

SOCIAL PERFORMANCE REPORT



Money Matters Matter!

As a responsible corporate citizen Kenya Women Microfinance Bank (KWFT) participates in Global Money Week. A job shadow initiative arranged by Child & Youth Finance International (CYFI) to fight poverty by providing the youth with knowledge on how to earn and spend money responsibly. The top picture shows CEO Mr. Mwangi with high school students at his office during Global Money week.

Training on financial understanding is also part of KWFT's daily work. The bottom picture shows a training session on loan terms and financial understanding arranged for KWFT clients.



Kenya Women Microfinance Bank

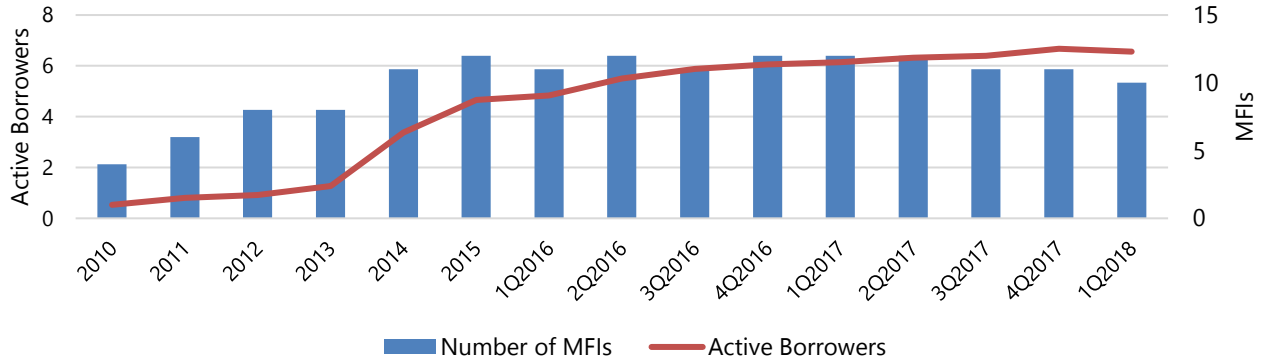
NMI has invested in KWFT since 2014. KWFT is a large microfinance institution with branches all over Kenya. The bank has a strong social mission "to partner with Women in their creation of wealth". KWFT offers both traditional microfinance products and home-improvement products such as improved cook-stoves, water tanks, solar panels, purifiers, and housing microfinance.

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

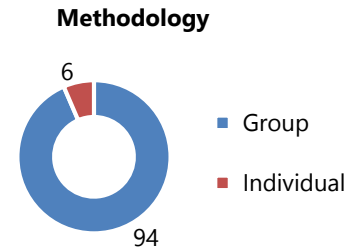
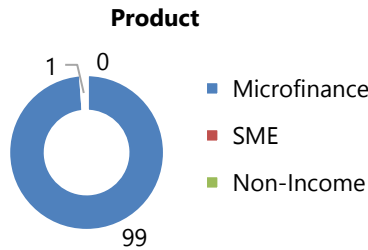
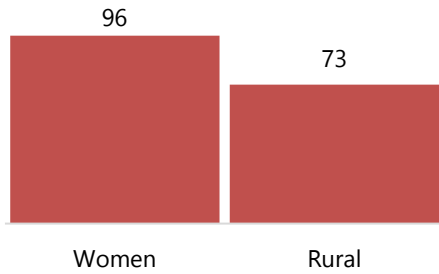
OUTREACH

