



Social Banking Impact Report 2021

ERSTE  **stepbystep** 
Group

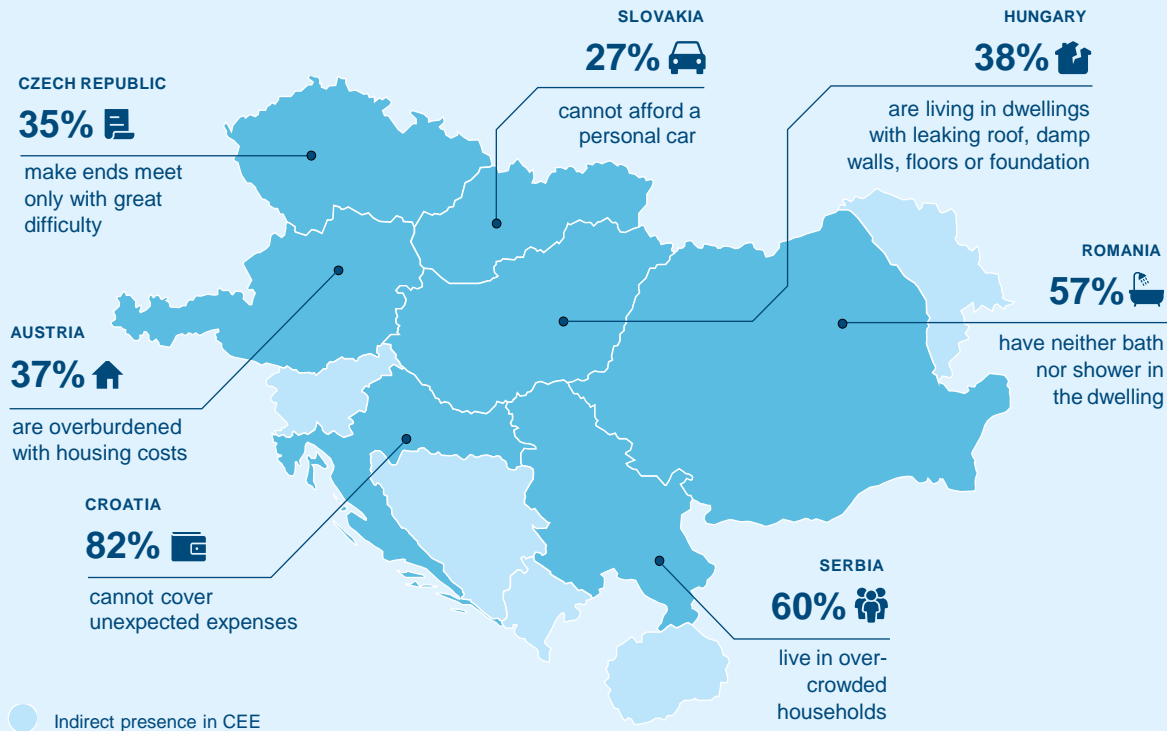
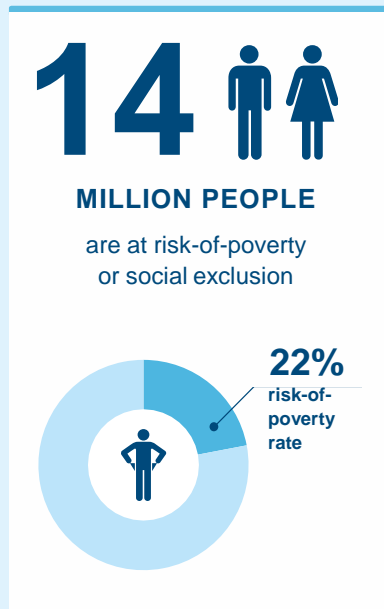
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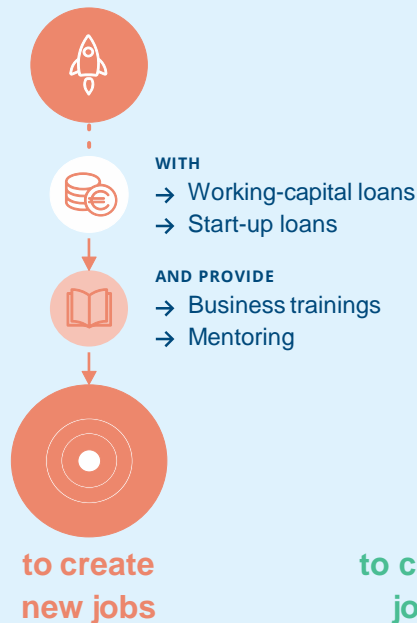
ASSOC | Romania

