

## SOCIAL PERFORMANCE REPORT



Jackeline is a client of Juhudi Kilimo in Kenya – a Financial Service Provider NMI recently provided with a local currency loan.

She is the mother of four children and lives in a small village in the rural part of the country. *“I am a hardworking smallholder farmer who is in the business of growing tea and keeping dairy cattle.”*

She took her first loan from Juhudi Kilimo in 2009 and used it for tea planting. Since then she has taken several loans, which have supported her to diversify her farming and increase yields. *“My efforts are now paying off as I am able to feed and educate all my children from the income generated by my business. I owe much of my success to Juhudi Kilimo”*

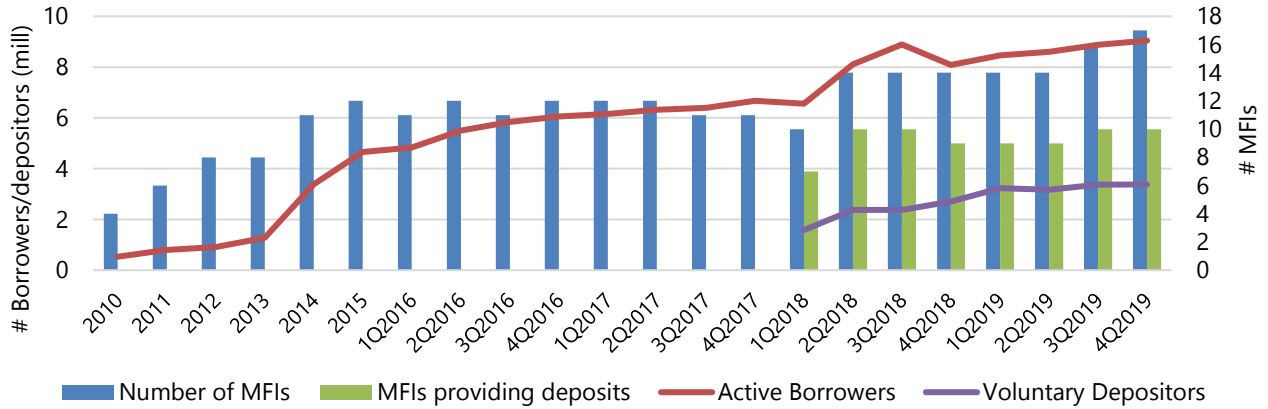
<https://juhudikilimo.com/testimonials/jackeline-nyangaresi-nyamira/>

# SOCIAL PERFORMANCE REPORT

COVERING DIRECT MFI INVESTMENTS IN NMI GLOBAL FUND, NMI FRONTIER FUND, NMI FUND III AND NMI FUND IV, NOT INDIRECT (MIV) INVESTMENTS

