Impact Report

2025 July

Gojo & Company, Inc.

Contents

A Word From Taejun, Our CEO

Since turning ten years old, I have experienced the end of the Cold War, the September 11 attacks and subsequent wars, the global financial crisis, the Great East Japan Earthquake, and the COVID-19 pandemic. Yet I don't think there has been a time when I've felt more anxious about the future than now. This is because the problems we currently face are not sudden or temporary, but rather the result of various trends that have been accumulating over many years.

While globalisation has brought technology transfer and improved income level in developing countries where Gojo operates, driving economic growth in many nations, it has also become a factor in widening inequality within developed countries. LLMs (large language models) have finally reached a level where they can be put to practical use, and the work of white-collar employees will undergo significant transformation in the coming years. Specifically, I believe we will see a dramatic increase in white-collar workers working alongside AI, just as blue-collar workers work alongside machines. This will further expand inequality within developed countries, because the limited number of people become richer using AI while the majority will work on the "intellectual manufacturing lines".

In response to the resentment of many people, and due to electoral systems that have not adequately addressed the manipulation of public opinion through social media, populist governments are rising in many countries. Additionally, as Pax Americana comes to an end, we are returning to a world where changing the status quo through force is becoming commonplace again. Xenophobia is strengthening, military spending as a percentage of GDP is at its highest since the end of the Cold War, voices calling for climate change mitigation are growing quieter, and budgets for developing country assistance are being cut.

I believe there has not been a more difficult time to speak of hope, at least not in the past half-century. However, hope is precisely what is worth speaking about in such times. Because by hoping, we can envision a better future, develop the will to realise it, and things can improve. I want to always be someone who chooses hope over despair.

While there are numerous global challenges, no single person or company can solve them all. What matters is illuminating one corner, and among the world's many challenges, we are working to solve global financial inclusion. Now that technology has advanced and become transferable to this extent, for the first time in history, creating a world where people everywhere can access affordable and beneficial financial services is no longer a dream.

Gojo, having celebrated its 10th anniversary last year, has been able to clarify our fundamental vision for creating a private-sector version of the World Bank. By becoming market leaders with both entrepreneurial spirit and a sense of mission in each country where we operate, we have come to believe that we can achieve both financial results and social / environmental outcomes. We intend to develop our business along these basic lines going forward, though we are far from the ideal status.

Since we are committed to building the private sector World Bank, I think it serves the audience well if we write about the countries where we are operating. It will help you imagine how our current and future business environment look like. I would be grateful if you would read it.

Taejun

Humo client, her son, and grandchildren. Other sons are working abroad as migrant workers / Taejun Shin

Vision, Mission, and Guiding Principles

Vision

Create a world where everyone can determine their future

Mission

Extend financial inclusion across the globe

Guiding Principles

Our Guiding Principles are inspired by Greek philosophy, and centre on the trinity of Truth, Ethics, and Aesthetics, together with the principle of Consistency. We reference the Guiding Principles in all of Gojo's policy documents and strive to follow them in everything we do.

Truth:	Think and behave rightly
Ethics:	Do nothing with which we cannot face our clients, family, and friends
Aesthetics:	Pursue the best quality, the best efficiency, and the best simplicity
Consistency:	Be consistent in what we believe, what we speak, and what we do

Gojo Values

Our name, "Gojo" (五常), comes from the five Confucian values of empathy, integrity, courtesy, wisdom, and trust. We use a modern interpretation of the values to guide our decisions and day-to-day work.

仁
Empathy

Stand by our Clients
We strive to see things from the perspective of our end clients so that our services support their goals.

義
Integrity

Act on Principles
We are guided in all we do by our principles without exception.

礼
Courtesy

Listen First
We always keep an open mind and uphold everyone's right to be heard and respected.

知
Wisdom

Learn–Think–Share
We challenge the conventional, consider the practical, and share our knowledge with others.

信
Trust

Be Genuine
We build trust and demonstrate our loyalty by telling the truth without concern for appearances.

Mother of a client of Sejaya, Sri Lanka / Taejun Shin

Key Highlights

Gojo's mission is to extend financial inclusion across the globe, and we do so by providing high quality, affordable financial services. Our operations expanded rapidly in FY2025/03, providing services across 14 countries, compared to five countries the year before. Gojo now serves 3.4 million clients through our group companies and major investees, which is a year over year increase of 42%. While our India group companies struggled due to severe market conditions, other companies including the newly added ones showed strong growth momentum.

Following the growth, our client profile has also changed. As of March 2025, 73% of our clients are women, and 67% of them live in rural areas, which is less compared to the year before. This is because we have added new companies to the group in Central Asia and Africa, where microfinance clients are typically less skewed towards the female / rural population.

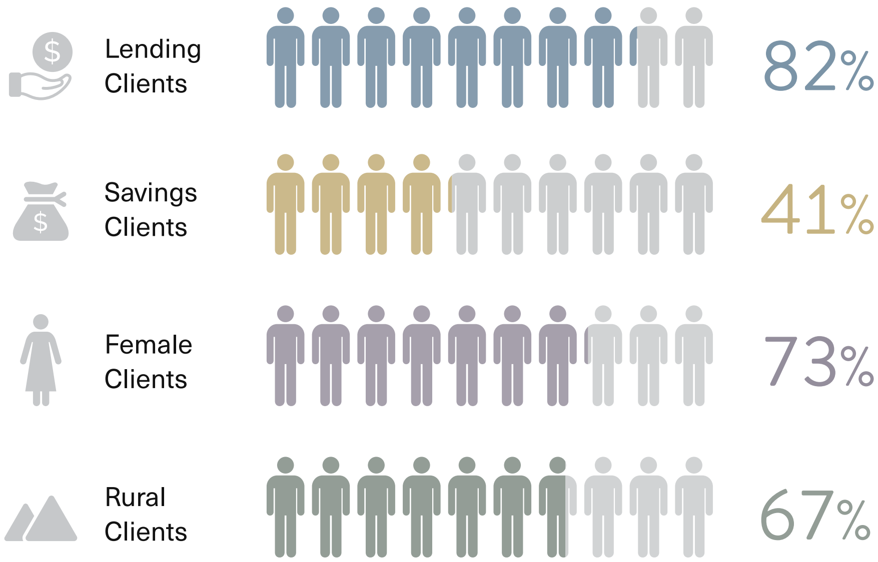
A key milestone in FY2025/03 was our geographic expansion and diversification. We made our first entry into Africa and to Georgia, bringing us one step closer to realising our mission of global financial inclusion. In this report, we explore the diverse realities of microfinance across each region in which we operate. We highlight both the progress and persistent challenges by featuring local insights and client stories that illustrate the everyday impact—and complexity—of our work on the ground. By reading this report, we hope that you feel like you have a first hand experience of microfinance operations and our clients' lives in each region.

To support the expansion of the group, Gojo also invested a significant amount of effort in building further on our foundation, especially in developing our frameworks and certifications. In January 2025, Gojo became a certified B Corp, reaffirming our commitment to high standards of social and environmental performance, transparency, and accountability. Alongside this long-standing dedication to impact, we also refined our client impact framework to better reflect the reality we have learned over the years. The section on our impact strategy will provide more visibility into our comprehensive impact initiatives.

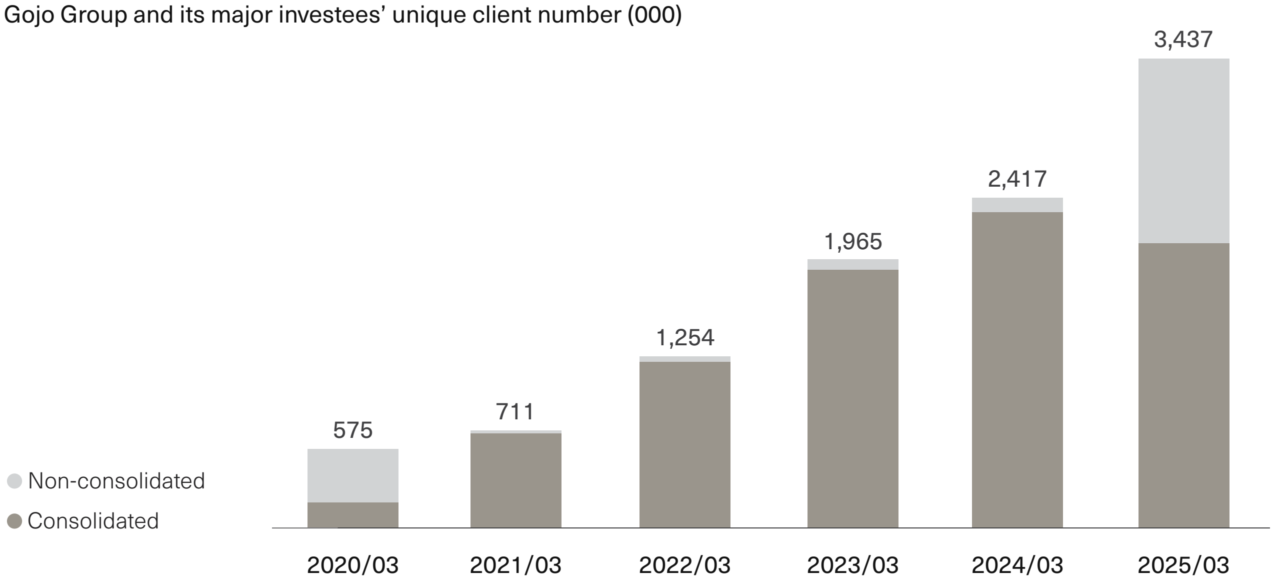
This year's report also includes accounts from people across the group, offering perspectives from a range of stakeholders to provide a holistic view of our work, values, and impact. Please read on to learn more about Gojo's work and impact in FY2025/03.