The risk-of-poverty situation in Erste Group markets

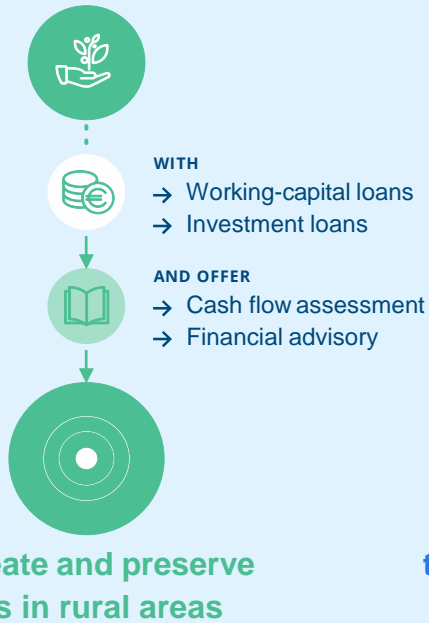


Our approach to Social Banking

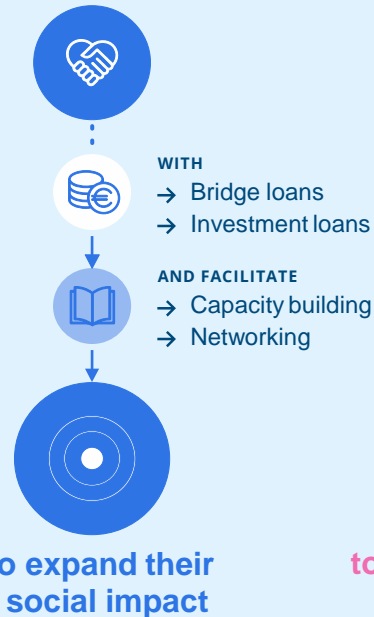
We foster Starting Entrepreneurs



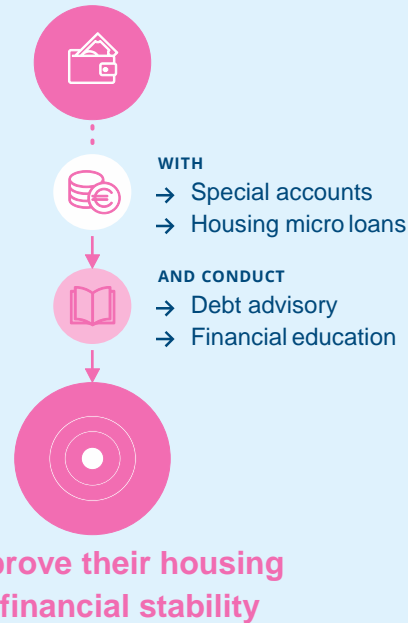
We support Microfinance Businesses



We empower Social Organisations



We stand by People in financial difficulties



Impact assessment methodology



Research approach

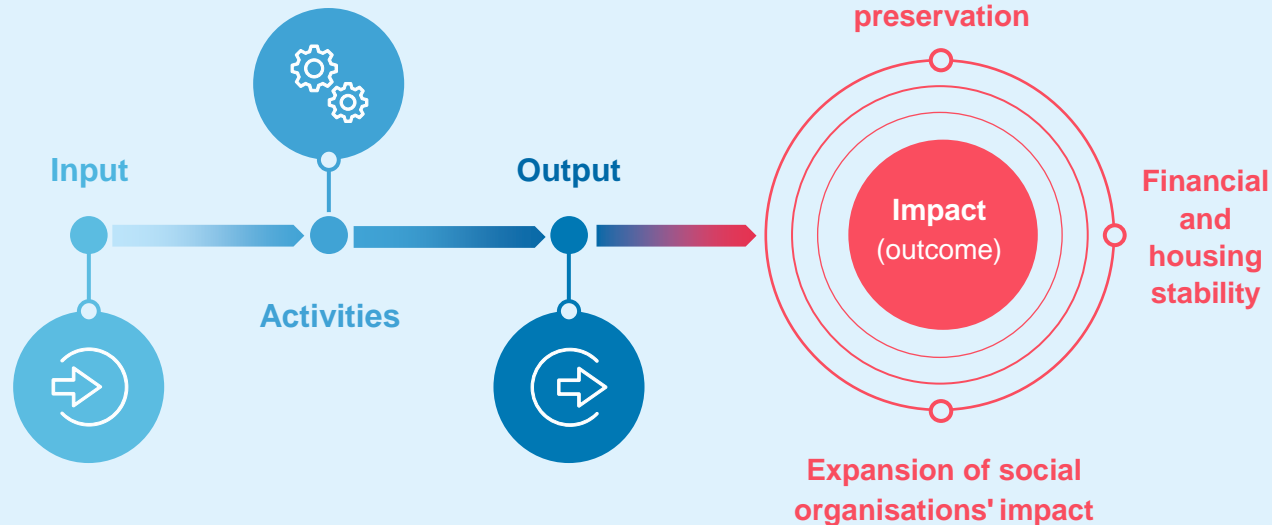
The report focuses on the **output*** of the Social Banking offer and the **direct and intended outcomes** on our clients

1160



clients were interviewed in 2021

Impact value chain:



Supported United Nations Sustainable Development Goals:



Social Banking overall impact highlights

38.023



supported clients

32.374



clients received education
and support

425



mIn EUR of funding provided



58%

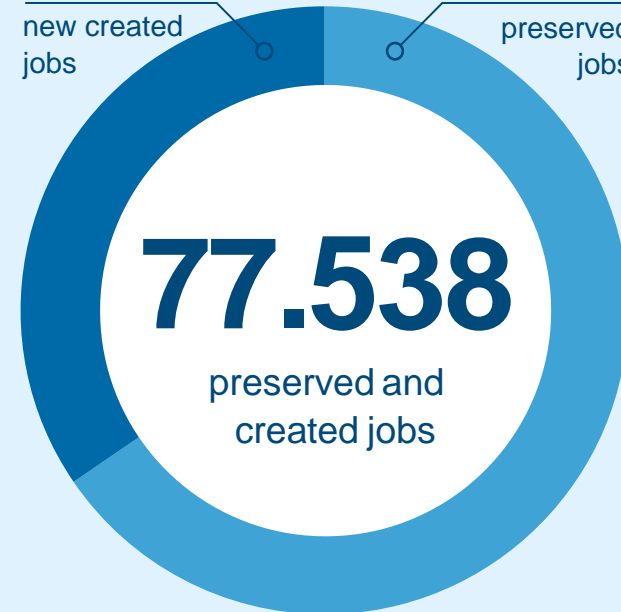
of clients improved
their economic situation