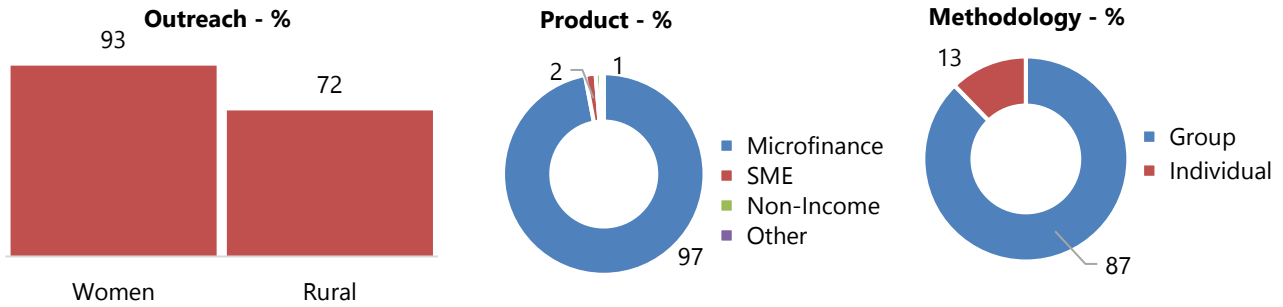
## OUTREACH

Snapshot: number of MFIs, borrowers, and depositors

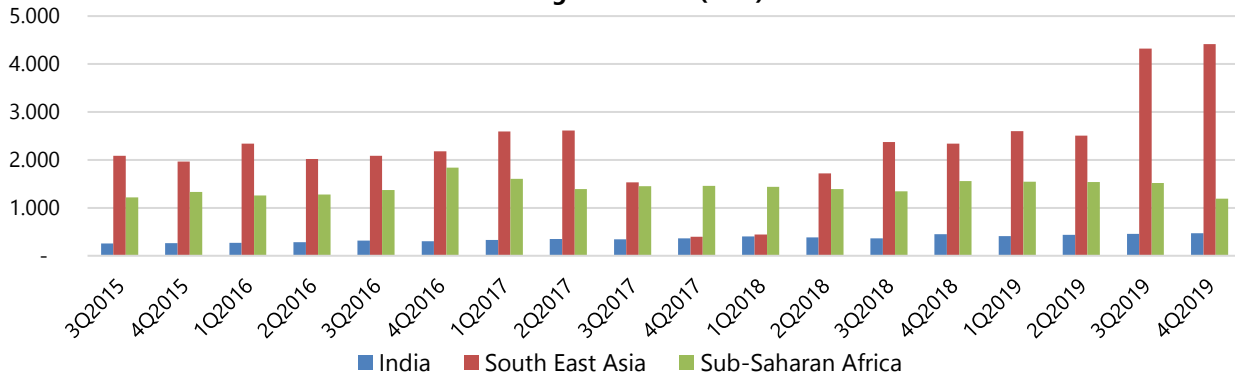


Notes: Fund IV investees are included in the overview from this quarter forward. As of 4Q2019 Fund IV holds 4 investments.

## BORROWER PROFILE BY NUMBER

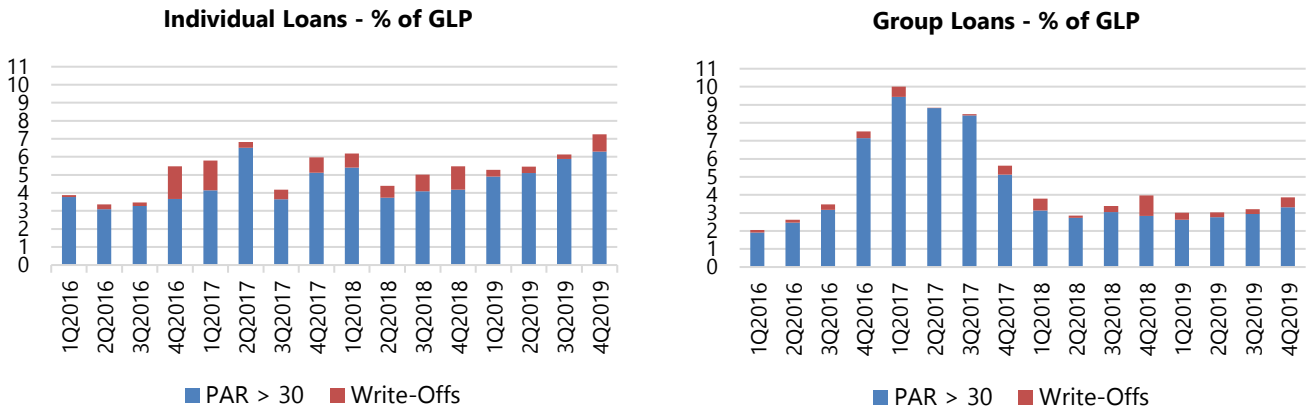


Average Loan Size (USD)



