



# SOCIAL IMPACT LEADER

**AGAM:** access to sustainable finance for those most in need.

Financially empowering people in underserved communities is at the heart of what AGAM International does. It has developed an AI-enabled solution to address the lack of financial inclusion in Bangladesh and beyond.

AGAM International's financial products and services enable financial institutions in growth markets to accelerate the digitalisation of products and services through its Banking-as-a-Service platform. This puts financial empowerment and responsibility in the hands of individuals and businesses. The AGAM International platform is powered by its AI-enabled credit scoring algorithm. What is more, Shabnam Wazed, Founder and CEO of AGAM International, says: "Customers are supported with AGAM International's digital mentoring app to become more bankable, improving both financial literacy and credit scores."

## Sustainability embedded in investment

AGAM International is based in Wales, UK, but its country of impact is Bangladesh. As Wazed was building AGAM International and designing its product proposition, she interviewed hundreds of salaried factory workers in India and Bangladesh to find out what financial obstacles they faced.

While those she approached felt empowered to have a bank account, the majority said this did not help with indebtedness. The issues ranged from no access to banking to no transaction history, and they were therefore excluded from accessing credit through financial institutions. She says: "The only source of credit was loans through informal lenders with interest rates as high as 45%."

Wazed concluded there was a lack of access to short notice credit for people who are fully capable of repaying those loans, but traditional credit-check methodology failed to recognise this.

To fill the gap, she developed an alternative credit scoring index, which can assess a person according to their character as opposed to their collateral. "Alternative datasets – such as psychometrics, learning behaviour, numeracy skills and mobile data – were used to test the scoring mechanism," she says.



AGAM International's methodology is now called the Individual Independence Index.



## Generating tangible social benefits

The benefits AGAM International is bringing to the market are numerous. In September 2022, AGAM International and Bangladesh's SBK foundation launched the country's first AI-enabled digital microfinance platform, which made it possible for app-based entrepreneurs (many of whom are women) to access credit to purchase goods so that they could carry out their jobs.

In December 2022, AGAM International and Bangladesh's Prime Bank partnered to provide smart access to digital finance, empowering millions of individuals and businesses to demonstrate their credit worthiness via AGAM International's proprietary credit scoring system.

In February 2023, AGAM International and Prime Bank launched the first bank-powered 'Earned Wage Access' in Bangladesh, allowing thousands of Prime Bank employees to access their wages prior to pay day, improving their financial stability and limiting the need to borrow from informal lenders.

More recently, in March 2023, AGAM International collaborated with Software Shop Limited (SSL) to facilitate instant, end-to-end digital lending (via partner banks), thereby providing immediate access to working capital for SSL's merchants. This helps fuel the economy and secure the future for small and medium businesses.

## Being a market leader

Since set-up in November 2019, AGAM International has received multiple endorsements as a highly innovative and scalable start-up by Launch Space – Bristol, Innovate in Britain, Invest UK and Fintech Wales.

The company also joined the prestigious Global Entrepreneur Programme, led by the UK Department of International Trade in August 2021, making it the first ever Bangladesh-founded business to do so. In October 2022, AGAM International closed an oversubscribed funding round led by the Development Bank of Wales.

Looking forward, there will be further financial education modules made available through its app, and it plans to expand its services to other high growth economies like India.

## Social Impact Leader

Financially empowering people in underserved communities is at the heart of what AGAM International does. Its work with Swisscontact's financial inclusion project – 'Sarathi – Improving Financial Health' – is a perfect example of this.

Using AGAM's AI-technology and behavioural insights approach to credit scoring, the project is able to provide credit to a community of at least 300,000 low-income industrial workers. Additionally, the project focuses on skills development and women entrepreneurship to encourage long term financial stability.

AGAM International makes the process of lending faster and fairer, scaling financial inclusion to millions of individuals who need it most.



## The judges' view:

The judges found that AGAM International's innovative, technology enabled approach makes an impact by increasing financial literacy and broadening access to finance where it is greatly needed.

They were also greatly impressed by AGAM International's credit scoring solution, its ability to make loans available more widely and its role in bridging the financial inequity gap.

The judges were impressed by the company's clear focus on social impact, the fact that the societal benefit of its activity is immediate and visible, and that the company's story is easy to comprehend.

The Finance for the Future Awards recognise the role of finance in driving sustainable economies.

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