



# Data Management for Stronger Environmental Stewardship: The Experience of OnePuhunan, Philippines

*EPM Case Study*

May 2025





### About OnePuhunan

*CreditAccess Philippines Financing Company, Inc., doing business under the name of OnePuhunan<sup>1</sup>, was established in 2014 to provide financial services to low-income individuals and small businesses which are not served by traditional banks and financial institutions. In ten years of service, OnePuhunan has built a nationwide network of 261 branches serving nearly half a million micro and small entrepreneurs with a loan portfolio of PhP7,917,291,007 (US\$ 124M) by December 2024. It offers microcredit using the best attributes from technology and human touch, where clients have an online access to their financial information and transactions including online application of loan renewal, while being part of a group of clients to facilitate weekly loan payment in the community administered by a OnePuhunan staff.*

*1/ Puhunan is a Filipino word that means Capital in English.*

<sup>1</sup>The Philippines, a Southeast Asian country comprising around 7,640 islands, is among the most vulnerable countries to climate change. Increasing occurrence of extreme weather events marked by an average of 20 typhoons every year, frequent earthquakes, volcanic eruptions and tsunamis, has placed the country to 2nd ranking in the list of most affected countries by climate variations over the last 20 years (Global Climate Risk Index 2020, published by the NGO Germanwatch).

Concerned by this observation backed-up by relevant data, the Microfinance Council of the Philippines, Inc. (MCPI), a national microfinance network committed to inclusive finance with its members, started to work on environmental initiatives in 2013. It implemented several programs at national level, including a project to build the capacity and knowledge of local microfinance institutions to create programs designed to strengthen their clients' resilience to climate change. MCPI

decided to go even further on **Environmental Performance Management in the Philippines**. In partnership with Cerise+SPTF, MCPI launched a program to strengthen the capacities of MCPI staff to support financial service providers (FSPs) in assessing and managing their environmental performance, and to engage with FSPs in the Philippines in environmental performance management (EPM) through awareness-raising, environmental performance assessment, and action planning. **OnePuhunan, a member of MCPI**, responded to this initiative, had its key team members undergo EPM training, and assessed its environmental performance with the support of the MCPI. This assessment revealed that OnePuhunan had already developed a strong data management system that can be leveraged for **environmental performance management**. This case study focuses in particular on the **data management system** that OnePuhunan has put in place as a **key component to environmental stewardship**.



## Data monitoring, a key pillar of the ESG strategy

OnePuhunan had its first foray into environmental stewardship with the adoption of **Environmental Social Governance (ESG) framework** in 2021. This engagement was strongly inspired by its international impact investors and lenders that have joined the global ESG initiative of private companies to use and protect resources while upholding sustainability and social responsibility principles.

Guided by an external ESG expert, OnePuhunan went on to craft and implement its **ESG strategy and policy** founded on the commitment to responsible, sustainable, and inclusive finance. It demonstrates

<sup>1</sup> See page 6 for the map of the Philippines with OnePuhunan's (1P) areas of operations.

this commitment by **integrating ESG in the company's strategic objectives and performance management**. In particular, it adopted a strategic objective to minimize negative impact on the environment by embedding environmental criteria in business decisions and in day-to-day operations. It set an **institutional target** to reduce carbon footprint by 7% in 2024. This involves a conscious effort to reduce and track greenhouse gas emissions covering scope 1 (direct emission to include the use of fuel by company vehicles) and scope 2 (indirect emission to include the use of electricity in office buildings).



