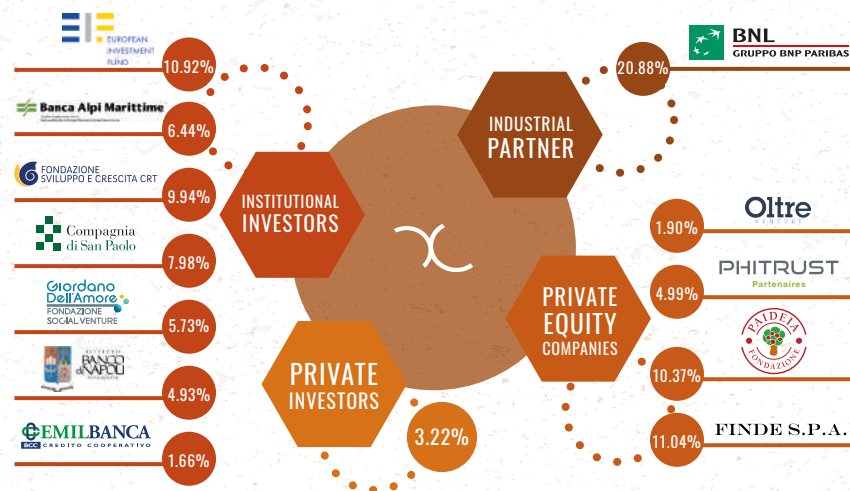
On the 9th of May 2018 our Board of Directors agreed on an increase of the share capital by **4.999.808**, allocated in three tranches; the first one in 2018 and the followings in 2019.

The increase in share capital of the first tranche has been reported on the 30th of November 2018 and the contributions including share premium, are equal to 1.376.640 euro.

On the 31th of December 2019 the share capital of the company is held by three credit institutions, five foundations, four social investment fund and some private investors.

The main share is held by BNL-BNP PARIBAS Group, industrial partner of PerMicro since 2012.

At the end of 2018 the share capital had a nominal value of 4.366.108 euro, fully subscribed and paid, divided as follows:



In 2019, on the 30th of April, further contributions had been made, including the additional cost, equal to 1.210.240 euro. The share capital increase will be concluded in 2019.

*"We contributed to the growth of PerMicro with the strong belief on the social impact that it would have generated. The results achieved so far in terms of financial inclusion, employment creation and benefits for the public administration, contribute to strengthen our interest in PerMicro and towards the microfinance."*

**Fabrizio Serra, General Secretary at Fondazione Paideia Onlus**



#### Risk management organisational model 231/2001

Since 2017 PerMicro is supervised by the Bank of Italy, and for this reason we have decided to speed up the already existing risk control process of reinforcement, in order to avoid laundering operations, terrorist financing, disbursement of loans with rates over the usury threshold and to not be transparent towards our clients.

In 2018 these actions lead to the formalization of nearly **50 working processes**. The company has thus acquired a management and control

organisational structure, based on the operation and experience of PerMicro, aimed at supervising the work of the company and of its members. With this process we can prevent crimes in at least **16 different fields**, including racism, corruption and crimes against the public administration.

Thanks to this work, PerMicro rewrote the ethical code in order to share some "ethic" rules with all the individuals that work inside and outside the company.





## STAFF

The composition of PerMicro's staff highlights the attention of the company to gender policies, stability of working contracts and equal opportunities. At the end of 2018 a predominance of females came out among the employees and a similar number among the senior positions.

The HR department, instituted in 2018, started its activity with the following goals:

**a) An efficient selection process:**  
a selection process and introduction of

the "newly hired" has been formalized and a software called "applicant tracking system" has been adopted.

**b) A careful assessment process:**  
a more careful preparation of the job interview assessment process has been made alongside a careful feedback mechanism and goals assignment.

**c) A professional growth plan:**  
in order to respond to the need of a constant training, this goal will be developed through the creation of a

**library with educational contents,**  
produced by internal trainers and through the arrangement of **focus**

**group on different topics** (vision, credit, compliance, employer branding).







*"PerMicro is first of all a relationship. Our community is inclusive and generative if we do not avoid relationship. PerMicro in the credit field imposes itself to build relationships give and receive trust and support by disbursing credits. It is a challenge for all of us who work in PerMicro and a daily motivation to do our best in this sector."*

**Nicola Perazzo, Risk Manager**



Activity of "living paintings"



Staff Training 2018 at the Centro Paideia



On the 8th and 9th of November the whole PerMicro's staff met in Turin for a team-building activity, updates on the progresses of 2018, presentation of the 2019-2021 business plan and internal training.