Our Impact In Numbers

Gojo Group and its major investees serve **3.4 million** clients[1] globally.



Gojo Group and its major investees' unique client number (000)

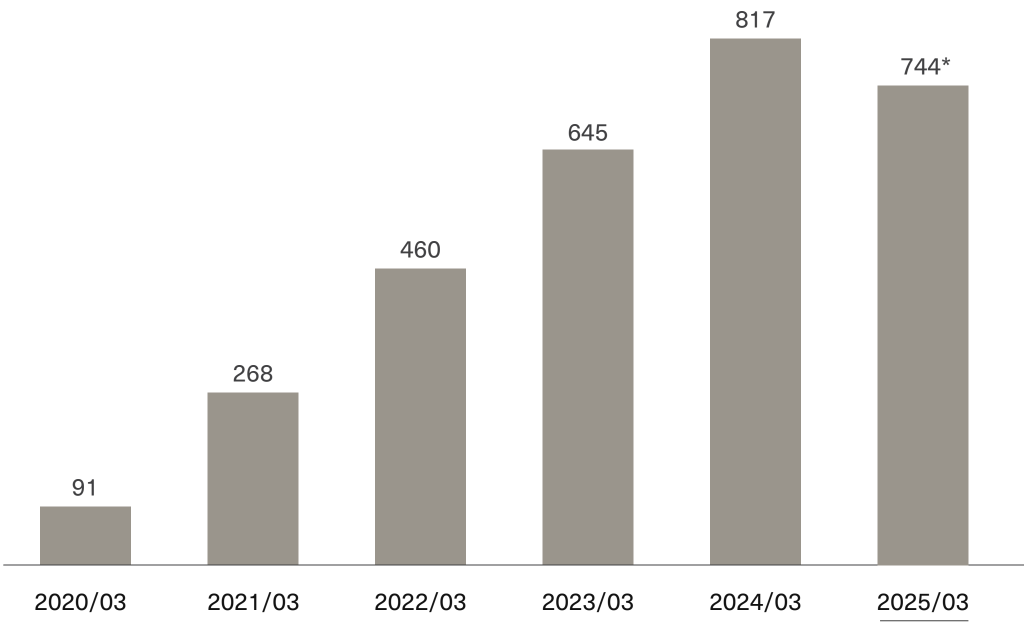


	2020/03	2021/03	2022/03	2023/03	2024/03	2025/03
Women ratio (%)	99	99	95	95	96	73
Rural ratio (%)	89	87	82	87	86	67

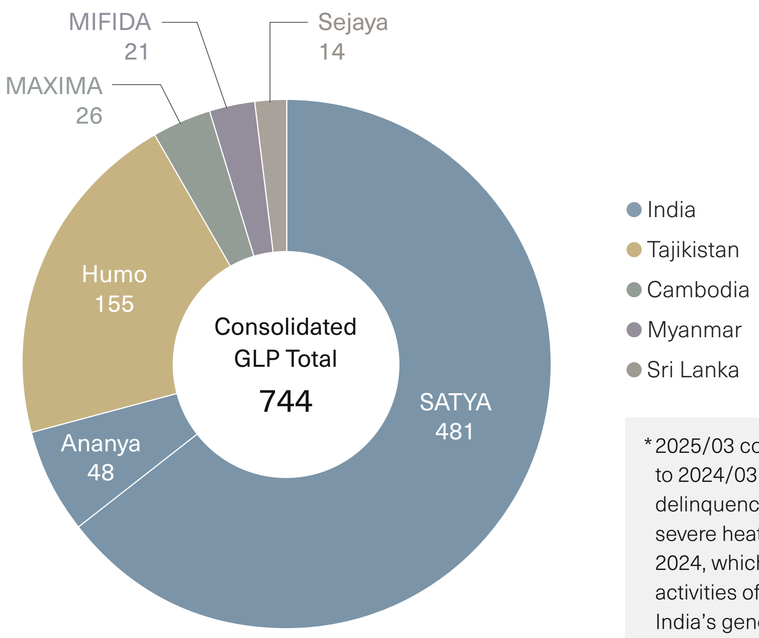
Note:
- For 2022/03 and earlier, we are counting lending clients only for Humo.
- For 2024/03 and earlier, women and rural ratios are calculated based on lending clients only. For 2025/03, these ratios are based on total unique clients.

1 Aggregated unique clients of Gojo Group (subsidiaries and equity method affiliates) and its major investees, excluding Ananya wholesale, Loan Frame, Aviom, MyShubhLife, and UNLEASH. Client numbers are not unique across different companies.

Consolidated Gross Loan Portfolio (USD mn)



GLP breakdown by group company (USD mn)



*2025/03 consolidated GLP declined compared to 2024/03 due to less disbursements and higher delinquency of existing portfolio in India. There was a severe heatwave that occurred in India during May-June 2024, which had a significant impact on the economic activities of our clients, coupled with disruptions around India's general elections. The Indian microfinance market as a whole continued the trend of increasing delinquency and reduced disbursements.

Business Overview

How we translate funds into impact

Gojo's business is to extend financial inclusion by helping socially impactful financial service providers succeed. We expand our footprint through the investment and establishment of financial service providers. Gojo Group now consists of the holding company Gojo & Company ("Gojo"), 12 subsidiaries (including three functional subsidiaries for group management purposes), and six equity method affiliates as of March 2025. On top of this, Gojo has a minority shareholding in four companies. Gojo Group and its major investees provide various financial services, such as microcredit and microsavings, and in return receive interest and fees from our clients; Gojo then consolidates the group companies' profits and receives dividends and fees. Gojo provides support for management as well as equity and debt fundraising, implements global standard governance and drives operational excellence and innovation to deliver impact at scale.

Funds Raised

Gojo raises equity financing to strengthen Gojo's financial foundation, enabling us to invest in further growth and impact of our group companies.

Due Diligence

We conduct a rigorous due diligence process with potential investees, incorporating the ALINUS indicators into our process. We focus particularly on their alignment with Gojo's mission and ability to achieve both financial sustainability and social impact.

Capital Injection

We invest in our group companies to expand their business and support their continued growth.

Recruitment and Retention

We recruit world-class talent from diverse backgrounds, and work to create a supportive, principled culture where everyone can be their best selves.

Management Support

Gojo provides management support to group companies according to their needs.

Operations

We work with group companies to improve local operations, implement best practices, and develop effective policies and processes. If necessary, we also facilitate turnarounds.

Finance

We help group companies to find and negotiate debt funding to support their operations. Gojo works on optimising funding cost and diversifying sources of funds by pursuing global scale and risk diversification.

Governance

We implement global standard governance by streamlining board and committee structures, implementing whistleblowing policy, anti-money laundering policy and so on.

Innovation

We support group companies in developing client / staff applications, new digital products, fully digitised call centres and so on to improve operational efficiency.

Impact Measurement and Social and Environmental Performance Management

We work closely with SEPM Leads in each group company to conduct SPI audits, collect data on outcomes indicators through surveys, and conduct primary research into clients' use of financial services.

Our Group Companies (in order of investment / establishment)

August 2014

MAXIMA Microfinance Plc., Cambodia

10 thousand clients
Gojo's ownership: 100.0% (subsidiary)

MAXIMA serves low-income households and MSMEs (Micro, Small, and Medium Enterprises) in rural Cambodia, helping them improve their socio-economic situation in a sustainable way. They provide a wide range of loans from as low as USD 30, tailored for various purposes. MAXIMA has been certified for client protection since 2018 and conducted their most recent SPI (Social Performance Indicator)[2] audit in January 2025.

February 2015

Sejaya Micro Credit Limited, Sri Lanka

97 thousand clients
Gojo's ownership: 100.0% (subsidiary)

Sejaya, founded by Gojo in 2015, offers group loans and business loans with the aim of poverty reduction, job creation, and social upliftment. They are one of only four licensed microfinance companies in Sri Lanka, regulated by the Central Bank. Sejaya obtained their Client Protection Certification in 2023 and conducted its most recent SPI audit in 2022.

August 2015

Microfinance Delta International Company Limited (MIFIDA), Myanmar

62 thousand clients
Gojo's ownership: 85.7% (subsidiary)

MIFIDA promotes financial inclusion across Myanmar by offering microenterprise, education, and emergency loans as well as voluntary savings, with a focus on women and rural entrepreneurs. Despite the ongoing political challenges in Myanmar, MIFIDA continues to improve their client protection practices, having completed an SPI audit in 2023. MIFIDA obtained its Client Protection Certification in 2019 and has been re-certified in 2022.

February 2018

Ananya Finance for Inclusive Growth Private Limited, India

130 thousand clients (including Prayas Financial Services) / 6 wholesale partners
Gojo's ownership: 95.8% (subsidiary)

Ananya's mission is to create sustainable and inclusive impact by serving as a bridge between potential investors and the underserved population of India. They provide wholesale lending and capacity-building support to corporate clients. Through their subsidiary Prayas, they reach retail borrowers through group loans. Ananya conducted their most recent SPI audit in 2024.