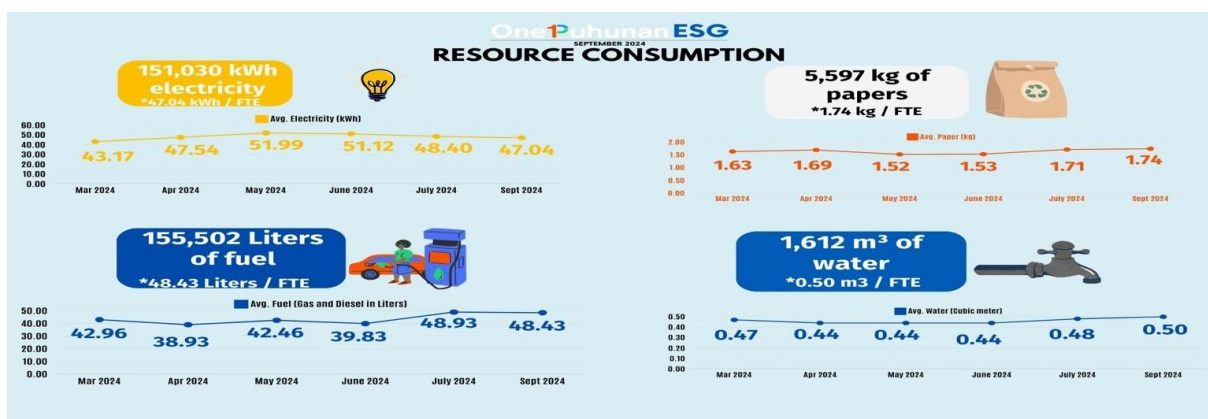
OnePuhunan has delegated its **Risk Management Department (RMD)** as the ESG focal unit. RMD is poised to take on this key role as it is already the lead group in the company that drives Social Performance Management<sup>2</sup> through client protection initiatives. The RMD promptly created and filled -up the position of an ESG Specialist in 2023. This decision to have an ESG focal person facilitated the development and adoption of Environmental and Social Management System (ESMS) in no time. The ESMS provides a clear strategic direction for OnePuhunan to pursue and achieve its environmental goals.

Having found a home in the RMD, the ESMS is, as such, aligned to the risk management perspective involving such activities as environmental risk assessment, operational audit and compliance. And another key component of the ESG system revolves on **Monitoring and Reporting** which is responsible for **data collection, analysis and reporting, and disclosure**— both internally and externally.

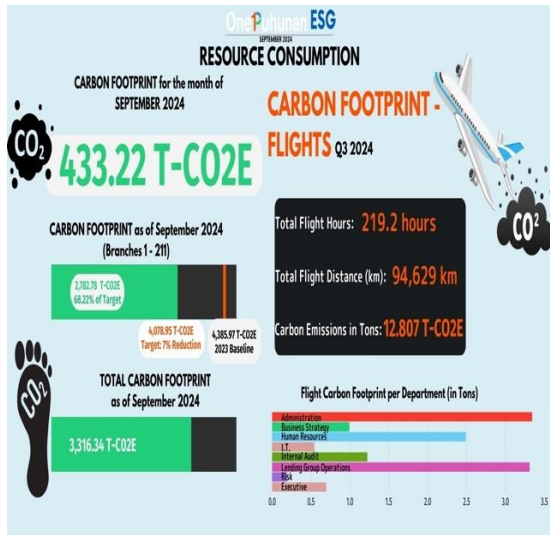
Indeed, effective and efficient **data management** has always been embedded in the structure and culture of OnePuhunan. Within the MIS Department is a Data Science Team, of four members, that actively looks at and makes processed internal data available to decision makers. Automated data is presented in a way that facilitates analysis and extraction of **critical insights for more responsive management of operations**. The RMD, itself, has its own Data Management Specialist who focuses on looking at and analyzing internal data from the risk angle, e.g. monthly trend of relevant data in 2024 of all 200+ branches.

## Using data to manage institution-level adverse impacts

To track and manage its own ecological footprint, OnePuhunan had defined in its ESG framework a **set of standard indicators on resource consumption** covering electricity, water, gasoline, diesel, paper including flyers and sticker packs. The institution pursues energy efficiency by



tracking energy consumption data to set efficiency goals and implement conservation measures. In the interest of waste reduction and sustainable disposal, it tracks waste generation, initially in kilograms of paper, flyers and stick packs used, and set-up trash bins that encourage waste segregation to facilitate recycling by waste collection companies. A monthly ESG report in the format of a one-pager infographic shows the level of resource consumption and the extent to which the institution is reaching the annual carbon footprint maximum target for their first 211 branches of 4,078.95 T-CO<sub>2</sub>E with 2,782.78 T-CO<sub>2</sub>E actual carbon footprint by September 2024 (see visual on the left of page).