On this occasion, a visit to the new "Centro Paideia" of Turin and a visit to the "Santuario di Vicoforte" was organized.



Ascent to the Dome of the Santuario di Vicoforte (Cuneo)

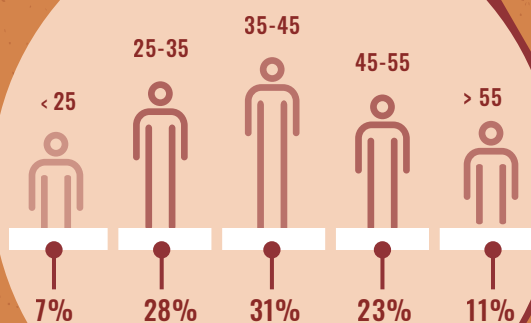
*"Working for PerMicro means taking part in a real process of change of the social context. Each of us contribute to the implementation of a business plan, so that it can be achieved through professionalism, expertise and passion. It's very emotional each time we see a business, which was started thanks to PerMicro. Our working days are never the same: every day we meet daily women and men who through their stories, not only present us close issues, but also their issues related to very far away countries."*

**Paola Forte, Branch Manager at Pescara**

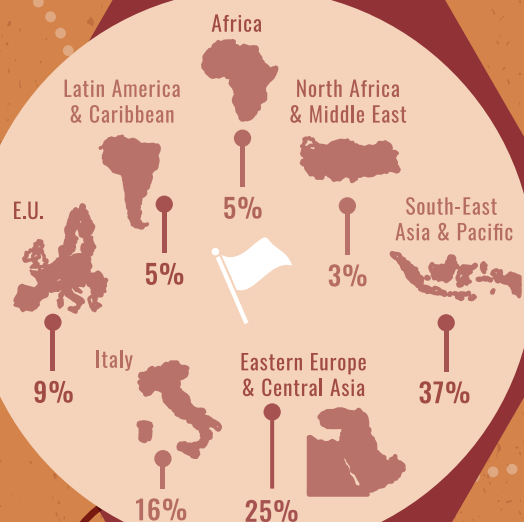
## MARKET

### FINANCED CUSTOMERS at 31.12.18

#### AGE



#### NATIONALITY



#### BUSINESS SECTOR



active customers  
8.645

#### IN 2018

- Total production: euro 27.371.383
- Business Microcredits: 422
- Personal Microcredits: 2.873

52%  
START UP

47%  
YOUNG  
ENTREPRENEURS  
UNDER 35



*"The microcredit gives women back their dignity. PerMicro helped me to carry out my plan and has facilitated my life. Thank you!"*

**Nassira, customer in Florence**

### NASSIRA

Nassira is 35 years old and she comes from Mali. She arrived in Italy in 2004 and since 2014 she has been hired as a cultural mediator by a social cooperative in Florence, of which she has become a member. Nassira lives alone with her three children in Prato: during the day she works and in the evening she attends an evening school in order to obtain a high-school diploma. Nassira asked a loan to PerMicro to afford and keep up with all the transfers she has to do during the day: she has in fact bought a car, that allows her to bring her children to school in the morning, to go working in Florence, pick up her children after school and in the end to go to the night classes.



*"I'm grateful to PerMicro because thanks to the microcredit I bought all the necessary staff to realize my dream."*

**Rosario Vasta, entrepreneur,  
Raro Guitars (Turin)**

### RARO GUITARS

[www.raroguitars.com](http://www.raroguitars.com)

In 2000 Rosario started as a hobby repairing guitars and lutes and over the years he improved and specialized his technique, not only in repairing and customizing musical instruments, but also in producing them. Two years ago he decided to start this activity, by quitting his previous job in a company and by having a business plan to start running this sort of activity. Thanks to the guarantee fund of the Rotary District 20131, Rosario obtained a loan from PerMicro's Turin branch to start his business.