26.784

new created
jobs

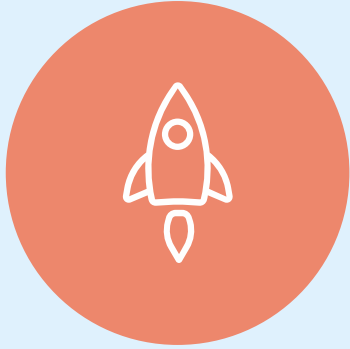
50.754

preserved
jobs



77.538

preserved and
created jobs



Starting Entrepreneurs

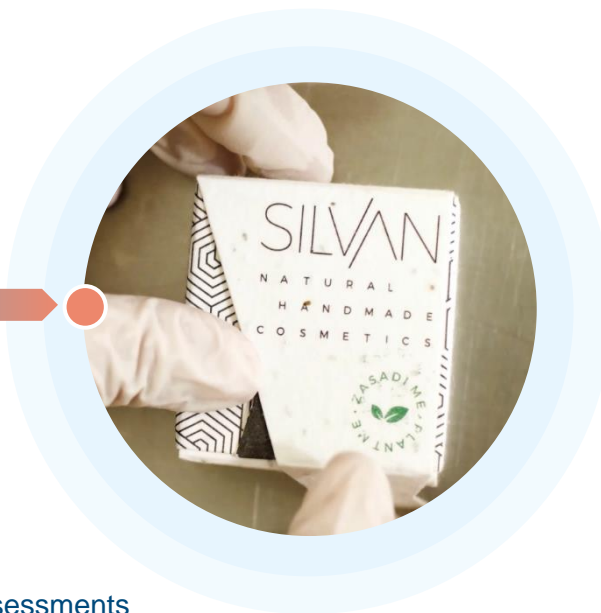


Silvan | Croatia

Our approach to starting entrepreneurs

Identified problems

- Unemployment
- Limited or no access to financing



The Impact
Creating new jobs



Impact on starting entrepreneurs

6.027



financed clients

21.671



education participants

184



mIn EUR disbursed loans



54%

improved their
economic
situation



48%

could not start
or expand their
business with-
out our loan

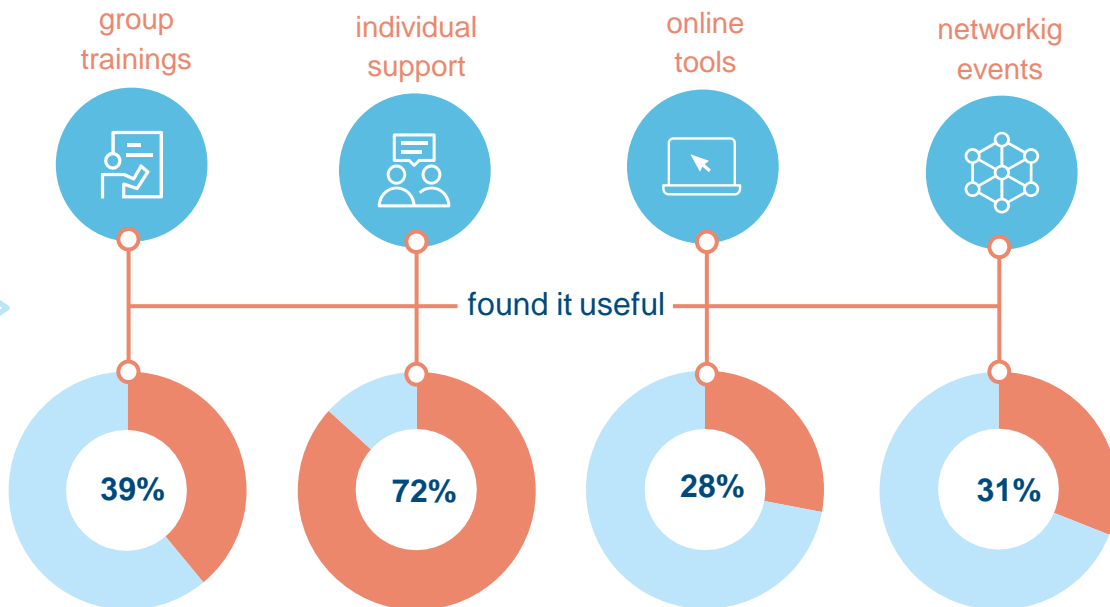
29.697

preserved and created jobs

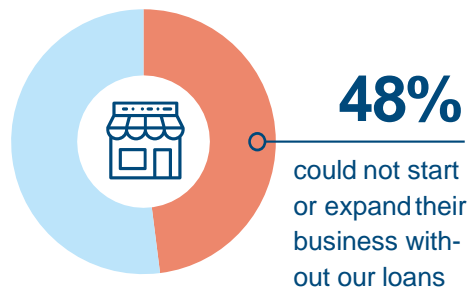
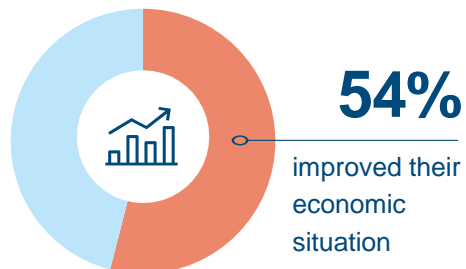
Training and mentoring