Snapshot: Active Borrowers (million) and Number of MFIs

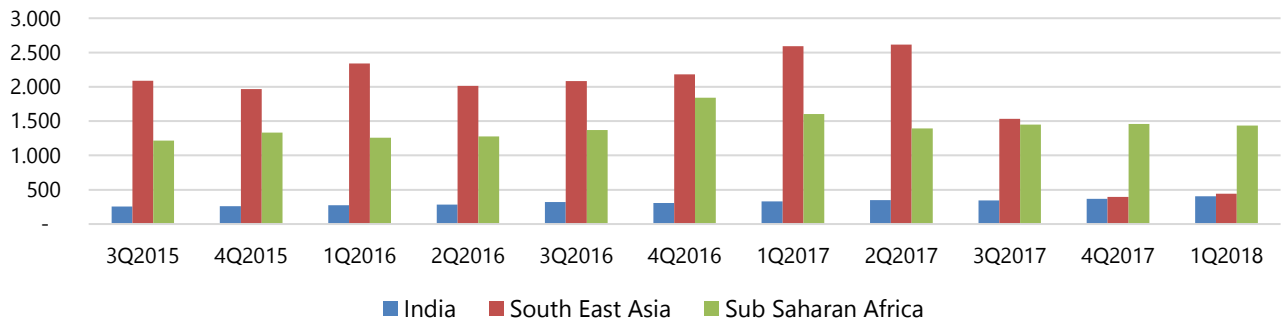


Note 1Q2018: An exit was made in 4Q2017 reducing the number of active direct investments to 10.

BORROWER PROFILE BY NUMBER (PERCENTAGE SHARES) AND AVERAGE LOAN SIZE (IN USD)

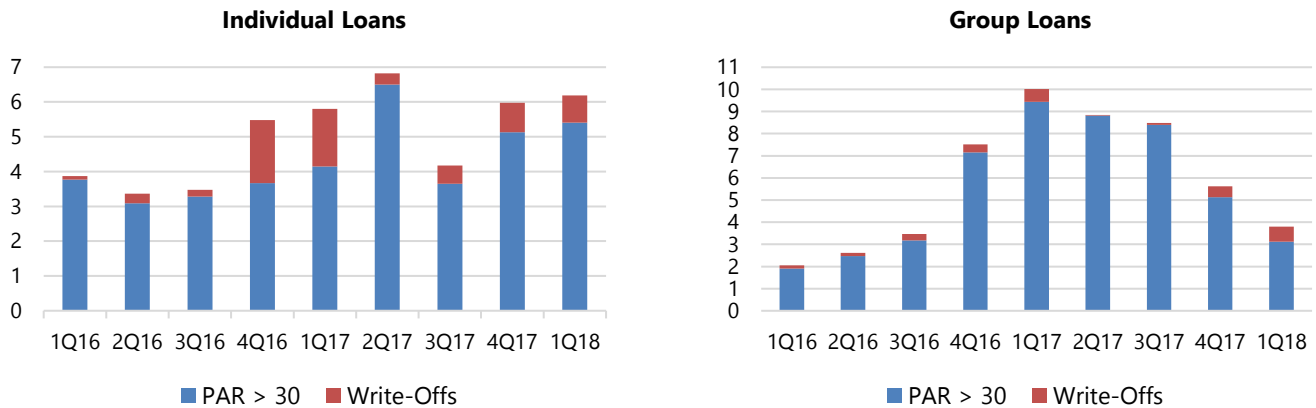


Average Loan Size (USD)



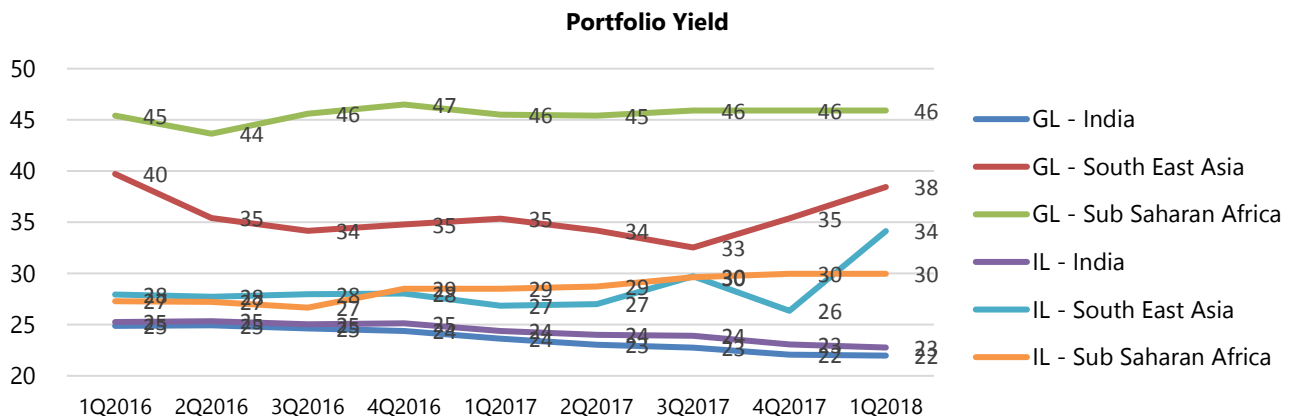
Note 3Q2017: The average loan size in SEA declined due exit from an MSME-lender with an average loan size above 5000 USD.