### SOCIAL IMPACT GENERATED

In 2015 PerMicro started a collaboration with the research centre Tiresia, Technology Innovation and Research for Social Impact, with the aim to develop an *ad hoc* methodology to measure the social impact generated by PerMicro's activities.

During a first phase it had been measured the impact of microcredits disbursed from 2009 to 2014, integrated in a subsequent phase with the ones generated in 2015 and 2016. On December 2018 it was completed the social impact measurement generated from 2009 to 2016 and the results have been published.

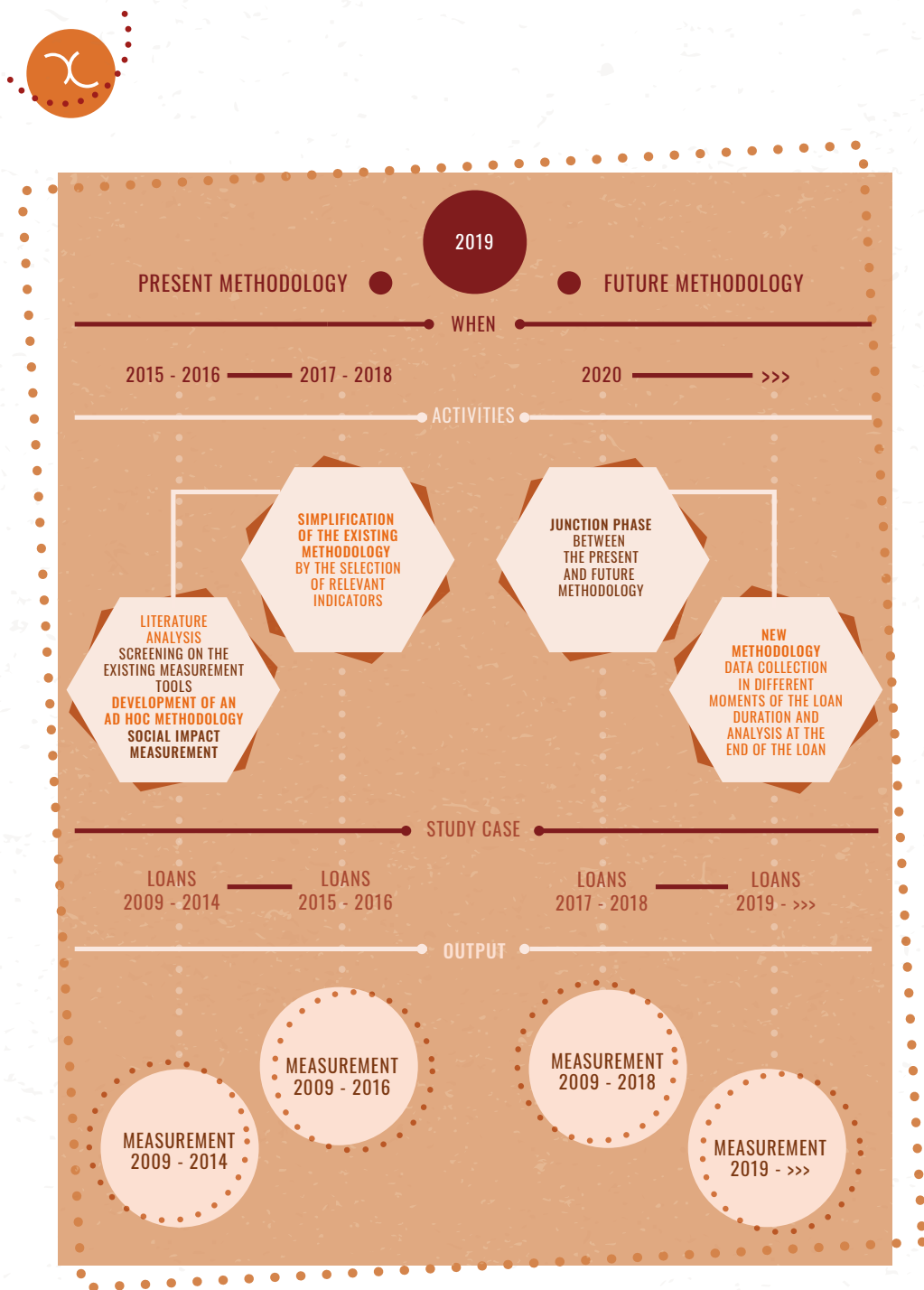
Furthermore the measurement methodology was reviewed and simplified; it has been implemented from January 2019.