July 2018

SATYA MicroCapital Limited, India

1,424 thousand clients (including SATYA Micro Housing)
Gojo's ownership: 70.7% (subsidiary)

SATYA provides group and individual loans, as well as loans for WASH (water, sanitation, and hygiene), energy, and education. In addition, SATYA Micro Housing Finance Private Limited, a subsidiary of SATYA, offers housing loans to low-middle income households in India. SATYA conducted an SPI audit in 2022 and obtained a gold level Client Protection Certification in 2023.

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2 SPI (Social Performance Indicator) is used to assess the social and environmental performance of financial institutions. CERISE+SPTF is a joint initiative that provides SPI audit tools and related resources.

December 2019

Loan Frame Technologies Pte. Ltd., India

1,269 SME clients
Gojo's ownership: 26.3% (equity method affiliate)

Loan Frame is a supply chain finance platform serving the missing middle by aiming to build the largest SME (Small and Medium Enterprise) lending marketplace in India. As a technology startup, they developed their own cutting-edge proprietary scoring and risk assessment algorithms that process traditional and alternative data and have full automation of lending flows enabling same day disbursals.

September 2021

CJSC MDO Humo, Tajikistan

358 thousand clients
Gojo's ownership: 97.0% (subsidiary)

Humo is one of the leading microcredit deposit organisations in Tajikistan, serving the rural population and MSMEs across the country. They offer individual and SME loans, deposit and remittance services, and a mobile wallet called Humo Online. Humo has demonstrated their commitment to client protection by completing an SPI audit in March 2024.

June 2024

Baobab S.A.S, Africa

551 thousand clients
Gojo's ownership: 16.4% (non-consolidated investment)

Baobab has presence in seven African countries, including Burkina Faso, Democratic Republic of the Congo, Côte d'Ivoire, Madagascar, Mali, Nigeria, and Senegal. Baobab provides a diverse suite of financial products, from micro-loans to SME loans. In addition to loan products, Baobab offers savings products, payment solutions, and insurance products, enabling clients to build comprehensive financial security.

November 2024

CJSC Bank Arvand, Tajikistan

312 thousand clients
Gojo's ownership: 9.0% (non-consolidated investment)

Arvand is the fourth largest financial institution in Tajikistan, having obtained its banking license in 2019. Arvand offers unsecured loans which enable low-income households and MSMEs to increase their income and improve their living standards. In addition to loans, they also provide a wide range of financial services, including deposit accounts, remittances, online banking, currency exchange, ATM cards, and cash management solutions.

December 2024

JSC Credo Bank, Georgia

492 thousand clients
Gojo's ownership: 16.8% (equity method affiliate)

Credo is the fifth largest commercial bank in Georgia, transformed from a microfinance organisation into a full-fledged bank after obtaining a banking license in 2017. Credo offers a comprehensive suite of banking products and services through both traditional and digital channels.

Our Global Presence

Senegal

Population*	18 million
GDP/capita**	$1,706
Account ownership***	56%

baobab

Georgia

Population	4 million
GDP/capita	$8,284
Account ownership	70%

კრედო ბანკი CREDO BANK

Tajikistan

Population	10 million
GDP/capita	$1,161
Account ownership	39%

HUMO
BANK ARVAND

Mali

Population	24 million
GDP/capita	$869
Account ownership	44%

baobab

Burkina Faso

Population	23 million
GDP/capita	$883
Account ownership	36%

baobab

India

Population	1,438 million
GDP/capita	$2,481
Account ownership	78%

ANANYA Going Beyond Finance
SATYA
LOAN FRAME

Democratic Republic of the Congo

Population	105 million
GDP/capita	$628
Account ownership	27%

baobab

Côte d'Ivoire

Population	32 million
GDP/capita	$2,531
Account ownership	51%

baobab

Sri Lanka

Population	22 million
GDP/capita	$3,828
Account ownership	89%

SEJAYA

Myanmar

Population	54 million
GDP/capita	$1,233
Account ownership	48%

MIFIDA

Cambodia

Population	17 million
GDP/capita	$2,430
Account ownership	33%

MAXIMA Microfinance

Nigeria

Population	228 million
GDP/capita	$1,597
Account ownership	45%

baobab

Madagascar

Population	31 million
GDP/capita	$506
Account ownership	26%

baobab

*Population as of 2023 (World Bank)
**GDP/capita as of 2023 (World Bank)
***Account ownership as of 2021 (Global Findex Database, World Bank)

A monk and his disciple in Ayeyarwaddy, raising funds for building a pagoda / Taejun Shin

South & South-East Asia

Picture with us, in your mind's eye, a 40-year-old woman in rural India feeding buffaloes that she bought using a microfinance loan. Then moving to Sri Lanka, an island nation in the southeast of India, let's look at a couple running a small roadside eatery, the aroma of spices filling the air, supported by a microloan to purchase a juicer to expand their offerings. Now let's fly northeast from Sri Lanka, crossing the Bay of Bengal to reach Myanmar, where a rural entrepreneur who weaves traditional clothing (called *longyis*) buys more raw materials using a small loan. Finally moving southeast, in Cambodia, picture a driver buying a minivan with a microloan to transport garment factory workers and grow his transportation business.

You've just travelled, in your imagination, to witness the lives of Gojo's clients in the four countries where we operate in the South and South-East Asia region. Gojo's first entry into the region was through Cambodia in 2014, and in the subsequent five years, we expanded our presence to all four of these countries, home to a total of 1.5 billion[3] people, of which India, the world's most populous country, houses 1.4 billion people. These are all lower-middle income countries with their GNI per capita ranging between USD 1,250[4] in Myanmar and USD 3,620 in Sri Lanka, intentionally invested in to make the maximum impact in the financial lives of the people we serve.

3 This and the following data on population are sourced from World Bank 2023, Population
4 This and the following data on GNI per capita are sourced from World Bank 2023, GNI per capita

Sejaya client making clothes using a sewing machine that she bought using microcredit / **Taejun Shin**

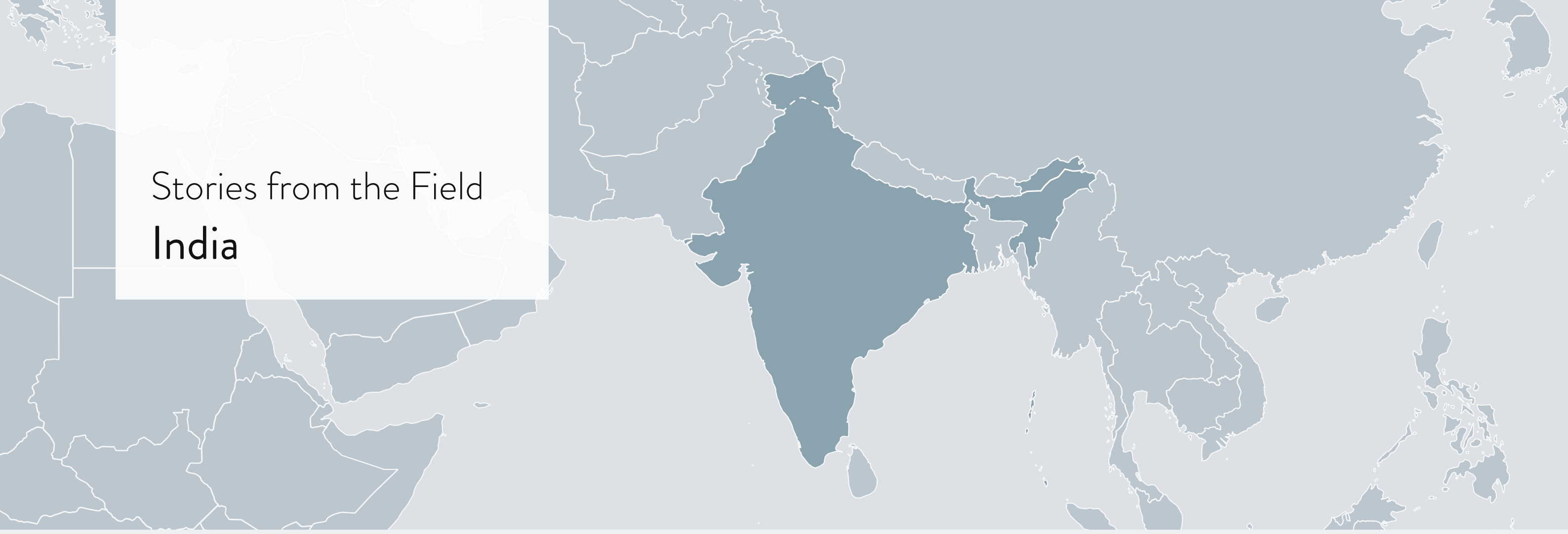
The financial inclusion landscape in South and South-East Asia has been actively evolving, but is not without its challenges. South Asia has witnessed significant progress in account ownership, reaching 68%[5] by 2021. In contrast, the East Asia and Pacific region (excluding China), which includes many ASEAN countries, had an average account ownership of 59% in the same period, highlighting disparities in foundational access.

In such regions where access to finance continues to be a challenge, microfinance has the power to act as a bridge to formal financial services for underserved populations. Inspired by the Grameen Bank in Bangladesh in the 1970s, the microfinance concept took root in India with early efforts, followed by Cambodia and Myanmar in the 1990s, and a more gradual evolution in Sri Lanka. Formalisation and regulation of the MFI (Microfinance Institution) sector in these countries largely gained momentum in the 2000s and 2010s, with specific timelines varying per nation.