PORTFOLIO QUALITY (ALL NUMBERS IN PERCENTAGE OF AVERAGE GROSS LOAN PORTFOLIO)



Note 1Q2018: The Indian MFIs managed to improve portfolio quality further in 1Q2018, which is visible in the decline in PAR>30 for group loans.

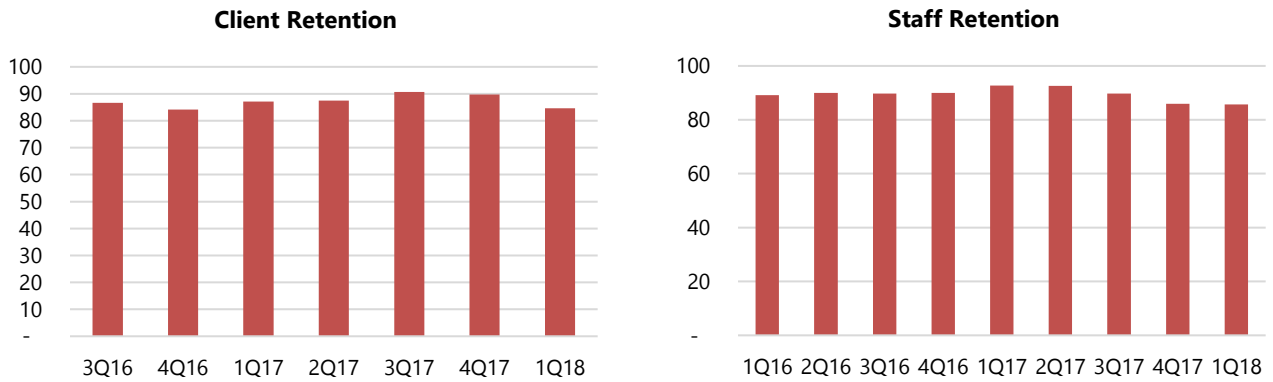
PORTFOLIO YIELD¹ FOR INDIVIDUAL (IL) AND GROUP LOANS (GL) IN PERCENT OF AVERAGE



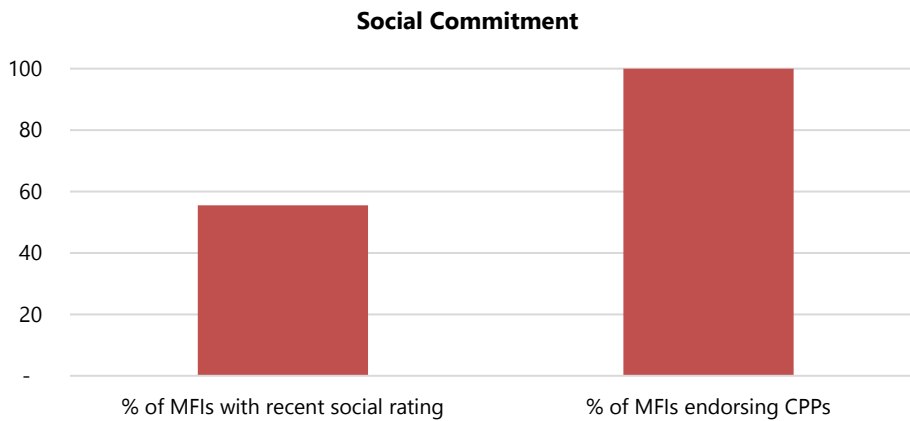
Note 1Q2018: The changes in yield in South East Asia reflects 1) an exit and 2) Cambodia MFIs adapting their pricing strategy to the interest rate cap introduced in April 2017.

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

STAFF AND CUSTOMER SATISFACTION (%)²



SOCIAL COMMITMENT³



² Staff turnover: Number of staff exiting during the period divided by the average (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.

³ Recent social rating is defined as a social rating conducted by an independent rating agency within the last 3 years.