21.671

participated in
educational activities

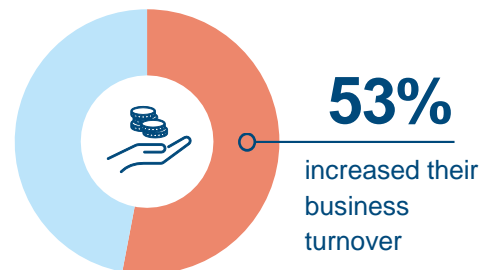
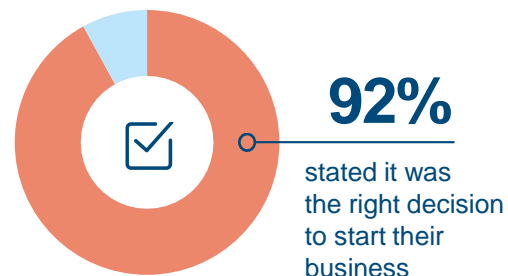


Business creation

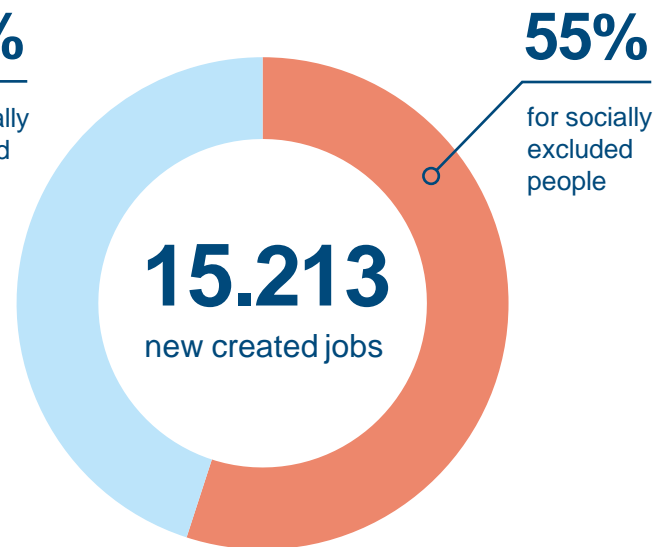
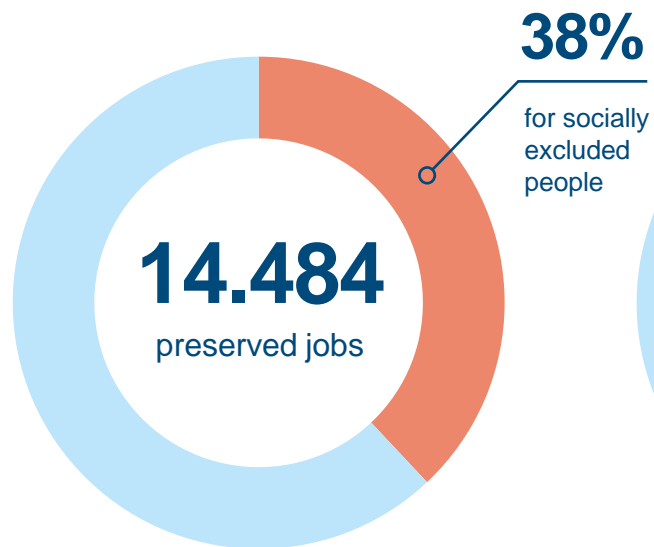
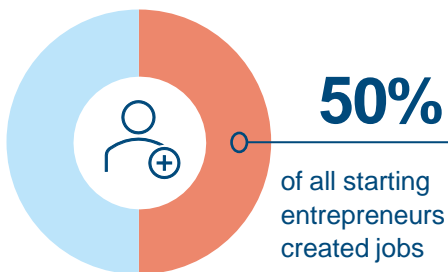
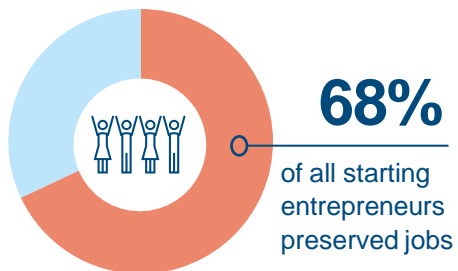


6.027 
financed clients

184 
mIn EUR disbursed loans



Job creation and preservation



Financial and personal life

69% 

can better cover unexpected private expenses

75% 

can always cover household regular expenses

61% 

feel more respected by their family and friends

80% 

believe now more in their skills and capabilities

63% 

could better overcome Covid-19 economic difficulties

82% 

are now more optimistic about future





Meet Jelena

one of our starting entrepreneurs



Social Impact: production of ecologically sustainable handcrafted soaps



Silvan
Croatia

“In a moment when the future seemed uncertain, the only thing we had was the faith in ourselves, our capabilities and a brave start to a whole new story”



Business: production of natural skincare products with a 100% biodegradable packaging



Find out more about Jelena and her business [here](#)



Visit our [webpage](#) and meet more of [our clients](#)



Microfinance

ROMANIA

BCR
Social Finance



Maria | Romania

Our approach to microfinance businesses

Identified problems

- Limited or no access to financing
- High unemployment in rural areas



Our solutions

- Providing working capital and investment loans
- Cash flow assessment
- Financial advisory
- Identifying growth potentials
- Mobile relationship managers visiting clients at home