In the initial years of ESG adoption, the RMD used every opportunity to talk about the ESG initiatives during board, management, regional, and even branch meetings. By mid-2024, the HR Department already allocates time in the staff onboarding for the ESG Focal Person to **orient all new staff on the ESG**— in person for head office hires and via online training for field personnel. Backed by infographics contained in an ESG Primer, **everyone in the organization is made aware of the environmental stewardship commitment- targets and indicators, and the responsibility that falls on each employee.** Included in the ESG Primer are several slides on the Universal Standards for Social and Environmental Performance Management (USSEPM) which advocates for adherence to global standards and essential practices on environmental

stewardship by microfinance institutions, and how OnePuhunan measures up to these standards. The interest on ESG is sustained through a **semi-annual ESG report** being made by the RMD and shared to all departments and branches. Every staff member can track progress of the institution on its ESG commitments. Regular tracking of progress also helps to review compliance, identify areas that need attention and foster ongoing improvement.

## Using data to manage client-level environmental risks

Complementary to the culture of learning, OnePuhunan has also an active culture of doing. When its RMD members attended the MCPI<sup>3</sup> training in February 2024 on Environmental Performance Management (EPM), a global initiative led by Cerise+SPTF to advocate and facilitate the adoption of environmental stewardship in microfinance, it got interested to do more. It invited MCPI to conduct an external assessment of its current environmental practices. Based on assessment results, it developed and promptly implemented an action plan to address areas for improvement. The partnership with MCPI helped to **fast track the inclusion of clients in the environmental stewardship initiatives.**

Among the first activities it did was to **conduct a survey to better understand its clients' resource use.** Since **agriculture** -especially crop production, is identified as an activity with high vulnerability to climate change and also pose a higher incidence to contributing negative impact to the environment from indiscriminate use of land, water and air, OnePuhunan focused its learning efforts on client-borrowers who are engaged in crop production; this group accounts for five percent (5%) of clients (at least 25,000 farmers) in 2024.

Online phone interviews were conducted by 10 staff for a week in September 2024; it covered 301 clients in various regions all over the country. This was followed by a qualitative in-person interview of 36 clients in two branches in Davao. The study wanted to know client farming practices, get client insights on these practices and on the environment, and gather product demand and features, for OnePuhunan to consider when developing green microfinance products and services.

Initial findings showed that 45% of farmer-clients already practice some form of good agriculture practices such as use of organic fertilizers and crop rotation. However, more than half (55%) adopt modern practices that use synthetic inputs- fertilizers and pesticides, for higher yields. Rice remains to



be the main crop grown (36%) followed by banana, vegetable, coconut and corn comprising the top five crops. 91% of the sample has a farm size of 2 hectares or less.



Results from the study paved the way for OnePuhunan to proceed with the plan to extend a campaign to raise clients' awareness on the environment and ways to improve production practices that are less harmful to the environment. RMD promptly secured a budget to develop and produce short videos in 2025, initially, on good farming practices customized to the profile of OnePuhunan clients. These video clips will be shown on TV screens at the branches beginning 2025. As clients come to the branch to receive their loans, there will be plenty of opportunities to watch the videos while waiting for the pre-loan release orientation/refresher meeting and for their turn to receive the loan. To complement the video, other materials will also be developed such as flyers on the benefits of organic farming and on disaster preparedness, and geo-risk maps initially for clients engaged in agriculture. As more data comes in, OnePuhunan and its clients will be able to identify and manage environmental risks associated with climate change and economic activities.

To aid in the design of green products and services, the RMD is set to sustain its phone surveys, with **data collection every June and December**, to engage with a bigger number of clients for wider representation and deeper understanding of client practices and perspectives on the environment. It has also started collaboration with the MIS Department to refine the Loan Origination System to include sub-sectors that will enable the automated database to report on agricultural clients by major crop type and geographic location. Such database will facilitate identification and prioritization of branches with substantial number of farmer clients for appropriate environmental awareness campaign and green product development initiatives.

## Green Microfinance as The Way Forward

OnePuhunan pursued its environmental protection and stewardship advocacy with firm commitment and guidance from global performance standards and best practices. It made headway by taking the following action:

### **Adopt an environmental strategy and systems in place to implement it. (USSEPM Standard 7A)**

1. Designated a focal unit for ESG or EPM with clear responsibilities to develop an environmental strategy with goals and SMART objective/s, design the needed systems in place to implement the strategy, and track progress.
2. Engaged the whole institution – from board, management and staff, to pursue the strategy and provide their expertise and resources when called for; and
3. Complemented the environmental strategy with functional systems such as a data management system to collect, process, analyze and report on progress of identified key performance indicators. It actively used data to foster continuous improvement and scale -up its initiatives.