**Rosalie, client  
(Turin)**

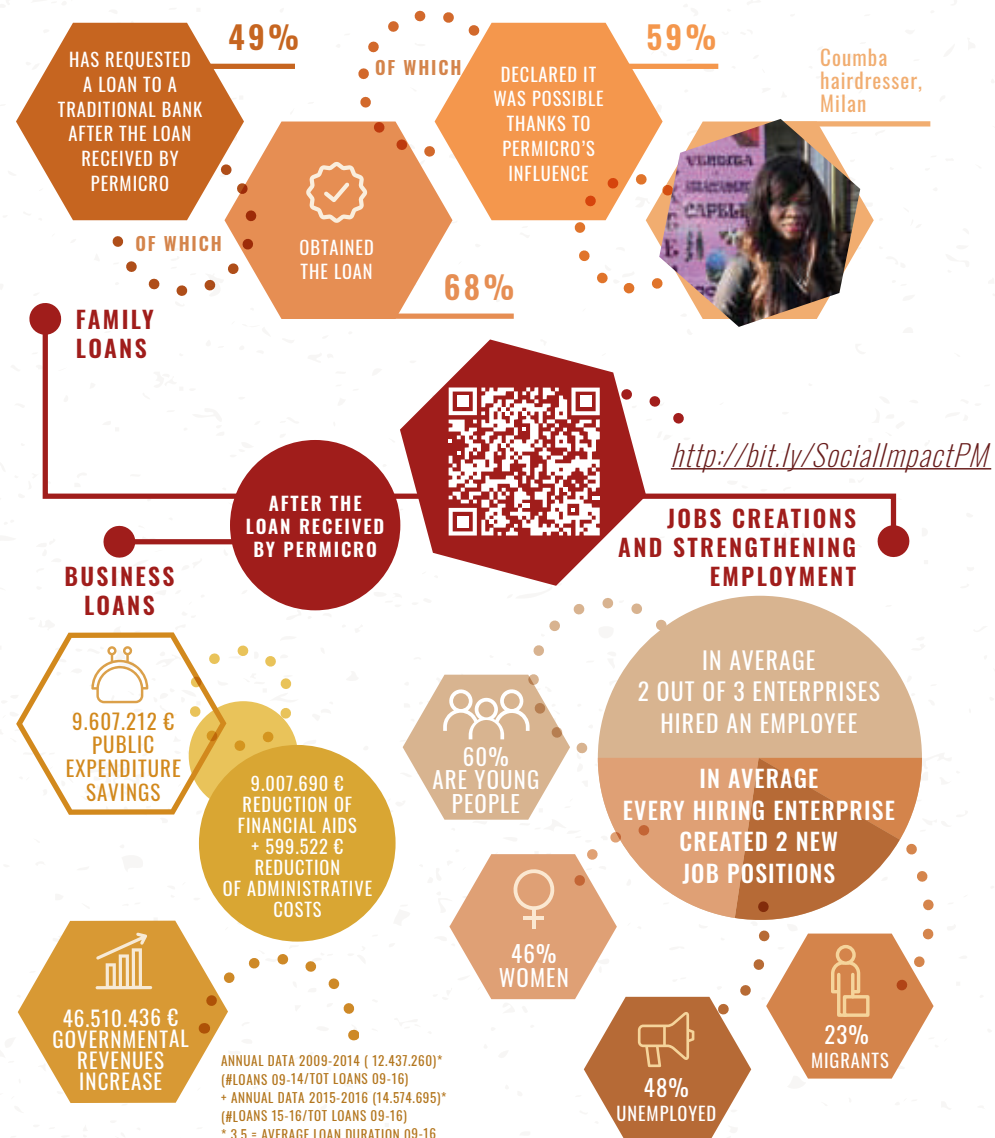


*"This methodology allowed us to establish the effects and benefits generated by the organization on direct beneficiaries and communities in the long run. The methodology has been implemented in 2015 and improved over the years thanks to the continuous interaction between the research group and the staff of PerMicro. Since 2019 this methodology has been implemented thanks to a full integration in the working processes of the company."*

