



Criteria for Responsible Digital Innovator of the Year

General Information

1. Industry Type
2. Number of Years in Operation
3. Number of Staff
4. Type and Number of Digital Channels (e.g., ATMS, platforms, mobile network(s), eCommerce, etc, as relevant)
5. Number of Branches (if relevant)
6. Number of countries where you have active operations
7. Headquarters Location
8. Total MSME Loan Outstanding in USD
9. Total Loan Outstanding in USD
10. Number of your MSME Clients
11. How do you define SME? How do you distinguish this from microenterprise?
Do you have separate accounting for your SME portfolio – e.g., numbers of accounts, loans, product volume; financial spread; allocated overhead; net profit?
12. What is your target market in SMEs – clarify in terms of definition above; provide information on target market segments, if applicable. Be specific about what you have done for SMEs in a specific period of time (could provide graphs or charts as attachments to back up/illustrate your impact)
13. Why do you consider your financial institution an SME market leader? How do you compare to the competition in your market: 1) overall standing as a financial institution or FinTech; 2) standing in the SME market; 3) standing among competitors for your market segment.
14. How do you measure your success in serving the SME market?
15. Are there any other factors not already addressed through the questions that distinguish you as an SME market leader or innovator – please describe.

Specific Judging Criteria for Responsible Digital Innovator of the Year

For the SME Global Finance Awards 2022, we are encouraging entrants to consider specific priority areas which promote and/or implement the Investor Guidelines for Responsible Investing in Digital Financial Services ([Investor Guidelines](#)). Describe specifically how you are implementing these into practice. If women are a focus, also provide how a “gender strategy” or “gender lens investing” is being implemented in practice.

- Guideline #2: Manage Risks Comprehensively with Growth of Digital Inclusion
- Guideline #8: “Enhance Customer Services for Problem Resolution and Product Innovation”
- Guideline #9: “Prevent Over-Indebtedness, Strengthen Digital Literacy and Financial Awareness”

Refer to the [Investor Guidelines](#) to understand what they are.

Additionally, you should refer to [Investor Guidelines – Definitions](#) (addendum below) to see a few examples of practices within each of the ten guidelines that may help you to evaluate your own institution’s actions to see which guidelines you might showcase in your entry.

1. Innovation/Uniqueness
 - a. Please choose the [Investor Guideline](#)(s) that is/are specific to your entry that you are implementing. (Note: choose as many as apply and that you can support in your entry with existing policy documentation/evidence)
 - b. Please describe how you are implementing on the respective guidelines chosen above, especially in managing for customer risks and opportunities.
 - c. Please summarize the responsible digital product innovations you are implementing based on the [Investor Guidelines](#) you chose in the above question. Be sure to describe how you are embedding them in your operational work. (*Products refers to any type of financial product serving SMEs such as insurance, savings, lending, etc.*)
 - d. Describe any value-addition to your company and your customers as a result of embedding the Investor Guidelines into your operations.
2. Reach
 - a. Are there specific niche underserved segments that you target, such as youth, women, start-ups, etc? If so, why did you choose to pursue this market strategy?
 - b. Number of MSMEs served through digital channels (YoY change)
 - c. Volume of MSMEs business originated through digital channels
 - d. Market share in MSME segments within country(ies)
3. Dynamism/Scalability
 - a. Please summarize the project or transaction’s potential for local, regional, or international replication, citing any major barriers that

have been or would need to be overcome in scaling up responsible digital innovation.

4. Impact
 - a. Social impacts and benefits for MSMEs - number of customers using products and services through responsible digital innovation
 - b. Financial impact – sustainable performance results, including market share
 - c. Market impacts – number of best practices implemented, and volume of financing catalyzed for responsible digital innovation

If you are ready to start your entry, click here to be taken to the [awards platform](#)

Investor Guidelines – Definitions

- 1. Promote Responsible Investment in Digital Finance:** We embrace digital financial services (DFS) as a priority to drive development of inclusive financial systems. We will actively support responsible DFS providers to innovate and expand the range of financial services available to underserved groups to help them reduce their vulnerability, build assets, and mitigate their risks for an inclusive digital economy. We as investors commit to make responsible investment choices. We commit to supporting improved board governance and management commitment such that access to finance generates resilient, sustainable and value-added growth towards creating markets and opportunities for broader sustainable development.
- 2. Manage Risks Comprehensively with Growth of Digital Inclusion:** We acknowledge that investors play a role in ensuring that the risks that emerge from innovation are borne by those that are equipped to absorb them, i.e., not by end customers. Investors will identify and assess risks during their due diligence process and manage these during the course of investment. We encourage our investees to incorporate risks for customers or consumers into their business models and operations for a more comprehensive risk management framework.
- 3. Foster a Proportionate Legal and Regulatory Framework:** We support a prudent and proportionate legal and regulatory framework. As responsible investors, we commit to ensure compliance to existing regulations (including, by our investee companies) and to engage productively with policymakers so that the regulatory framework reflects both customer protection concerns and commercial concerns, and financial crime risk.
- 4. Facilitate Interoperability and Infrastructures for DFS Ecosystems:** We recognize the need for an ecosystem of enabling infrastructure for DFS and encourage interoperability, where appropriate, within that ecosystem. We encourage investee companies to take responsibility for the actions of agents, employees, and third-party service providers across the value chain. We will support investees to implement appropriate mechanisms for responsible provision of services along the value chain and encourage investees that provide infrastructure services to providers of DFS to apply these Guidelines along the chain.
- 5. Establish Customer Identity, Data Privacy and Security Standards:** We encourage the development, use and implementation, as relevant to market standards and in accordance with applicable laws and regulations, of customer identity and authentication systems by DFS providers. We promote the responsible use of data and practice of data management, including back-end technology infrastructure and/or other mechanisms to protect the privacy and security of customer data and help strengthen approaches for informed customer consent. We encourage the assessment of risk to both customers and providers in adopting various approaches and technologies.
- 6. Promote Fair and Transparent Pricing:** We encourage and support investees to apply fair, risk-based and transparent pricing for all financial products and services that is affordable

to consumers while allowing for investees to be sustainable and provide balanced returns to investors. We strive to reassess and balance fair prices paid by customers and the return generated for investors/investees, based on a broader assessment of the risks impacting the DFS ecosystem, which include customers, providers and financial markets sector. For savings products, investors encourage and support investees to provide real returns on the deposits of customers.

7. Improve Disclosure of Terms and Conditions for Customers: We will promote and support investees to improve disclosure of terms, conditions and pertinent information to customers through transparent, timely and clear communication that is easily accessible. This includes appropriate product design and delivery as well as transparent disclosure of pricing by product or transaction (annualized/monthly terms), customer rights and obligations, and key supporting facts that enables customers to make informed decisions.

8. Enhance Customer Services for Problem Resolution and Product Innovation: We will encourage and support investees to enhance customer services for feedback, effective problem or complaints resolution in a timely and responsive manner (including redress mechanisms) to build and sustain customer trust and improve the design and delivery of products and services.

9. Prevent Over-Indebtedness, Strengthen Digital Literacy and Financial Awareness: We promote and support proactive, ongoing approaches that deliver innovative digital literacy & financial literacy and awareness initiatives for consumer protection, to help prevent over indebtedness and support financial capability, and informed decision-making throughout the customer relationship.

10. Track Progress to Mitigate Risks and Expand DFS Opportunities: We encourage use of impact measurement industry standards for measuring and reporting lessons on responsible and sustainable performance by DFS providers.