The Impact
Creating and preserving jobs in rural areas



Impact of supporting microfinance businesses

8.885



financed clients

14.583



provided loans

122

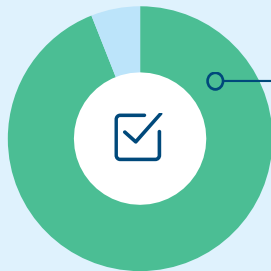


mln EUR disbursed loans



57%

are now in a
better economic
situation



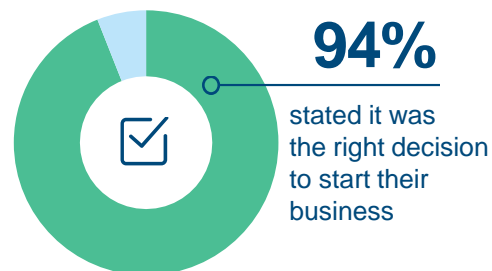
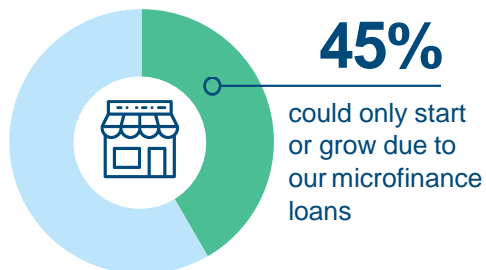
94%

stated it was
the right decision
to start their
business

31.577

preserved and created jobs

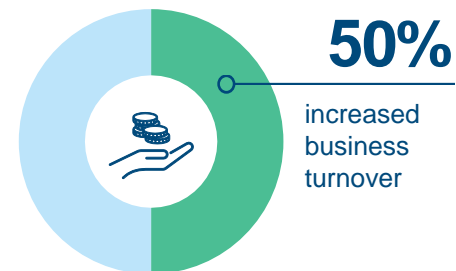
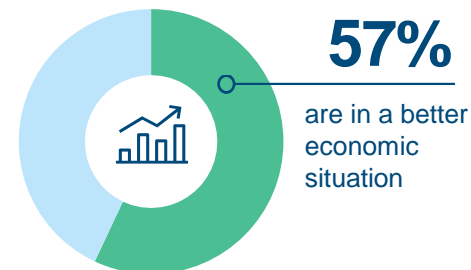
Business growth



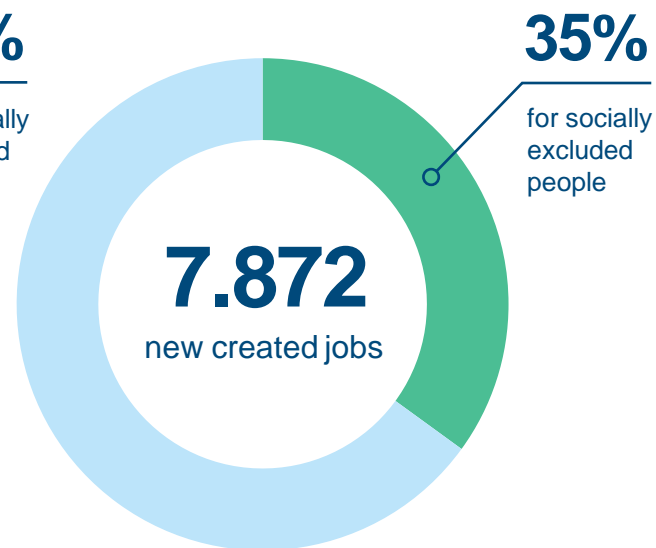
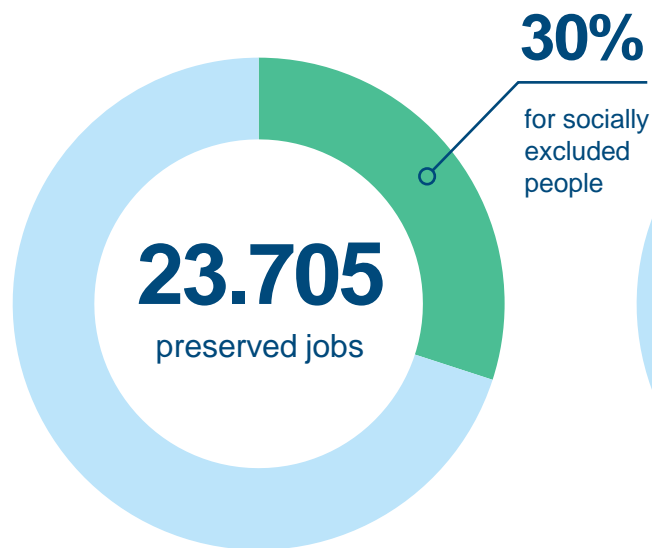
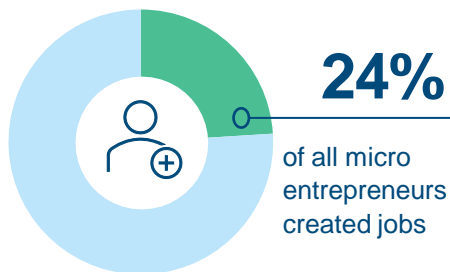
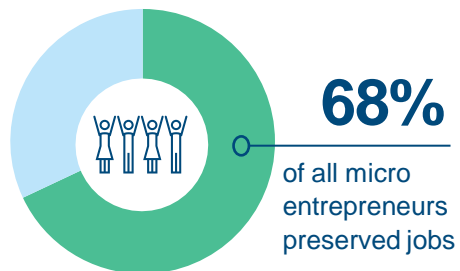
8.885 
financed clients

14.583 
provided loans

122 
mln EUR disbursed loans



Job creation and preservation



Financial and personal life

86% 

can better cover unexpected private expenses

89% 

can always cover household regular expenses

76% 

feel more respected by their family and friends

88% 

believe now more in their skills and capabilities

75% 

could better overcome Covid-19 economic difficulties

89% 

are now more optimistic about future





Meet Maria

one of our microfinance clients



Social Impact: self-employment, strengthening of local food production and improving living conditions



Sheep Farm Romania

“The most important thing in life is that we are good and healthy and we are able to work”



Business: Production of lambs, milk, cheese



Find out more about Maria and her family business [here](#)



Visit our [webpage](#) and meet more of [our clients](#)