**Centro di Ricerca Tiresia  
(Technology, Innovation and Research for Social Impact)  
of the Politecnico di Milano**



Main results of the social impact measurement generated from 2009 to 2016, published in 2018:







powered by:



OUTPUT	2018
<b>IMPRESA</b>	
Loans amount	8.397.475 €
# Entrepreneurs financed	422
# Under 35	198
# Women	128
# Migrants	149
# Insecure or unemployed workers	31
# With auxiliary service (Microcredit)	253
- Of which offered by MicroLab	51
<b>FAMIGLIA</b>	
Loans amount	18.983.759€
# Households financed	2.874
# Migrants	2.655
# People without a current account	285
<b>OUTCOME</b>	
<b>IMPRESA</b>	
# New enterprises established	225
# Enterprises that hire new employees	137
# New jobs created	309
# Disadvantaged people	61
# Under 35	198
# Women	152
Entrepreneurs who move from a precarious job position to a stable one	75
Entrepreneurs who increase monthly income	134
Access to traditional credit	71
<b>FAMIGLIA</b>	
People who no longer live below the threshold of absolute poverty	89
Financial inclusion	749
<b>IMPACT</b>	
<b>IMPRESA</b>	
Saving of annual public expenditure	960.997€
<b>FAMIGLIA</b>	
Amount of tax revenue due to increased consumption in the economic system (total microcredits)	1.303.920€

NOTE: accordingly the data in the chart describes the effect generated by the aforementioned microcredits over the 24 months following the disbursement date.

With the methodological support of Tiresia (Politecnico di Milano) we defined a “*social tableau de board*” that will allow, from 2018, to periodically obtain some *outputs* and to estimate, through multipliers, the *outcomes* and the impacts they will generate in the next period. The microcredits disbursed in 2018 generate an effect and an impact in the next period. In the “*tableau de board*” are represented the outcomes and the impacts, that

### Transparency towards our clients and complaints management

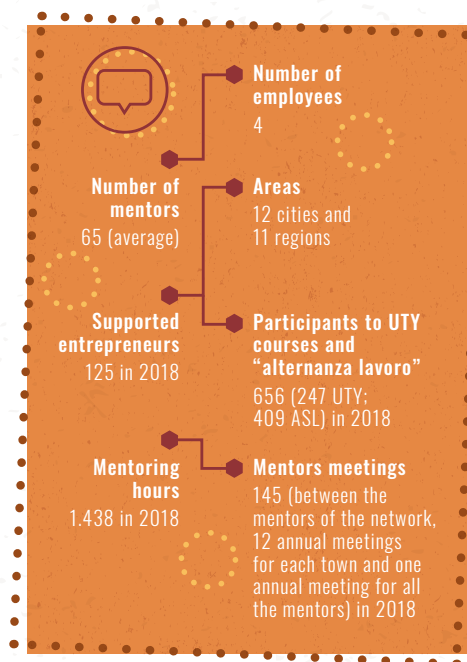
PerMicro pays particular attention to the **transparency towards the clients**. The effort of the company is based on training activities and personal engagement on this topic. An easy availability and updating of the informational documents, both on the internet and in the branches, in which are present the rights, costs and information that the customers have the right to know, before entering into a contract, so that they can make a reasonable choice. All the customers

will be potentially generated by the microcredits disbursed in a specific period over the next 24 months from the disbursement date. We estimate that all the loans disbursed in 2018, will create the following benefits for the public administration: a saving on annual public expenditures equal to 960.997 euro and an increase of the annual tax revenue, due to the increase in consumption in the economy, equal to 1.303.920 euro.

have the right to make a **complaint**, through one of the many channels available (mail, postal address, fax, format and box online, by phone or in the branch). The easy access to these channels is intentional, not only to guarantee a right, but also because we believe that taking the negative feedbacks of our customers is the first step to improve our business. In 2018 we have received **16 complaints**. They all have been object of deep analysis and it has been given a complete answer to all of them within 6 days.



