

SOCIAL PERFORMANCE REPORT



Sunita is a client of Fusion Microfinance in India. She started a football making business, to secure a better household income, as her husband's income was not enough to support the family of 8.

She took a loan from Fusion to advance her business and to purchase high quality raw materials. In the last three years the demand for her products has multiplied and today, she earns up to Rs. 16,000 (\$220) per month, which is Rs. 10,000 (\$140) more than before becoming a Fusion Microfinance client.

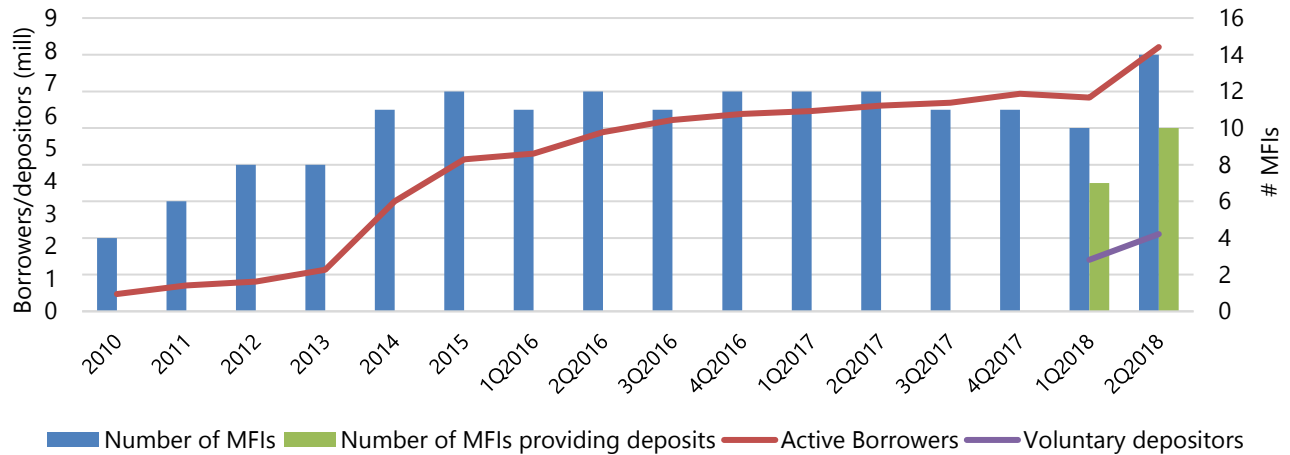
Sunita's ambition has always been to ensure a consistent education for her children. Today, her four children are continuing their schooling and two of her daughters are going to graduate shortly.

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

OUTREACH

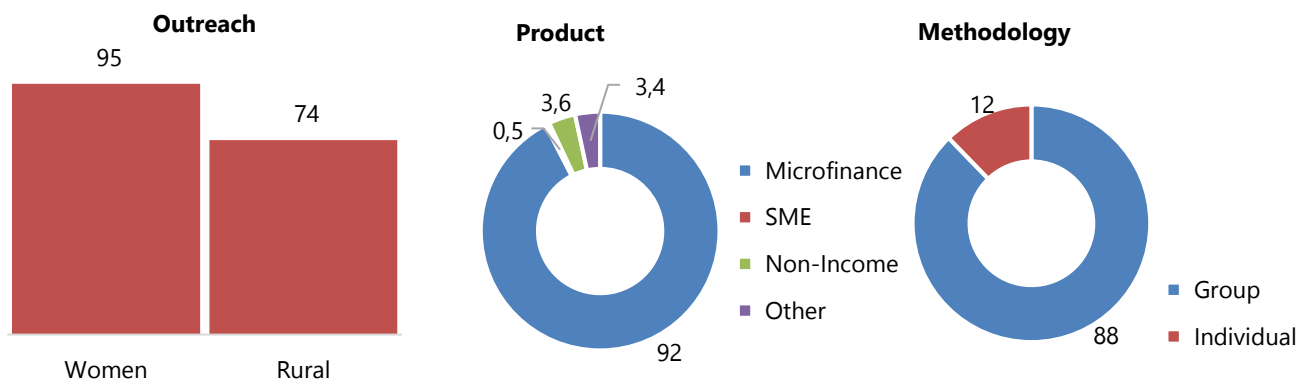
Snapshot: number of MFIs, borrowers, and depositors