Today, the JLG (Joint Liability Group)[6] lending model, where small groups access loans based on mutual guarantee, is still actively prevalent in India and Sri Lanka alongside individual lending, while in Cambodia and Myanmar, individual lending is gaining more traction. Although traditional models of microlending still hold relevance in this region, we now witness a gradual transition to digital financial services, especially in markets like Cambodia and India.

For a closer look at the state of microfinance and clients' lives in the region, let's dive deeper into India.

5 This and the following data on account ownership are sourced from the Global Findex Database 2021, World Bank
6 A JLG is made up of three to ten neighbours who come together to secure loans. Group members select each other and guarantee each other's repayments.



Stories from the Field

India

An unexpected predator who ate the future

Santra (not her real name), a 24-year-old woman from Indrada village in Rajasthan's Alwar district, found herself facing immense financial stress after her husband, a daily wage labourer in the construction sector, suffered a serious injury and lost his income six months ago. With the family's only source of income cut off, Santra was left with no choice but to step in to sustain her household.

She requested to join her neighbours in their JLG at Prayas to take a loan and start a small dairy business. Her resilience and determination gained their support. Following group consent and successful verification by the loan officer, Santra was approved for a loan of INR 40,000 (approximately USD 465).

With hope in her heart and goats in her shed, Santra began repaying her loan diligently. She regularly attended the JLG meetings held at 10 AM at the home of the group leader. These meetings were conducted casually with five women sitting together on a rug laid across the warm sand. Adhering to local customs, the women covered their heads with brightly coloured *sarees*. The loan officer would sit across from them, taking attendance and collecting repayments, either in cash or via a QR code, often with the help of their husbands or children.

A while later, Santra suddenly stopped coming to meetings, and her repayments ceased. Concerned, the loan officer inquired with the group, only to be told, "*Sher ne uske bakri kha liye, Saab!*"—"The tiger has eaten her goats, Sir!"

A tiger, it turned out, had descended from the nearby Aravalli hills and attacked Santra's livestock; her only means of livelihood. The loss was devastating, both emotionally and financially. In an instant, everything she had worked for was gone.

Despite this crushing setback, Santra did not give up. When visited by the loan officer, she calmly confirmed the incident and, with quiet determination, shared her plan to take up agricultural labour during the upcoming harvest season, which is about two months away, to begin repaying the loan.

Santra's story is not just one of loss, but of courage in the face of adversity. It reminds us that rural borrowers often walk a tightrope, vulnerable to environmental and livelihood shocks beyond their control. Yet, their resilience, sense of responsibility, and commitment to repaying even when the odds are against them deserve acknowledgement.

Tbilisi, capital of Georgia, 2024 / **Taejun Shin**

Central Asia & the Caucasus

Let's make a quick detour from South and South-East Asia—heading northwest, over the Hindu Kush and Caspian shores—to two countries where Gojo has deepened its footprint: Tajikistan and Georgia.

In Tajikistan, you'll often find someone with one foot at home and the other in Russia. Sons, brothers, and husbands leave for Moscow or Novosibirsk, and send money back to women in the villages who hold the fort. You can see one of these women stacking apples on a wooden table at 7 AM in the Sunday market in Khujand. Next to her, one sells fabric for curtains while another unrolls carpets she brought in a shared taxi from a nearby village.

Further west, in the hills of Georgia, picture a winemaker in Kakheti tending to his vines, a family managing a beekeeping business, or a couple running a bed and breakfast, waiting for the tourist season to kick in.

Small-scale businesses like these have limited access to finance. In Tajikistan, account ownership was very low at 11% in 2014. Microfinance first began as a response to address these issues through NGOs. Eventually the sector evolved into a more regulated one from 2004 onwards, and microcredit deposit organisations which can take deposits similar to banks were introduced. As a result, account ownership increased to 39% in 2021.


Client of Credo, trading fruits from Turkey to sell in a market in Tbilisi / **Taejun Shin**

Georgia's microfinance story, however, looks different. It's a smaller, richer country—GDP per capita is over USD 8,280[7], compared to USD 1,160 in Tajikistan—and financial inclusion is much higher, 70% of adults now holding accounts. Before 2017, the microfinance sector was loosely regulated, but reforms that year introduced stricter requirements. Now Georgia is moving towards a model that includes micro-banks—regulated entities that can take deposits and offer broader services.

Today, microfinance in both Tajikistan and Georgia operates primarily through individual lending—a contrast to South Asia, where JLG lending is still common. In both countries, larger MFIs are licensed to take deposits, allowing clients not only to borrow but also to save securely and build long-term financial stability. They also often provide remittances, which is an important lifeline for many clients in this region.

Despite these offerings to enhance financial inclusion, environmental strain adds to the challenge in the region. In Tajikistan, extreme temperatures disrupt farming and transport, while in Georgia, hail and floods damage vineyards and small plots. Such shocks can wipe out inventory or earnings for small businesses. Microfinance cannot eliminate these risks—but it can help people manage them, either by building resilience through promoting savings or through insurance products.

Let's have a look at the story of a client who actually was affected by climate change.

7 This and the following data on GDP per capita are sourced from World Bank 2023, GDP per capita

Stories from the Field

Georgia

Quiet strength in a season of loss

Known as the "cradle of wine," Kakheti is home to several vineyards that give birth to the famous Georgian wines. Giorgi (not his real name), a resident of Kakheti, also owned a vineyard and a wheat farm. But in 2023, he could not harvest any grapes or brew any wine. He had experimented with the fertiliser and used a different chemical than usual, and lost 60% of his grape crops. Then, adding to his misery, hailstorms hit his area in September and wiped out everything that was left.

He had taken a GEL 13,500 (approximately USD 5,000) agro loan at 22% interest rate for two years to buy tractors and seeds for both wheat and grape farms. He remembered that he had taken a crop insurance policy as a bundled product with his Credo loan to protect himself from adverse climate events. Unfortunately, the insurance company refused to pay for the hail damage because it was impossible to tell how much damage was from the fertiliser and how much was from the hailstorms.

Upon losing all his grape harvest that year, he struggled to repay this loan. He looked promisingly at his wheat harvest in five hectares of land, which delivered some yield despite the damage from hailstorms, but he could not sell his wheat at the price he wanted. There was too much wheat coming in at a lower cost from Russia, which his customers preferred.

Despite his struggles, he did not miss a single repayment that year. His son, working in Russia, sent him some money, and he used up his savings to pay his loan on time. The broken vines and empty fields told a silent story of loss, but Giorgi's quiet determination showed that he wasn't ready to give up.

Shoira's Vision: Leading Arvand's 23-Year Journey of Impact and Growth

Shoira Sodiqova, Chairperson and CEO of Arvand, in conversation with Arya Murali, Gojo's Impact Lead.

Shoira stood at the origins of the MicroInvest Microloan Fund, LLC MDO "Arvand", and continues her career as Chairperson and CEO of CJSC Bank "Arvand" 23 years since. She has won several prestigious international awards including the "Woman in Business 2014" award by the EBRD (European Bank for Reconstruction and Development) for promoting gender quality in a financial institution, and the "Best Entrepreneur 2019" award by the Regional Government Office of Sugd Region for making a significant contribution to the development of the financial sector in Tajikistan.

Arya: Shoira, it's wonderful to have you with us today! Let me begin with understanding how long you have been in the microfinance sector. Did you start your career in microfinance?

Shoira: You know, it's an interesting story. Arvand wasn't actually my very first job, nor my initial dive into microfinance. Back in 1998-99, as a student, I worked on a small project focused on in-kind lending. We distributed wheat seeds to women, often those without income or who had lost their husbands, using a group lending model. They were selected from one area and would repay us with wheat seeds, which we'd then redistribute for the next season. It was a very grassroots beginning! This was my first experience in the microfinance industry.

After a few years on other projects, I found my way back to microfinance, and I've been here ever since, for the last 23 years.

Arya: Wow! 23 years with Arvand! That's quite a journey.

Shoira: It truly is, but honestly, it doesn't feel like I've worked in the same place for so long. The Arvand of 23 years ago is simply not the Arvand of today. Back then, we had only 12 staff; today, we're a team of 954. We've transformed into a bank with a completely different legal structure, much broader geographic reach, and expanded product offerings.

I often think of one of our earliest clients: a woman whose husband went to Russia for work but sadly disappeared, leaving her with three young children and no support. As a housewife, she had no income. She started making Tajik breads, called *non*, with whatever flour she had at home, selling them at the market. At first, she had enough flour for only two breads a day, but she was so smart and resilient. She took a loan from Arvand to buy more flour and increase production. I still get inspired by clients like her—seeing that direct, tangible impact is incredibly motivating.

Even today, our core mission remains the same. Although we're a bank now and work with larger clients, we still see clients who face challenges with financial inclusion. Just three months ago, a female entrepreneur told me she runs a profitable sewing shop that delivers large State orders, but her traditional bank wasn't taking her seriously enough for a larger loan.

While the financial inclusion gap persists, what I'm most proud of is that we haven't lost the dedication to our initial goal of helping underserved populations, especially women and rural clients. Currently, 75% of our clients live in rural areas, and 30% are low-income individuals. That commitment is still in our hearts.

> "What I'm most proud of is that we haven't lost the dedication to our initial goal of helping underserved populations."

Arya: That's incredible—those two client stories show us the growth of Arvand from serving micro to SME clients. Speaking of growth, how did you manage to build such a core team, with several female leaders, and foster this amazing culture of dedication to creating impact at Arvand?