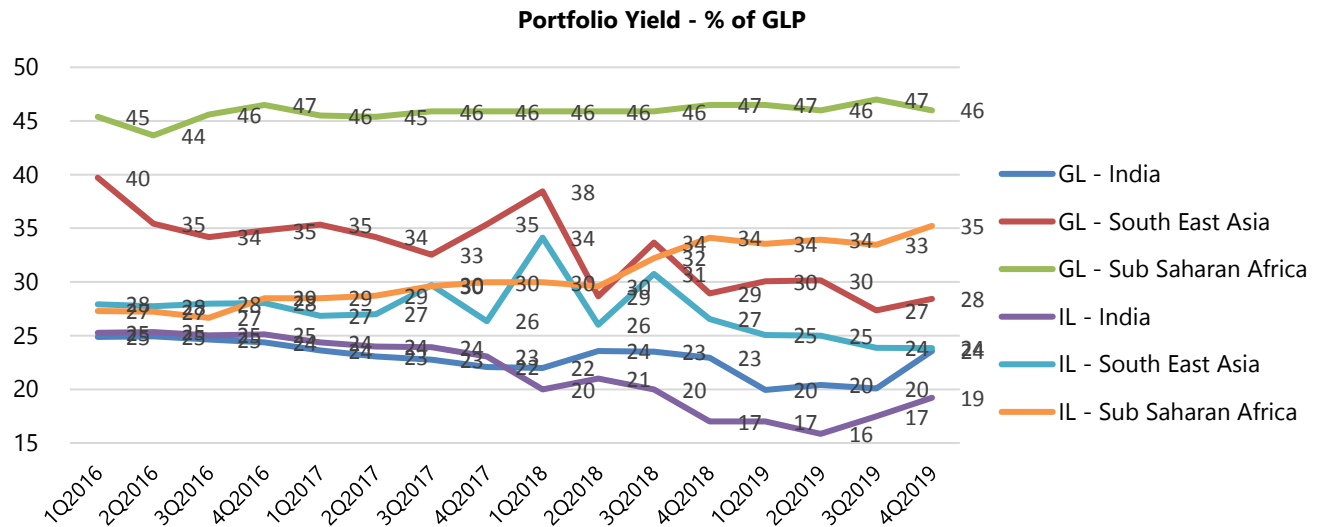
Notes: Since 1Q2018 the average loan size has increased. This is mainly caused by some of the new investments in the portfolio, which have a specific market focus on MSMEs and relatively higher average loan sizes.

## PORTFOLIO QUALITY



Notes: PAR30 for Individual loans has shown an increasing trend over the past 1,5 years. This is the result of smaller increases at several of the portfolio companies in all regions.