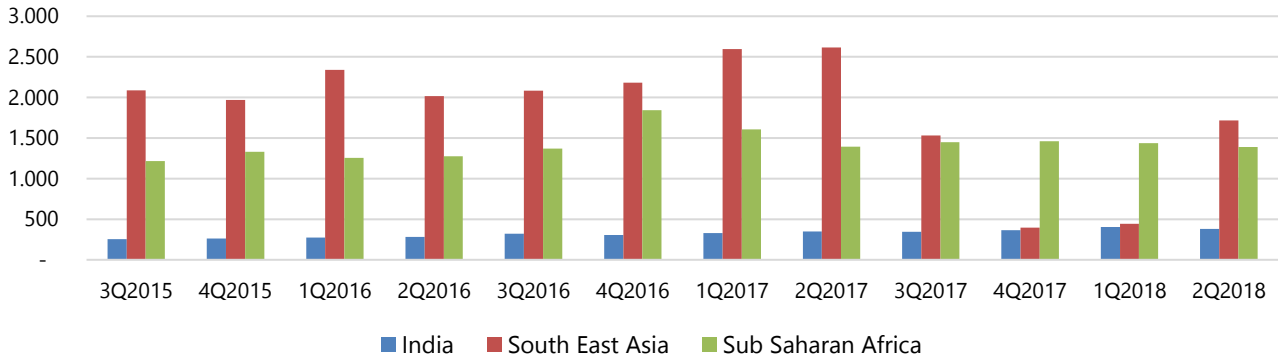
Note 2Q2018:

- 4 new investments have been included in the reporting from 2Q2018
- Deposits have been included in the graph from this quarter. 10 out of 14 investees offer deposits services. The 3 MFIs not offering deposits services are NBFC and are not allowed to offer deposits services under their national regulation. Some MFI's require deposits prior to lending, to prove repayment capacity and as cash collateral for the loan. Please note that here only voluntary deposits are included.

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



Average Loan Size (USD)

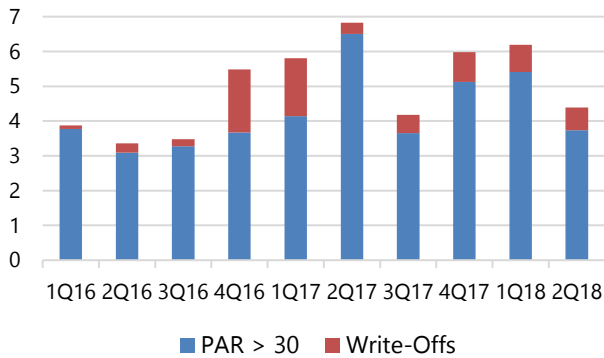


Note 2Q2018:

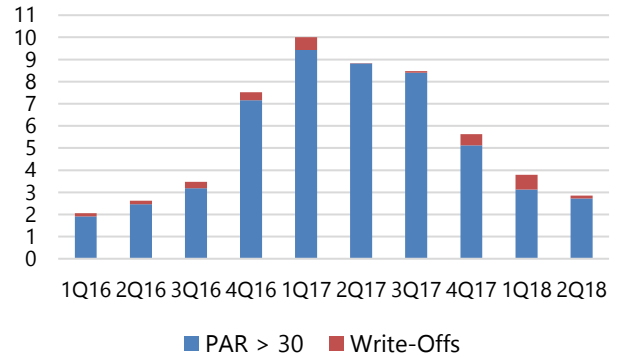
- The average loan size has increased in Southeast Asia, due to the new investees offering loans with a higher average loan size.