## MENTORS



Microlab operates through a network of volunteer mentors, who assist, through mentoring, the potential entrepreneurs.

*"We mentors have consolidated experiences in different sectors, from finance to management and marketing, that we make available to the new entrepreneurs. For them this is a very important support and they recognize its value. Having the opportunity of making available our experience makes us very proud."*

**Serge Escudè, mentor MicroLab**

**(Milan)**

## SUPPLIERS

PerMicro pays particular attention to the selection of its suppliers. For this reason we prefer to collaborate with realities that stand out for their positive social and environmental impact and with micro entrepreneurs, already customers of PerMicro.

**Economic value distributed to suppliers:** 1.100.330 euro (32% of the economic value generated).

Even in 2018 it has been carried on the initiative of buying Christmas presents for the employees of PerMicro, from some financed entrepreneurs.

This year PerMicro chose:

OLDE BISCOTTI – Bakery – Longare (VI)

BLOND BROTHERS – Artisanal brewery – San Dona' di Piave (VE)



## EUROPEAN INSTITUTIONS

**PerMicro collaborates with European Institutions, which support the company in terms of funding and equity.**

**European Investment Fund (EIF).** The "Impresa EASI" product benefits from a guarantee\* financed by the European Union in the field of the programme for employment and social innovation (EaSI).

\*Guarantee fund for the disbursement of loans to enterprises up to a plafond of 29 million euro.

*"Since the beginning, PerMicro has been counterpart of programs that supported the microcredit of EIF and we are proud of having supported the business of an institution which is deeply dedicated to the development of the micro enterprise and to the social and financial inclusion in Italy."*

**Simone Uccheddu, Inclusive Finance Investment Manager, European Investment Fund**

**Council of Europe Development Bank (CEB)** - Loan of 7 million in 2018 for the credits to families and enterprises.

*"Since 2013 the CEB supports PerMicro's business producing a consistent social impact. The microcredit is an instrument that showed itself to be efficient to support social integration and to fight inequalities, exclusion and marginalization. PerMicro performs a fundamental role in promoting these values, because financial inclusion is a fundamental requirement for the inclusion of each individual in the society: we are proud of the partnership with PerMicro, that alongside its shareholders and MicroLab, is a point of reference in the microcredit sector in Europe."*

**Lucia Bucciarelli Ducci, Country Manager - Italy, Council of Europe Development Bank (CEB)**

## COMMUNITY AND TERRITORY

PerMicro carries on its effort in several national and international locations to encourage the knowledge and diffusion of microcredit and financial inclusion. Among the activities promised in 2018 with the main associations, institutions and network we highlight the following ones:

### MICROFINANCE NETWORK

2

#### European Microfinance Network (EMN) since 2008

PerMicro is a member of EMN, European network committed to the promotion of microfinance services in response to the unemployment issues and to social and financial exclusion.

PerMicro has been invited, alongside other four members of the network, to take part at the **Think Tank on Fundraising**.

#### Rete Italiana Microfinanza (RITMI) since 2008

PerMicro is a founding member of RITMI, Italian microfinance network, which deals with promoting microfinance and the microcredit in Italy.

In 2018

Andrea Limone CEO of PerMicro, has been elected inside the **EMN Board of Directors**.



*"EMN is proud to promote across Europe the different excellent practices developed by PerMicro, particularly on impact reporting, product diversification, provision of non-financial services, etc. Without any doubt, PerMicro is now a reference within the Microfinance sector in Europe."*

**Jorge Ramirez, Executive Director, European Microfinance Network**

### INSTITUTIONS

#### EU commission (Code of Good Conduct)

PerMicro has been one of the first microcredit companies to obtain recognition of the Code of Good Conduct at European level. In November 2018 the company has been invited by the European Commission to take part in a focus group in Bruxelles, where there were present the major microcredit authorities and experts of the sector within the EU to the working group has been asked to operate on the improvement of this certification, required to access the European Funds.

### LOCAL BANKS

12

Agreements for signalling, from the banks, of customers or potential customers for the possibility to access microfinance services provided by PerMicro.

### ETHNIC ASSOCIATIONS AND COMMUNITIES

13

Promotion of self-entrepreneurship, microcredit and PerMicro through a trustful relationship with the networks.