Social Organisations



Our approach to social organisations

Identified problems

- Lack of business and financial know-how
- Poor access to financial products and services



Our solutions

- Providing bridge and investment loans
- Conducting training courses and accelerators
- Offering mentoring and social business plan assessments
- Facilitating pitching and networking events
- Buying social products and using social services



The Impact
Expanding
the impact
of social
organisations



Impact of empowering social organisations

821



financed clients

9.948



education participants

106

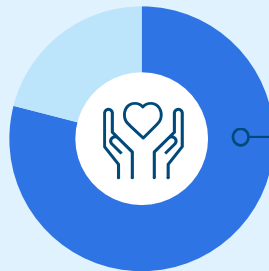


mln EUR disbursed loans



57%

are in a better economic situation than before



79%

better fulfil social impact goals/mission

16.242

preserved and created jobs

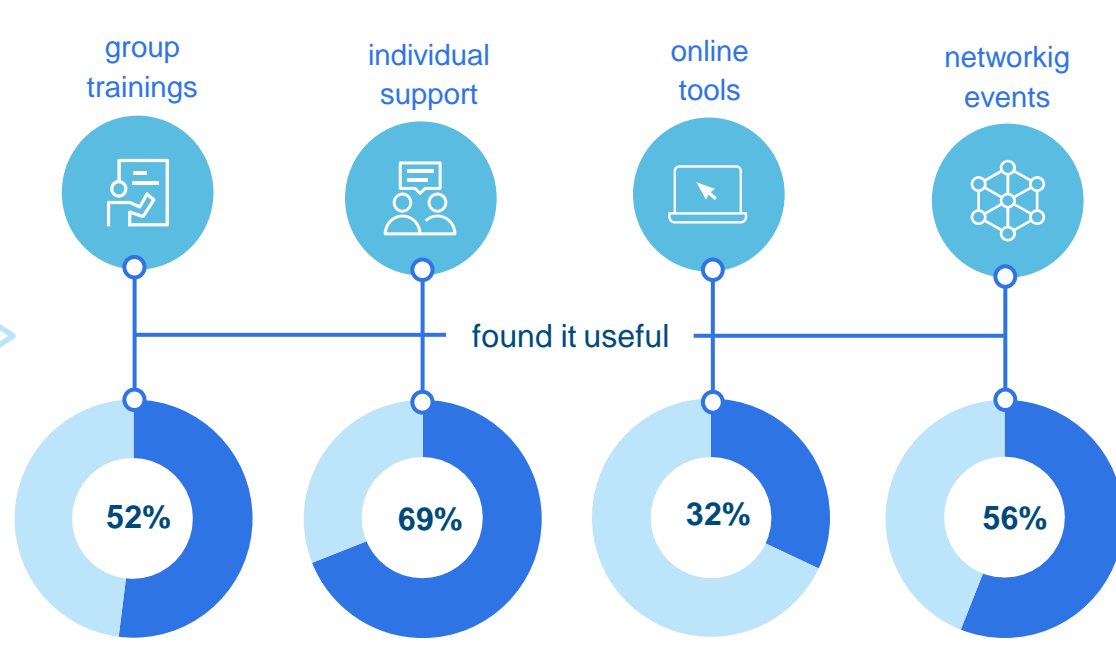
Capacity building

9.948 

education participants

52.757 

education hours were received
by clients



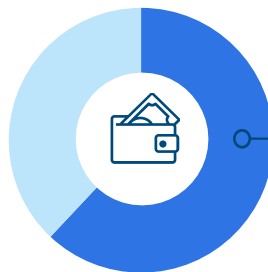
Economic situation improvement

821 

financed clients

106 

mln EUR disbursed loans



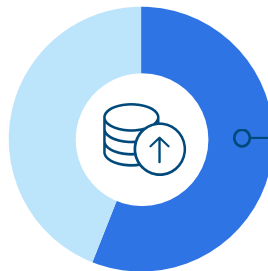
62%

secured
sufficient
liquidity



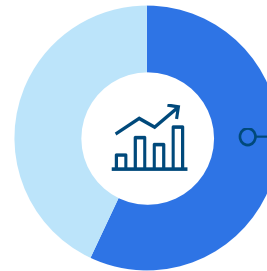
58%

could better
overcome Covid-19
economic difficulties



56%

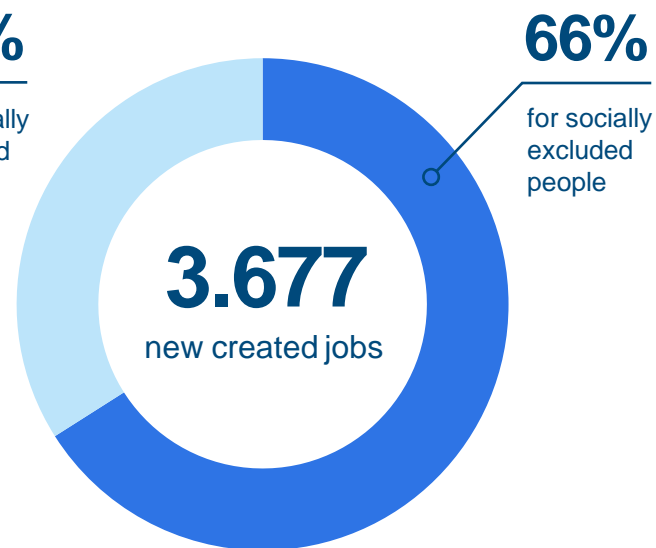
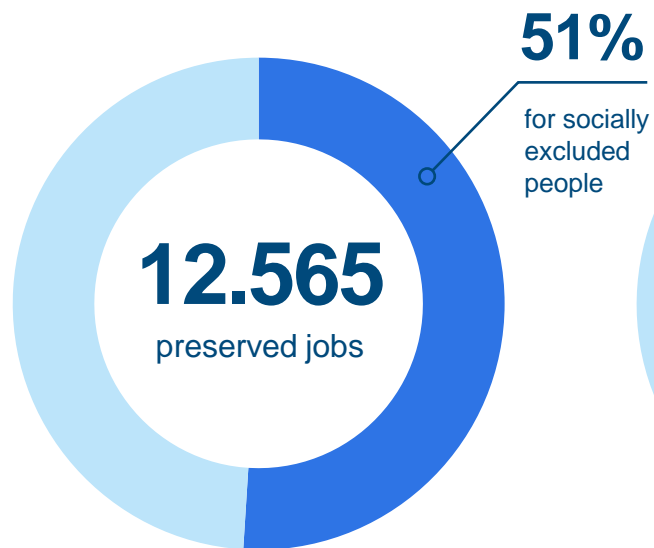
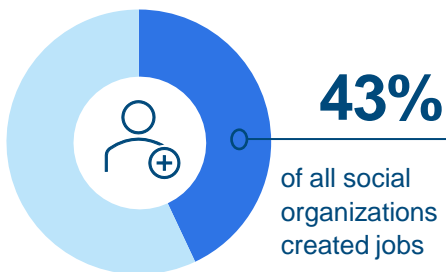
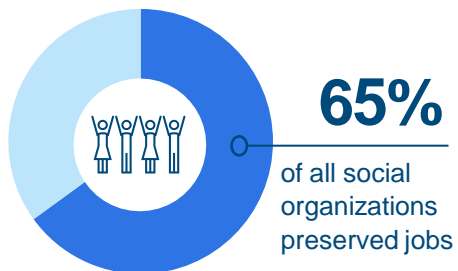
have more than
half of annual
turnover from
market activities



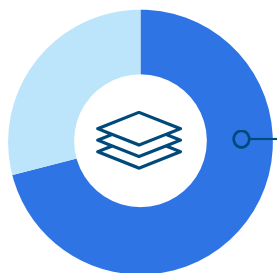
57%

are in a better
economic
situation than
before

Job creation and preservation

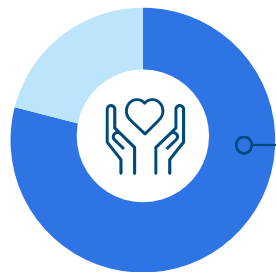


Mission fulfilment



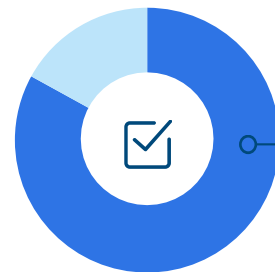
71%

succeeded to
start additional /
new projects or
service offers



79%

can now better