Shoira: I genuinely believe my own journey played a part. I believed in my ability to build my career and my family simultaneously. I got married and raised my three children while at Arvand, and other successful female leaders did so at Arvand. I think this strongly motivated the young female members of the team and signalled to the market that Arvand is a place where women can grow and thrive professionally.

We were also quite fortunate in those first few years. Unemployment was high, and government salaries were low. So many talented people in the market were willing to start as loan officers or cashiers. I think the possibility of doing something new and impactful with microfinance also inspired them to join us.

The second crucial factor was the trust our shareholders placed in us. Arvand was founded by an NGO, not a traditional banker. The donors trusted us, truly letting us chart our own future and holding us accountable to our mission. Those who joined us early on saw this as a significant responsibility to deliver that mission, and many later became our senior leaders as Arvand grew.

Arya: It sounds like a remarkable journey. What significant challenges have you overcome in this long journey, and what are some of the current challenges you're navigating?

Shoira: Oh, yes, we've certainly faced several hurdles. 2008 was a particularly challenging time. We were lending in both US dollars and Tajik somoni. When the Tajik somoni was devalued, clients with USD loans struggled to repay, creating a significant credit risk for us. We learned a very important lesson: we shouldn't place the entire foreign currency risk on our clients alone. That experience became a strong reason for us to transform into a microcredit deposit organisation, allowing us to obtain a foreign currency license and hedge some of that FX risk ourselves.

Another major challenge, which really shook the sector, was when two banks holding about 60% market share for deposits went bankrupt. Many clients tragically lost their savings, creating huge mistrust. Once you lose clients' trust, it's incredibly hard to earn it back.

Similar challenges still exist today, particularly with building clients' trust in digital transactions. But I firmly believe in taking proactive action rather than just criticising problems. To navigate this, Arvand and other practitioners must ensure the highest level of client protection in all our digital initiatives. At the same time, there's a need for stronger regulations and enforcement in the sector to rebuild and maintain that essential trust.

Arya: Yes, I agree that stronger client protection is the need of the hour. In closing, what are you most excited about and looking forward to in the next couple of years?

Shoira: While I'm looking forward to navigating the new challenges ahead, particularly with our digital and ESG (Environmental, Social, and Governance) transformation as a bank, I'm most excited by the incredible potential of young people in Tajikistan! Serving more young clients and employing more youth at Arvand calls for a genuine shift in our approach. It's both interesting and challenging to meet their needs as we continue to grow. It feels like the future is truly in their hands, and we want to be there to support them every step of the way.

Arya: That sounds incredibly exciting. Listening to you today, Shoira, I'm reminded of that powerful quote by Mahatma Gandhi: "Be the change you wish to see in the world." Thank you so much for inspiring us with your leadership and for sharing Arvand's remarkable journey with us!

Client of Baobab, an owner of a handicraft shop located in the Soumbédioune craft village in Dakar / **Baobab**

Sub-Saharan Africa

After tracing stories from Central Asia and the Caucasus, we move west to Africa, where Gojo supports financial inclusion in seven countries through our investment in Baobab Group: Burkina Faso, the DRC (Democratic Republic of the Congo), Côte d'Ivoire, Madagascar, Mali, Nigeria, and Senegal. These countries span different languages, histories, and levels of financial development, but across them, one thing remains common: large parts of the population remain excluded from formal finance.

In Bamako, the capital of Mali, we may see a mechanic fixing motorcycles out of a roadside trailer, receiving payment from a customer in cash. In rural Côte d'Ivoire, a peanut seller wraps coins in cloth to keep for emergencies. In Madagascar, a family pools money to buy rice from a wholesaler, reselling it by the cup from their doorstep. These aren't unusual stories—they reflect how people across the region earn, save, and spend primarily on cash, without relying on formal financial services.

This is true not just for average households but also for SMEs. Even if your business had significant revenue and had several staff employed, it may still be difficult to obtain a sizable loan at a favourable rate from a bank. Therefore, SMEs rely on informal sources such as personal savings, contributions from local savings groups, or advances from regular customers.

Across Sub-Saharan Africa, 55% of adults own an account with a financial institution or a mobile money provider. Amongst our countries of operation, Senegal has the highest account ownership at 56%, while Madagascar scored lowest at 26%. So rural populations in these countries still depend heavily on informal savings groups and cash.

Microfinance in this region has long-standing roots in the community. In Nigeria, traditional savings groups like *esusu*—rotating credit associations where members contribute and borrow from a common fund—have existed for centuries. These formed the foundation of community finance long before banks became widespread. In Senegal and Mali, cooperative models gained momentum in the 1980s through international donor support, especially targeting rural populations. In the DRC, colonial-era cooperatives evolved into credit providers following economic liberalisation in the 1990s. And in Côte d'Ivoire, after periods of political crisis weakened trust in public banks, mobile money and microfinance began filling the gap for small borrowers and savers.

But the growth of microfinance hasn't been even. In countries like Burkina Faso and the DRC, many institutions still operate without full authorisation, limiting regulatory oversight. In Madagascar and Mali, challenges such as weak supervision by the regulatory bodies and low institutional capacity continue to hold back sector growth. In Nigeria, while the microfinance sector is well-established, recent economic instability like inflation has increased uncertainty for both lenders and borrowers. Even in countries like Côte d'Ivoire and Senegal, where mobile money has helped improve financial access, most people in rural areas still rely on cash to manage their finances.

While access has improved, financial resilience remains fragile. According to FinDev Gateway[8], only 14% of adults in Sub-Saharan Africa said they could access emergency funds within 30 days without difficulty—less than half the global average of 32%. Many people still rely on agents or relatives to access their accounts, highlighting the gap in digital and financial literacy, both on the borrower side and on the lender side.

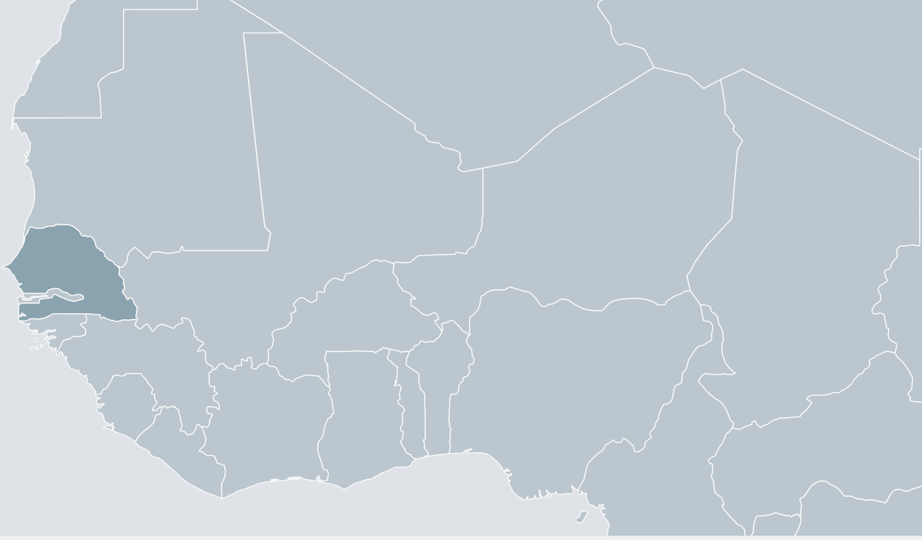
Gojo's entry into Africa is driven by a simple but pressing reality: in many of these countries, access to finance hasn't kept pace with need. While there is strong local knowledge in MFIs, capital and infrastructure to serve people consistently are limited. Gojo's goal is to support trusted institutions and clients in such markets.

Baobab, Gojo's investee, has been addressing this through providing financial services not just to individuals, but also to SME clients who also lack the support they need to grow their businesses. Let's have a look at an example.

8 https://www.findevgateway.org/region/financial-inclusion-sub-saharan-africa

Stories from the Field

Senegal



From local wholesaler to direct importer

Amadou (not his real name), a dynamic business owner from Rufisque, Senegal, has built a formidable enterprise over the past 26 years. Starting in 1998, he now oversees five shops, specialising in homeware and cosmetics, and manages several staffs to run them. His business prowess extends beyond retail; he also operates a wholesale arm, supplying products across the region, all coordinated from his warehouse in Dakar. In 2022 alone, his sales soared past FRF 100 million (approximately USD 160,000), a testament to his enduring success and strategic vision.

Amadou shares his life with his wife and their two young children, aged three and six. For years, his business relied on local wholesalers for product sourcing. However, seeing the high margins charged, his wife, with keen business insight, suggested a bold move: direct sourcing from China. This pivotal decision led Amadou to Baobab.

In June 2023, Amadou embarked on his first-ever loan journey, securing FRF 5 million (USD 8,000) from Baobab to fund his wife's inaugural buying trip to China. Interestingly, he had previously saved with a leading bank but transferred all his savings to Baobab after discovering Baobab's more favourable interest rates.

The loan has empowered his business to bypass intermediaries, significantly increasing their profit margins and expanding their product offerings.