### PROFESSIONAL ASSOCIATION (LOCAL OFFICES)

5

Promotion of microcredit within the associates and the local branches through moments of comparison and communication activities.





## PROJECTS ON THE NATIONAL TERRITORY

### Innovation inclusive Hub – Support to the new social innovation pro- jects and services

(Project co-financed by the European Union – European social fund operational program of Milan 2014-2020). PerMicro is involved in the activity of supporting new enterprises.

2

## PROGETTO LEI

### Work, Emancipation and Inclusion

Project supported by Compagnia di San Paolo, with the aim of improve the educational and employment opportunities of women held in Turin's penitentiary, with the prospective of re-release and social-working inclusion aimed at the prevention of relapse. PerMicro held 3 training sessions on self-entrepreneurship and access to credit, where 17 women took part to it.

5

## PARTICIPATIONS TO EVENTS

**International events** to which PerMicro has intervened: European Social Fund Conference, European Development Days, European Microfinance Week, EMN Annual Conference, Global Microfinance Summit.

## TRAINING MEETINGS

On the topic of microcredit and financial inclusion in Italy, addressed to secondary and high schools and universities (Pescara, Chieti, Roma, Torino, Oristano, Parma).

8

15

Participations/sponsorships and **national event** in Italy including: Ukrainian festival, Ukrainian Christmas concert, Museo del Risparmio, Maker Faire, Festival della Gastronomia, Wired Next Fest, ResetFestival, BCorp Italian Summit, Telethon.

2

## DEGREE THESIS

On the business model of PerMicro (Management, Economy and Commerce).



## ENVIRONMENT

PerMicro has always been very aware of its environmental impact. Where it is possible, it promotes the use of recycled raw material, a sustainable transportations of its employees and it aims to reduce waste.

PerMicro's **Resource consumption** mainly refers to paper, toners and electricity.

During the year the internal **use of paper has reduced**, thanks to the instalment of an area, on the company's intranet, dedicated to data management, including documents in support of the Board of Directors. Furthermore it has been installed a projector in the meeting room of the headquarters, in order to avoid printing the useful documents for the meetings.

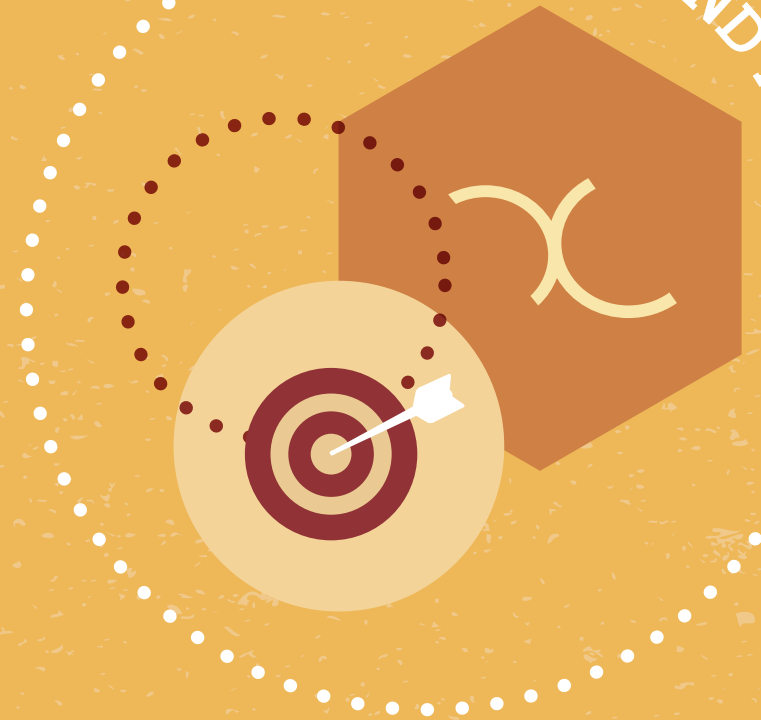
All the **paper waste** internally produced, is **separately collected**. A valuating analysis of the amount of paper recycled is underway.