### **Identify and manage environmental risks and opportunities. (USSEPM Standard 7B)**

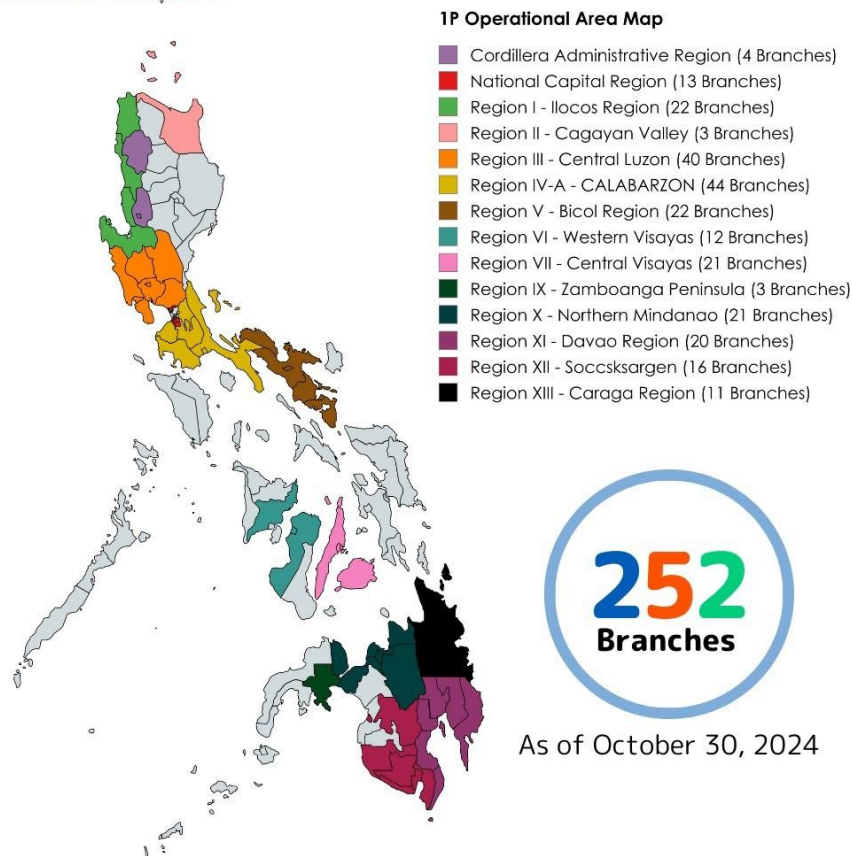
4. Aligned its management information system to environmental risks and opportunities.

**A robust information management system** attuned to both institutional and client situation has kept OnePuhunan guided and confident to pursue its commitment to the environment. It has **leveraged relevant information to build buy-in** among management and staff that has opened up access to internal financial, technological and human resources to widen environmental stewardship initiatives from the institution to client level.

5. Drew on market research to better understand its clients and prepare them to address their environmental risks. OnePuhunan clients will have materials by 2025 to help them understand and identify their vulnerabilities to climate change and possible adverse impacts of their economic activities that contribute to environmental degradation.

Externally, OnePuhunan finds itself **getting recognized to be at the forefront of ESG integration in microfinance** as demonstrated by an increasing number of invitations from international and national event organizers to present its experiences and learnings. “We are happy with the industry response to our ESG efforts including satisfaction expressed by our international investors and lenders. More than this response, the focus on ESG has led to us to **have an even deeper understanding of our clients and brought out greater opportunities to better respond to their needs in more sustainable and meaningful ways**,” shares Dominic Fajardo, Chief Risk Officer of OnePuhunan. The future of microfinance can truly be bright when it is tinted with green. //

Note: map of the Philippines with OnePuhunan’s (1P) areas of operations.

Article written by Jesila Ledesma, in collaboration with MCPI and Cerise+SPTF.  
 Visit [OnePuhunan website](https://www.onepuhunan.com) to learn more about their projects.