PORTFOLIO QUALITY (ALL NUMBERS IN PERCENTAGE OF AVERAGE GLP)

Individual Loans

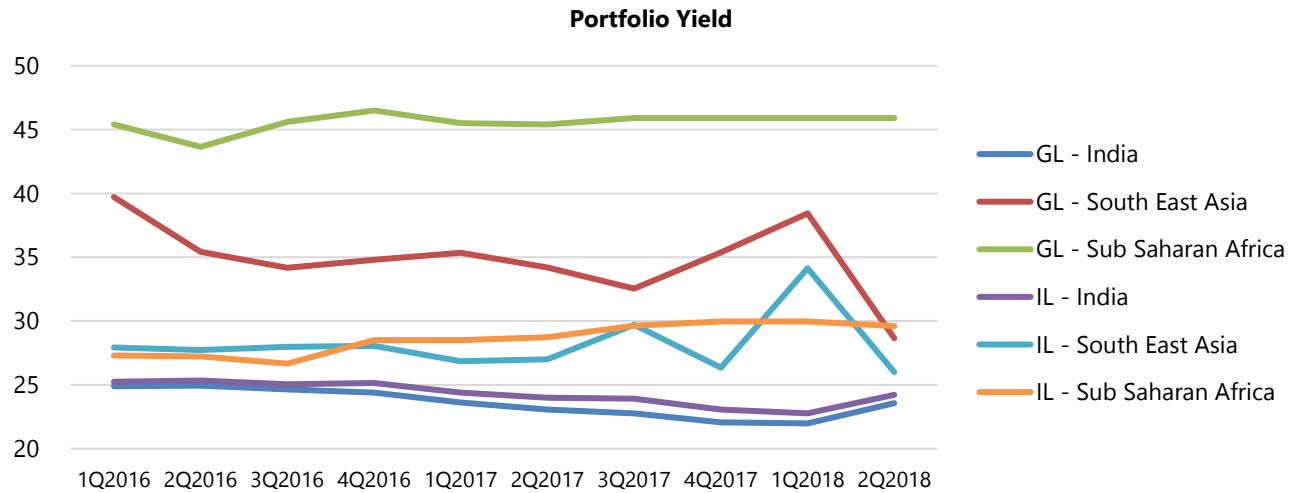


Group Loans



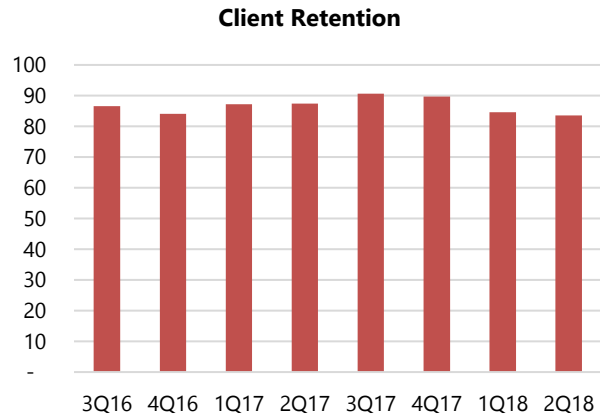
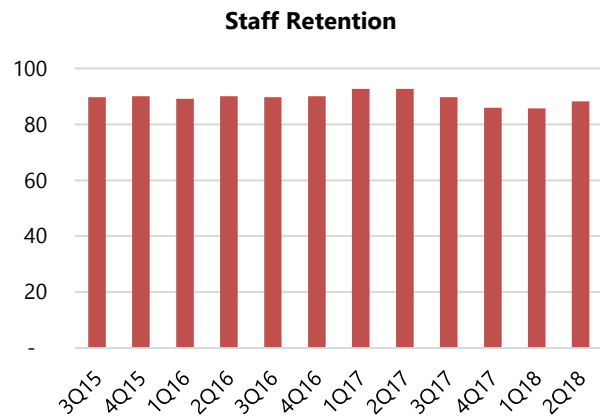
Note 2Q2018: The Indian MFIs managed to improve portfolio quality further in 2Q2018, which is visible in the decline in PAR>30 for group loans.

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



Note 2Q2018: Portfolio yield in Southeast Asia declined due to the new investees, some of which offer larger loans at lower prices.

STAFF AND CUSTOMER SATISFACTION (%)²



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

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.

SOCIAL COMMITMENT³



³ 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.