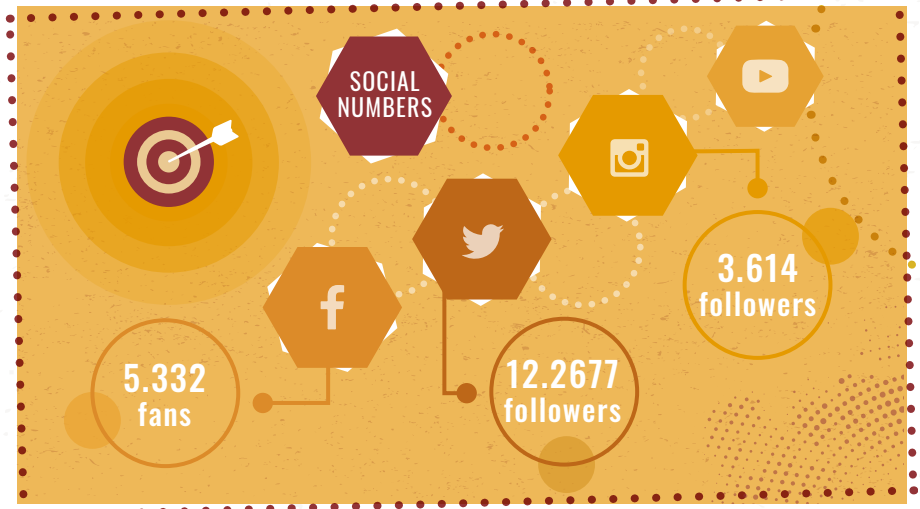
The only dangerous wastes are the toners from the printers and photocopiers. For them we have started the research of a supplier at national level, who can execute the collection from all the branches. The company uses only original toners taking into account the best performance compared to the remanufactured toners.

Regarding **mobility**, PerMicro **takes care of the environmental impact** generated by the transportation systems used by our employees and partners. Especially, we encourage the use of public transportations and above all, the train.

On November 2018, all the employees and members of PerMicro's Board of Directors received a branded reusable bottle, with the aim of **reducing the use of plastic bottles** at work. For this purpose, in the headquarter offices has been installed a water distributor (provided by PerMicro).

## 4. OUT AND ABOUT





## PUBLICATIONS RESEARCHES

2

PerMicro contributed to the topic of access to credit in the report of the financial inclusion of migrants by CeSPI (Centro Studi di Politica Internazionale).

<http://bit.ly/RapportoCeSPI>

PerMicro is one of the case studies of the Microfinance Center research entitled: "Business Development Services and Microfinance: Operational Model Case Studies".

<http://bit.ly/MFCresearch>



During 2018 we made a video to tell about our **Customer Journey**: from the first requests for information, to the collection and presentation of the necessary documents, the planning of their project, up to obtaining the financing and subsequent support.



<http://bit.ly/AnnaePedro>

## CERTIFICATIONS AND AWARDS

2018



The MicroFinance Rating institute assigned to PerMicro the rating of BB +, a rating higher than the average of the microfinance sector.

A "social performance audit" was conducted on PerMicro by BNP Paribas using SPI4, an audit tool developed by CERISE: the assessment was carried out using a series of standard indicators and Per-Micro achieved an excellent overall result (81% - the benchmark is 64%).

PerMicro was awarded the "Best for the world" award for the best impact on customers, during the annual meeting of Italian BCorps.



### Paper used for the Annual Report: CyclusOffset

By using CyclusOffset instead of a non-recycled paper, the environmental impact will be reduced by:



**39** kg of wastes



**9** kg of CO<sub>2</sub>



**94** km driven on average by an European car



**948** litres of water

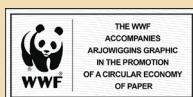


**121** kWh of electricity



**64** kg of wood

Sources: Water and energy savings are based on a comparison between a recycled paper manufactured at Arjowiggins Graphic mills versus an equivalent virgin fibre paper (BREF data for the non-integrated production of a wood-free paper). CO2 emission savings correspond to the difference between the emissions generated by a specific recycled paper and an equivalent virgin fibre paper, both produced in an Arjowiggins Graphic mill. Carbon footprint is determined by Labelia Conseil in accordance with the Bilan Carbone® methodology. Results are obtained according to yearly updated information and then subject to modification.



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[www.permicro.it](http://www.permicro.it)