fulfil their social
impact goals/
mission



83%

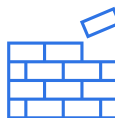
managed to
maintained the
existing activities

Top ways to scale social impact



65%

increased
operational
capacity



63%

extended
activities'
scope



61%

extended network
and new
collaborations



52%

spreading
know-how



Meet Libor

one of our social entrepreneurs



Social Impact: employing people with physical and mental disabilities



ToZařídíme
Czech Republic

“Finally, you got a text message in the evening, and it is thanks from one of the employees saying they are glad to work with you”



Business: assembly and disassembly of components, packaging, product inspections, rewriting of texts, shredding of documents, cleaning of apartments, offices, or production premises



Find out more about Libor and his business [here](#)



Visit our webpage and meet more of [our clients](#)



People in financial difficulties



Family Flitarovci | Slovakia

Our approach to people in financial difficulties

Identified problems

- Over-indebtedness and financial exclusion
- Lack of financial literacy
- Precarious housing



Our solutions

- Enabling financial inclusion by offering bank accounts
- Offering individual consulting and debt advisory
- Recovery of over-indebted clients
- Providing financial education trainings
- Supporting clients via partners and social organisations
- Housing micro loans

The Impact

Improving housing and financial stability



Impact on people in financial difficulties

21.390

clients supported via
Zweite Sparkasse

898

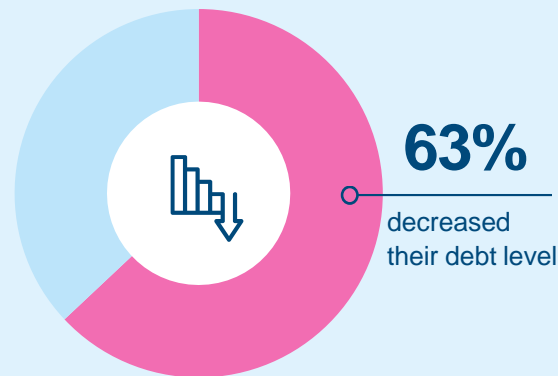
clients supported via debt
advisory

96% 

can now pay regular
expenses on time


59% 

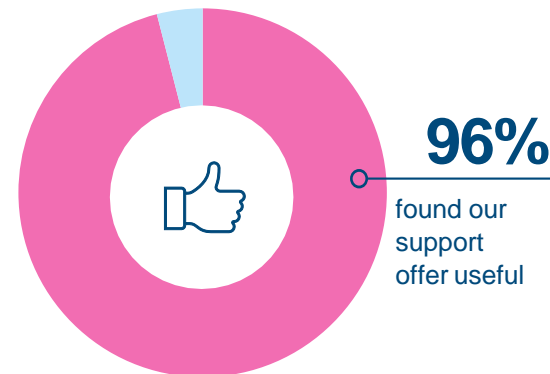
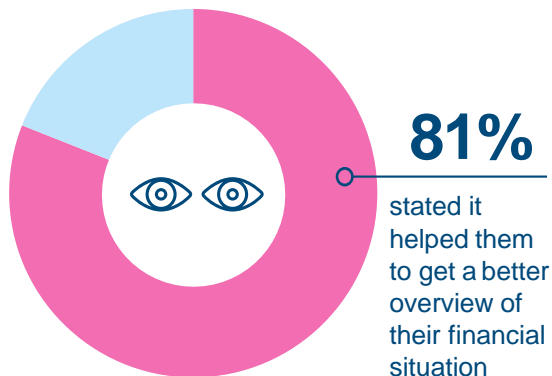
now see more positive
into their future