Our Impact Strategy

Gojo was established as a startup to create a positive impact on the society, and impact has always been at the centre of decision-making at Gojo. However, the way we define our impact has evolved over the years, starting with a focus on client protection and SEPM (Social and Environmental Performance Management) in the first few years, then to the measurement of client impact as a result of our products and services, including key projects such as Financial Diaries[9] which provide in-depth insights into the lives and behaviours of low-income households. Most recently, we have started expanding our scope into stakeholder impact, with the belief that without positive impact on our key stakeholders such as employees and environment, we cannot maximise positive impact on our clients. We use different frameworks to measure impact, and obtain certifications to ensure we create positive impact from a third-party point of view. Below is a summary of our latest frameworks, policies, projects, and certifications related to our impact work.

From here, we would like to introduce our new client impact framework and also share our journey of obtaining the B Corp certification.

Impact tools

	Gojo's operation		
	Invest into MFIs	Operate MFIs	Create positive impact
Framework	ALINUS	USSEPM B Impact Assessment	Client Impact Framework
Policies	Investment Policy	SEPM Policy Environmental Policy	n/a
Projects	Social Due Diligence	SPI audit	60 Decibels MFI Index Financial Diaries
Certifications	(any relevant certifications or social ratings)	Client Protection Certification B Corp	n/a

9 Financial Diaries are Gojo's primary source of quantitative data about how low-income people live and manage their money. We record daily inflow and outflow of money and analyse this to gain insights. Till date, we have conducted Financial Diaries in Cambodia and Sri Lanka.

Client of Baobab in Fass, Dakar, diversifying her business by adding a nail care service to her salon / **Baobab**

Client Impact Framework

Evolution of client impact measurement at Gojo

Impact measurement at Gojo means understanding how clients experience our products and services, and to stay accountable to our mission of extending financial inclusion across the globe. The Impact Team at Gojo regularly works on developing mechanisms to measure and understand client experience. While we have always been tracking our outreach numbers primarily using MIS (Management Information System) data, we recently began making progress in collecting qualitative client data to understand better what our clients are experiencing.

In 2020, Gojo developed the Client-Centric Framework, a theoretical understanding of the pathway of impact on our clients. By 2022, we developed a client satisfaction survey that was implemented across our majority-owned group companies to study what clients liked and disliked about our products, and how they experienced client protection through convenience, transparency, fair treatment, effective complaints resolution, and so on. This survey also included a few impact oriented questions, mostly around understanding clients' resilience to shocks.

In 2023, we introduced a standardised exit survey to learn the reasons behind clients not taking a loan after three months of completing their current loan cycle. We also participated in the 2023 MFI Index[10] by 60 Decibels[11] which helped us benchmark our social and environmental performance / impact with other financial service providers globally. Along with expanding the sources of data collection over the years, our Impact Team also spent time diligently analysing the results of these surveys and discussing with our group companies to improve their offerings.

10 The MFI Index is a financial inclusion study that provides comparable impact data for the microfinance industry, driven by client voices, conducted by 60 Decibels.

11 60 Decibels is a global impact measurement company that provides benchmarks of impact performance, helping organisations evaluate their results in comparison to peers.

This exercise along with Gojo's research and development efforts using Financial Diaries has deepened our understanding of the impact we may have on our clients' lives. Our capacity to collect data internally using telephonic surveys and field visits has also significantly improved in the last five years. Given these new learnings, we decided to reflect on our impact measurement framework and refine it with a pragmatic approach.

In addition to developing outcomes indicators and piloting our impact survey, we have improved our framework by including existing data sources such as client satisfaction surveys, client exit surveys, complaints data, and MIS data. We now track a total of 25 indicators to understand client impact across three dimensions: Outreach, Quality, and Outcomes.

Three pillars of the framework: Outreach, Quality, Outcomes

"I have confidence to manage my financial life and I can determine my own future"

Outreach	Quality	Outcome
"I was not able to obtain a formal loan before but now I could get it to fulfill my business need"	"I'm satisfied with the loan product as it is affordable, convenient, flexible, safe and reliable"	"I have improved my financial stability and household well-being through business growth"

Let us look at these three dimensions from the perspective of a typical lending client at one of Gojo's group companies.

For a client who wishes to grow her business but lacks sufficient capital, the first step towards financial empowerment is the ability to obtain a loan to finance her business. While receiving a loan helps, it is not enough. Products must be of high quality, or in other words, affordable, convenient, flexible, safe, and reliable, for her to effectively utilise them. By using a high quality financial product, she can observe positive outcomes such as business growth, improved financial stability, and household well-being, which in the long run develops her confidence in managing her finances and allows her to determine her own future.

SATYA clients participating in a JLG meeting / Hiroko Hirota

In Gojo's Client Impact Framework, we factor in both the positive and negative scenarios a client may face. For instance, we want to understand how satisfied the client is with the services, but also whether she has experienced any client protection issues. In the impact survey, we seek to understand how the client used her loan—for a business purpose, consumption, or both. Similarly, we look at the repayment burden and whether the client has had to make any sacrifices to keep up with her repayment schedule.

Let's take a deeper look at the indicators in each of the impact dimensions.

Outreach

Outreach is concerned with *who* or *how many* we are extending financial access to.

We look at Outreach as inclusive of both the breadth and depth of the reach to our clients. Breadth shows our total reach, whereas depth shows the extent to which we are reaching underserved and vulnerable clients.

We have defined six indicators to measure Outreach using data from the MIS and the newly proposed annual impact survey.

Outreach indicators

Category	Indicator	Source
Breadth: Total outreach	1. # of unique clients	MIS
	2. # of voluntary savings clients	MIS
Depth: Outreach to underserved or vulnerable clients	3. % rural clients	MIS
	4. % women clients	MIS
	5. % clients earning below the National Poverty Line[12]	MIS
	6. % clients saying they could NOT have financed their business without the [Company]	Impact survey

12 The National Poverty Line is the minimum level of income and expense deemed adequate in a particular country.

Quality

Quality focuses on the features of the product and its ability to meet the client's needs.

We believe that for a loan product to be useful to a client, it has to be of high quality, or in other words, affordable, convenient, flexible, safe, and reliable. A sign of whether clients are benefitting from a high quality product or not shows in data points such as client satisfaction levels and client exits due to dissatisfaction.

We measure a total of 11 indicators under this dimension using three data sources: CSS (client satisfaction survey), client exit survey, and complaints report.

Quality indicators

Category	Indicator	Source
Affordability	1. % clients saying the weekly / monthly repayment amount is comfortable	CSS
Convenience	2. % clients saying the experience of getting the loan was easy, timely, and convenient	CSS
Flexibility	3. % clients saying the loan officer provided them with options to adjust their repayment plan when they struggled to repay	CSS
Safety	4. % clients saying they have never experienced an unexpected charge / fee	CSS
	5. % clients saying the staff always treats them fairly and respectfully	CSS
	6. % clients saying the staff responded positively when the client struggled with repayments	Exit survey
Reliability	7. % clients saying they were satisfied with the quality of service when they submitted a complaint	CSS
	8. % complaints resolved within specified turn around time	Complaints report
Overall satisfaction	9. Net Promoter Score[13]	CSS
	10. Consolidated client satisfaction score[14]	CSS
	11. % clients exiting due to dissatisfaction	Exit survey

13 Net Promoter Score is a client experience / loyalty metric that measures the willingness of clients to recommend the company to a friend or family.

14 The consolidated client satisfaction score is calculated as an average of the results of several questions in the client satisfaction survey.

Outcomes

Outcomes are changes, positive or negative, that are experienced by clients *plausibly* associated with the financial services (for example, change in clients' business sales or quality of life). We have developed a set of eight outcomes indicators, which are classified into three categories: business growth, financial stability, and household well-being.

Since loans are typically provided for business use, tracking business growth is essential for us. However, we also hope to empower our clients to enjoy sufficient financial stability by increasing their savings, having the resilience to meet financial emergencies as well as keeping up with their loan repayments without making sacrifices. Lastly, we want to understand whether increased financial stability and business growth will leave them with the ability to enhance their current quality of life as well as improve their ability to achieve future financial goals.

We plan to measure client outcomes across below indicators through an annual impact survey with a representative sample of around 300 clients who have taken more than two loans. This survey will be done internally, by the call centre at our group companies. Additionally, where possible, we hope to triangulate the survey results with external data such as from 60 Decibels.

We will start implementing the impact survey across our majority-owned group companies starting from FY2026/03 and continue to track it over the years.

Outcomes indicators

Category	Indicator	Source
Business growth		
Change in income	1. % clients saying business income has increased in the last 12 months	Impact survey
Impact on income increase	2. % clients saying they could not have achieved the business growth without the [Company's] loan or that growth would have been slower	Impact survey
Financial stability		
Change in savings	3. % clients who have savings 4. % clients saying savings has increased in the last 12 months	Impact survey
Repayment burden	5. % clients saying repayment towards all loans at the moment is NOT a burden	Impact survey
Resilience	6. % clients reporting they could come up with [1/20 GNI per capita] in an emergency in 30 days with little or no difficulty	Impact survey
Household Well-being		
Change in quality of life	7. % clients saying their quality of life has improved	Impact survey
Ability to achieve financial goals	8. % clients saying ability to achieve financial goals has improved because of the [Company]	Impact survey

How we utilise the Client Impact Framework

In the new framework, Outreach and Quality are the two dimensions that focus on expanding financial access and fostering inclusion. We have the most control over these two dimensions and therefore, we set targets, discuss their progress regularly at Gojo and with group companies, and aim to use data to further improve performance. Each year, along with the budgeting cycle, our group companies set targets against social goals inclusive of some Outreach and Quality indicators. For some group companies, these social goals are also linked to the performance evaluation of the CEOs.