## PORTFOLIO YIELD<sup>1</sup> FOR INDIVIDUAL (IL) AND GROUP LOANS (GL)

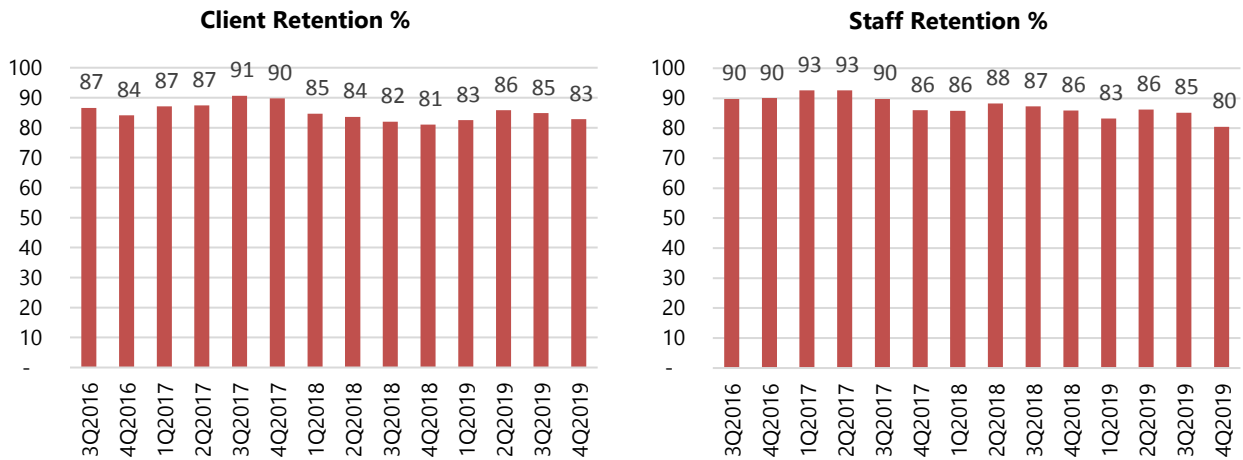


**Notes:**

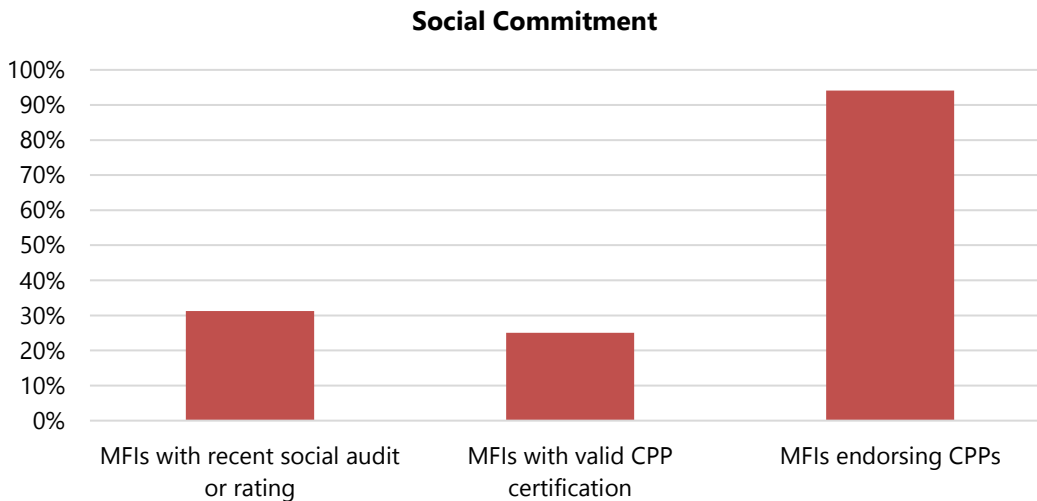
- The fluctuations in yield in South East Asia are caused by 1) adding new investment in the portfolio and 2) by regulators introducing or changing caps on interest rates or fees e.g. in Cambodia during 2017.
- The increase in yield for individual loans in Sub-Saharan Africa is caused by adding new investments to the portfolio
- Portfolio yield for individual loans in India declined in 2018. This is caused by SFBs in the portfolio, offering a broader range of individual products

<sup>1</sup> Portfolio yield: Financial Revenue from Loan Portfolio / Average Gross Loan Portfolio.

## STAFF AND CLIENT RETENTION<sup>2</sup>



## SOCIAL COMMITMENT<sup>3</sup>



*Notes 4Q2019: The percentage of investees with a recent social audit or a CPP certification has dropped over the past two quarters. The background is that several of the newest investments are made in relatively young and growing institutions. None of these have a social rating or a CPP certification, but plan to work with this as they grow and mature, possibly with support from NMI's TA facility. One of NMI's newest investees has not yet endorsed the Smart Campaign's CPPs, but plan to do so asap.*

<sup>2</sup> Staff retention:  $100\% - \text{staff turnover}$ . Staff turnover: number of staff exiting during the period divided by the average of number of staff at the end of the reporting period + number of staff employed for one year or more.

Client retention: Active Borrowers at the end of the reporting period divided by the sum of active borrowers at the beginning of the reporting period and new borrowers during the reporting period.

<sup>3</sup> Recent social rating is defined as a social rating conducted by an independent rating agency within the last 3 years. CPP certification is valid for two years.