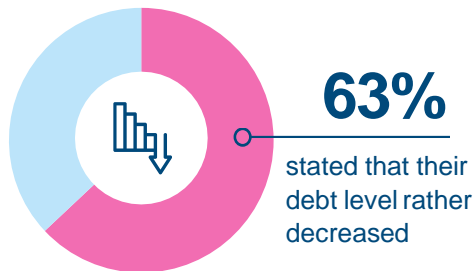
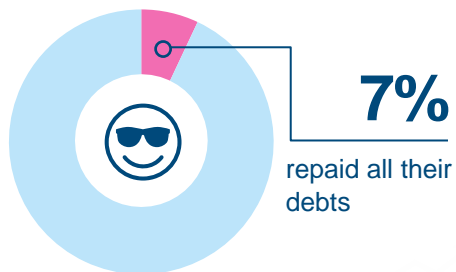
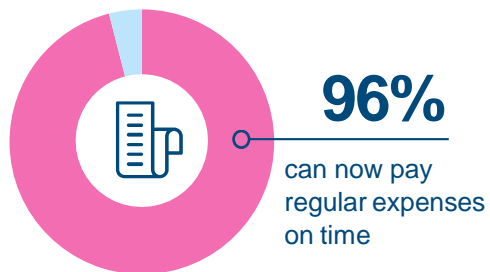
Financial education and consulting

751 
received personal
advisory

9.877 
hours of education
and advisory were
provided



Stabilising financial lives



Providing decent housing



670

clients supported via housing programs



457

people have found new home



Personal life changes

81% 

are less worried about
their financial situation

59% 

are more optimistic
towards their future

63% 

feel healthier





Meet Adriana

one of our clients in housing program



Social Impact: Slovenská sporiteľňa social banking team launched a housing project for socially excluded people in Slovakia



Adriana
Slovakia

“I want my children to go to school, I want to do as much as possible for my children. Being Roma girls is nothing to be ashamed of”



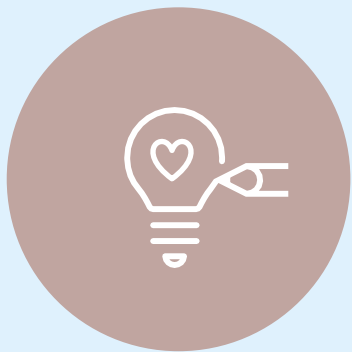
Client challenge: big families live in small illegally built houses without water or electricity, and without chances for a better life



Find out more about Adriana's challenges [here](#)



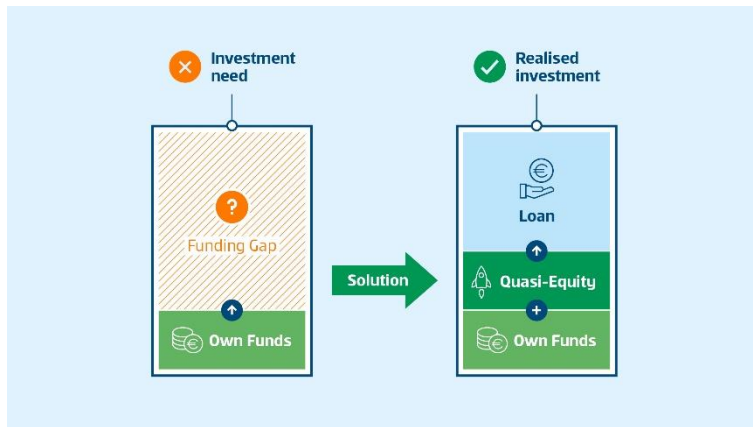
Visit our webpage and meet more of [our clients](#)



Innovative social finance instruments



Quasi-equity



to scale social
business



New branches
& franchise

New products
and services

Digitalisation

Covid-19
recovery

to develop social
real estate



Kindergarten

Elderly homes

Care

Social housing

2 

financed clients

4 

education participants

500.000 

EUR disbursed quasi-equity

6 

new created jobs



Meet Georg

one of our quasi-equity clients



Social Impact: increase access to spoken and written information and employing people with disabilities



Sign Time Austria

“Our vision is breaking down language barriers and making digital world more accessible for millions of deaf people”



Business: software that translates text into animated sign language



Find out more about Georg's business [here](#)



Find out more about quasi-equity [here](#)

Social impact bond



50 

number of women that completed the training

16 

number of women that secured a job

300.000 

EUR overall budget



Meet Melanie and Meli



Social Impact: fighting unemployment and supporting people with disabilities



Melanie and Meli

Social impact bond beneficiaries
Austria

“I can finally do what I always wanted to do:
supporting people” - *Melanie*

“For me having assistance means self-
determination” - *Meli*



Challenges: Melanie lost her job because of pandemic and needed to re-train for a new job. Meli needs support in her everyday life



Find out more about Melanie and Meli's challenges [here](#)



Find out more about Social impact bond [here](#)

Social Banking Development Team

PLEASE CONTACT US



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For more clients stories, please visit our [webpage](#)

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