Outcomes data, on the other hand, is what we measure to learn and make changes if necessary based on the findings. However, it is not a dimension we will actively set targets for as there are various factors influencing client outcomes, not all of which are within our control.

Finally, this framework assumes impact on individual clients who took loans. However, our offerings across the group have increased to cover savings, insurances, remittances and so on, which are currently outside our framework. We also have MSME clients which may require a different framework than individual clients. We will continue to refine our framework so that it covers the expanding scope of our business and client base.

Impact of our investment funds

UNLEASH

UNLEASH Capital Partners ("UNLEASH") is an early-stage venture capital fund focused on investing in inclusive financial services and fintech startups in India. At the end of December 2024, UNLEASH had invested in three portfolio companies. In January 2025, UNLEASH conducted an impact field survey at each company's operational site to evaluate the impact generated by its portfolio companies. Through the impact field survey, the team learned and reaffirmed below key findings:

- Most of the clients have experienced an increase in income, with the businesses of the portfolio companies being one of the contributing factors.
- The impact is greater for those who are socially or economically vulnerable compared to those who are not.
- Financial inclusion can be realised in various forms, not only traditional financial services such as providing loans.

UNLEASH published its first impact report detailing the key findings. Please view the report here.

B Corp Certification

Gojo received B Corp™ certification in January 2025.

This means that we meet high standards of social and environmental responsibility. The certification process involved the analysis not only of us as a holding company in Tokyo, but also our majority-owned group companies at the time of application. As a part of a movement of for-profit organisations committed to creating a world of "People Using Business as a Force for Good®" we are fully committed to positively impacting the lives of our clients and key stakeholders.

Why B Corp?
We have decided to join the B Corp movement and to apply for our certification in order to embark on a journey of continuous improvement in our social and environmental performance, while also participating in a community of like-minded businesses dedicated to this mission.

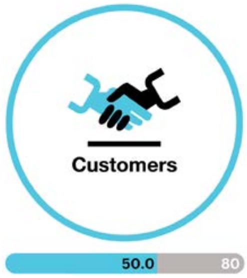
The announcement was the result of a decade of work improving our social and environmental performance and years of cooperation with B Lab Global™ ("B Lab")[15], the issuing institution, to meet the requirements and achieve the certification. However, our work was done not only for the sake of displaying the logo on our website. We believe that inequality can be fought by empowering low-income individuals with the financial services they need and by promoting inclusive economic growth. We cannot do that unless we treat everyone involved fairly and listen to them—all stakeholders, from our employees to our communities and investors. This kind of stakeholder engagement is what B Corp is about.

Working with our stakeholders
To obtain the B Corp certification, companies must complete a B Impact Assessment™ and earn an audited minimum score of 80 out of 200 maximum points. Gojo had reached a score of 102.8 points.

The following is a breakdown of this score into its five major categories, based on our performance with each type of stakeholder and with our governance. According to the final assessment, Gojo performs especially well in our mission-centric Governance and the positive impact on Customers, scoring above the average of the sector in these categories.

Thanks to the detailed assessment provided by B Lab at the end of the certification process, we are now able to add several more action items to our plans. By leveraging the insights and cooperation of the B Corp community, we aim to keep improving our B Impact Assessment score at every recertification cycle.

15 B Lab Global is a nonprofit organisation that assesses companies' social and environmental impact and grants them B Corp certification.



Customers

We have been running many initiatives to better understand the people we serve, and how to improve our services to their benefit. This continuous effort is reflected in our score in the “Customers” category, by far the highest in our assessment with 50.0 points overall, out of a maximum of 80.0 (finance sector average 29.0).

Workers

Gojo’s score in the “Workers” category is 23.4 points out of 50.0 (average 22.5). Our high sub-scores for employee satisfaction and engagement shows our commitment for our employee well-being. At the same time, we should do more to ensure all employees in our group, even in remote and potentially dangerous areas, are able to work in a safe and financially secure workplace.

Community

Our impact on local communities is less impressive compared to other categories, which is 14.8 points out of 50.0 (average 14.7) in the “Community” category. This is mainly due to an under-representation of women and minorities among our managers, something we’ve been working to improve for the past few years.

Environment

Our low score in the “Environment” category, 2.9 points out of 50.0 (average 2.9), is a strong signal for us to push harder in improving on this front. We will work to track our ecological footprint more accurately, and help our clients and business partners be gentler on the environment.

Governance

The “Governance” category in our assessment has a score of 11.6 points out of 25.0 (average 8.9). We performed particularly well in terms of ethics and transparency, keeping communication and information sources open to our employees and shareholders. Opportunities for improvement remain in the board and management commitment, and materiality assessment process.

Social and Environmental Performance Management

To create positive impact on clients and our stakeholders, SEPM is essential. It is the foundation of impact, ensuring our operations are managed in a responsible way. Gojo follows the industry framework called USSEPM (The Universal Standards for Social and Environmental Performance Management)[16] to promote SEPM across the group. This report highlights insights from our client surveys, and results of the SPI audits.

Insights from Client Surveys

Client satisfaction survey

The client satisfaction survey is done annually for a representative sample of approximately 300 clients to understand their level of satisfaction with our products and services and gather feedback. In addition to questions about product features that clients liked or disliked, the survey includes questions about service quality such as the ease and convenience of obtaining a loan and treatment by staff. In FY2025/03, MAXIMA, Sejaya, MIFIDA, Ananya, SATYA, and Humo conducted a client satisfaction survey.

Company	CSS score
MAXIMA	90%
Sejaya	95%
MIFIDA	99%
Ananya	92%
SATYA	98%
Humo	88%

The average[17] client satisfaction score across the group is 95%. Akin to the result last time, the easy loan application process and the speed of obtaining a loan were highlighted across the board. In Sejaya, clients particularly appreciated the monthly repayment option while in SATYA, clients found the financial and digital literacy training helpful and the digital repayments to be safe and convenient. MAXIMA and Humo clients appreciate the fair and respectful treatment by staff. MIFIDA clients highlighted the transparency of loan terms and Ananya clients praised client-centric services such as door-to-door collection of repayments.

However, room for improvement exists in awareness of complaints channels in many of the companies, especially MAXIMA, Sejaya, and Ananya. Despite proactively providing the toll free number to raise a complaint in loan contracts and explaining to clients during disbursement, clients hesitate to complain or share negative feedback, possibly due to cultural reasons.

16 https://cerise-sptf.org/universal-standards/
17 Weighted average of CSS scores with total unique clients as of March 2025.

This has been a long-standing challenge and we are constantly looking for new ways to minimise the friction for clients to reach out in the time of need or grievance. Ananya for instance, has been testing out "bucket-calling" which involves proactively calling delinquent clients to understand reasons for their delay in payment and check whether they have any grievances. This has shown some positive results so far.

Issues other than the complaints channel awareness were also identified. In MIFIDA, clients requested flexible repayment options, especially in the conflict ridden areas of Myanmar. In SATYA, clients wished for real time updates on monthly repayments that would allow them to track whether their repayments have been successfully logged rather than waiting for an SMS to be received about this update. In Humo, clients highlighted the need for more ATMs to easily access their services and suggested a reduction in interest rates.

Client exit survey

The exit survey, in contrast to the client satisfaction survey, is done for clients who have completed a loan cycle but have not renewed their loan in the last three months. The survey helps us understand the reasons behind client exits, positive and negative, and gather feedback from clients. MAXIMA, Sejaya, MIFIDA, and SATYA reported their results this year. While most group companies conduct the exit survey on a monthly basis, some conduct it quarterly or bi-annually due to limited call centre capacity. Ananya and Humo have started their exit surveys only from the second half of 2024 and may be able to report on their results from the next fiscal year onwards.

Based on the exit survey results for MAXIMA, Sejaya, MIFIDA, and SATYA, the most common reason for not renewing loans in the next cycle included not having a need for additional funds. In MIFIDA, clients also felt insecure about their future business growth, whereas in Sejaya and SATYA, where group lending is the primary business model, clients did not renew their loans because of group issues such as members of the group not repaying on time or having conflicts in the group.

On average[18] 3% of the clients exited due to dissatisfaction with products and services. In MIFIDA, clients wanted larger loan sizes and longer repayment periods for those struggling to repay. In MAXIMA, clients requested to waive penalty from day one to three of delinquency, whereas in Sejaya, clients wanted lower interest rates and a simpler loan application process.

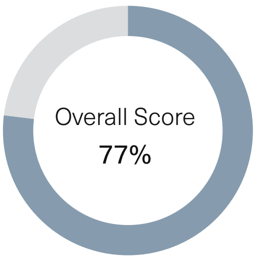
80% exiting clients[19] said they would take a loan again from the respective group companies and 94%[20] said they will recommend the group company to friends and family. This shows an overall pleasant experience with the group companies and the intent to return as clients if needed in the future.

18 Average of results of % exiting due to dissatisfaction, across MAXIMA, Sejaya, MIFIDA, and SATYA.
19 Average of results of "If you need a loan in the future, would you consider taking a loan from [Company] in the future."
20 Average of results of "I would recommend [Company] to my friends or relatives."

Photo taken with clients of Prayas in Rajasthan / Taejun Shin

SPI Audits

Ananya



Global Benchmark: **64%**

South and South-East Asia Benchmark: **75%**

Auditor	Rajnish Roy
Period	May–Dec 2024
Field Visit	Jul 2024

Universal Standards Scores by Dimensions

Ananya's SPI audit was conducted by Rajnish Roy (Chief Internal Audit Officer) from May to December 2024 with a field visit in July. Ananya's overall score in the audit was 77%, which is above the global benchmark of 64% and the South and South-East Asia of 75%.

Compared to their previous SPI audit, Ananya has shown slight improvement, with an overall score increase from 76% to 77%. It is important to note here that the dimensions in the SPI5 are more detailed as compared to the previous SPI4 audit methodology and a new dimension has been added which is Dimension 7 (Environmental Performance Management).

While the previous SPI audit highlighted strong HR practices and employee management, it also pointed out gaps in documentation and the integration of social and environmental performance into business decisions. The current SPI audit reflects considerable progress in formalising this while it continued to maintain its strong performance in HR related aspects.

Ananya has marked excellent performance in Dimension 1 (Social Strategy), which can be attributed to a well defined social strategy that elaborates target client, social goals, and how they achieve goals. The Environmental and Social Policy states that all the products and services are driven by the needs and aspirations of the clients—extant and potential—and inspired by a promise to serve their greater well-being, environmental sustainability and social good. Also, the policy includes concrete “do no harm” activities that need to be followed by the employees.

Also, Ananya displayed excellent scores in Dimension 6 (Responsible Growth and Returns), which consists of items evaluated based on responsibly managing growth by allocating resources needed, setting reasonable prices and using profits to achieve long-term sustainability while achieving social goals.

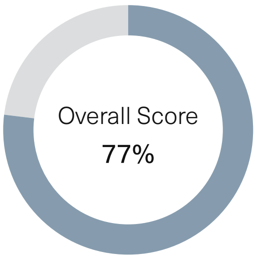
Although Ananya adheres to several client protection standards, the score in Dimension 4 is slightly lower than the South and South-East Asia benchmark. The gaps in Dimension 4 can be attributed to the lack of clear description on client discrimination in the Fair Practice and not being engaged in any restructuring, rescheduling, or refinancing of loans. Ananya is currently working on developing the relevant policies to respond to such needs from the clients.

Ananya established a complaint mechanism providing several ways of submitting complaints. Instructions for submitting a complaint are displayed on the branch notice board and the loan officers also explain this process to the clients. However, there is an improvement area for conducting detailed analysis of complaints including severity level, average response time, and so on.

Ananya has an Environmental and Social Policy in place, focusing on initiatives like clean energy, waste management, and recycling, while also monitoring carbon emissions at its head office—contributing to Dimension 7 (Environmental Performance Management). However, more comprehensive actions are needed to address environmental impacts in client communities.

Client of MAXIMA, working on clothes production / Taejun Shin

MAXIMA



Global Benchmark: **64%**

South and South-East Asia Benchmark: **75%**

Auditor	Rania Manayra
Period	Sep 2024–Jan 2025
Field Visit	Nov 2024

Universal Standards Scores by Dimensions

MAXIMA's SPI audit was conducted by Rania Manayra (Corporate Planning Officer) from September 2024 to January 2025 with a field visit in November 2024. MAXIMA's overall score in the audit was 77%, which is above the global benchmark of 64% and the South and South-East Asia of 75%, but a decrease compared to its score of 81% in the 2022 audit. The main reason for decrease was the official addition of Dimension 7 (Environmental Performance Management) to the SPI audit framework, which brought down the overall score.

Since its last audit, MAXIMA has maintained strong performance across several dimensions of social and environmental performance, particularly in Dimension 1 (Social Strategy) and Dimension 2 (Committed Leadership). MAXIMA sets annual social goals and holds itself accountable through regular performance monitoring. A big improvement from the last audit is the active role that leadership plays in overseeing these goals via the SEPM committee. However, the audit noted that more proactive oversight is needed. Despite collecting key data such as debt-to-income ratios and PAR (Portfolio at Risk)[21], topics like over-indebtedness risk are not systematically reviewed in committee meetings. Additionally, MAXIMA is encouraged to regularly compare its APR (Annual Percentage Rate)[22] to that of peers in Cambodia to ensure its pricing remains responsible.

As seen in their performance in Dimension 3 (Client-centred Products and Services), MAXIMA has taken steps to become more client-centric such as by establishing a dedicated department to lead market analysis, which did not exist at the time of the last audit. Other things that MAXIMA has implemented since the last audit includes clearer definitions of aggressive sales in its Operations Policy and a well-defined policy on collateral seizure. While these are positive steps, MAXIMA still lacks a formal Product Development Policy. Developing such a policy would ensure a structured and consistent approach to designing new products.

Client protection remains a cornerstone of MAXIMA's operations, reflected in their performance in Dimension 4 (Client Protection). Measures such as limiting loan officer caseloads and basing incentives on portfolio quality help prevent aggressive sales practices and over-indebtedness. Although MAXIMA offers multiple complaint channels, field visits revealed that client awareness of these mechanisms is limited. This is a recurring challenge, as this was also raised in the 2022 audit. Enhancing the visibility and accessibility of the complaints process is a key improvement area for the coming year.

This was MAXIMA's first audit to assess environmental performance. As expected, this remains their weakest area. Nevertheless, MAXIMA has begun integrating environmental goals into its SEPM planning, applying an exclusion list during loan assessments, and initiating environmental CSR (Corporate Social Responsibility) activities with their employees. To strengthen this dimension, MAXIMA must expand the scope of its environmental practice and engage more with clients.

21 PAR measures the proportion of outstanding loans that are overdue or delinquent, usually within a specific timeframe (e.g., 30, 60, or 90 days past due).

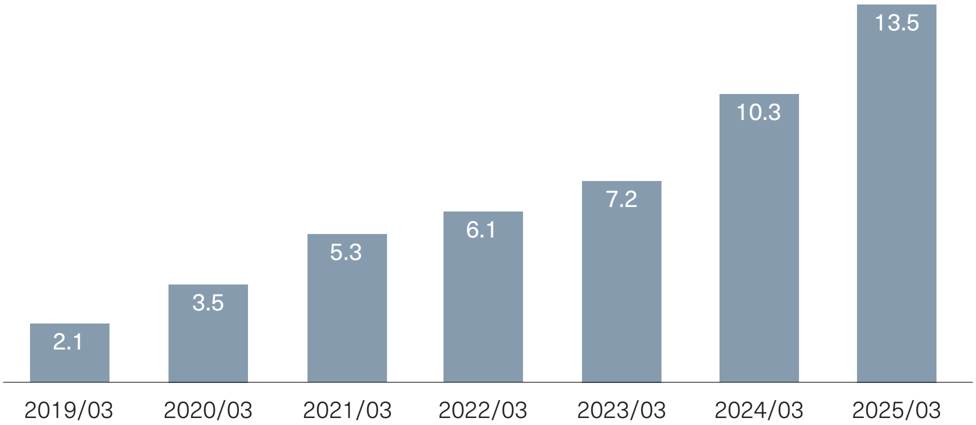
22 APR, or Annual Percentage Rate, is the total cost of borrowing money over a year, including interest and other fees. It is a standardised way to see the true cost of borrowing and makes it easier to compare different loan products.

Gojo group offsite in Chiba, Japan, 2024 / Rania Manayra

People

At Gojo, our people are at the heart of our mission to extend financial inclusion across the globe. As our reach grows, so does our global team with 13,534 employees (the total across Gojo and our majority-owned group companies) as of March 2025. Our work is deeply rooted in building strong relationships with clients and this makes the well-being, motivation, and engagement of our employees critical to the quality of service we provide. We strive to continuously enhance employee satisfaction and engagement, recognising that a motivated team is essential to delivering meaningful impact. We believe that when employees feel valued, supported, and inspired, they can drive innovation and foster stronger client relationships as well as internal collaboration.

Number of employees at Gojo and in consolidated group companies (000)



Results of employee satisfaction survey
The employee satisfaction survey conducted in FY2025/03 showed significant improvements in areas such as “I have been able to maintain the work-life balance I want,” “Gojo as a company is acting on its Guiding Principles,” “My job allows me to develop new skills,” and “I am growing professionally,” compared to the previous year. The overall employee happiness rate at Gojo is 97%, maintaining a high score since last year.

Gojo focused heavily on improving “I have been able to maintain a good work-life balance” and “I see a path to advance my career at Gojo,” as these were identified as the lowest scoring areas in the previous survey. To enhance employee satisfaction, we implemented several initiatives:

- **Work-life balance:** We introduced self compassion and mental health training sessions, emphasising burnout prevention. Additionally, we enforced a 10% workload reduction and mandated a ten day consecutive leave policy to ensure employees have time to rest and recharge.

- **Career growth:** We organised Career Week, providing employees with opportunities to discuss their aspirations and explore potential career paths beyond their current roles.

These initiatives help us in understanding and addressing employees’ needs. In the coming year, we will continue strengthening our efforts in career development to better align with employee expectations and foster long-term growth at Gojo.

Our Human Capital Strategy

At Gojo, we extend our vision “Create a world where everyone can determine their own future” to our employees. We empower employees to determine their own ways of working, free from micromanagement. This flexibility nurtures creativity, efficiency, and a strong sense of ownership.

Our human capital strategy consists of three key pillars: diversity and inclusion, flexibility, and integrity. Gojo has a diverse workforce from day one, and we continue to value this with a strong belief that different view points help Gojo navigate its way, especially when the world is so uncertain and unpredictable. To ensure employees can “determine their own” way of working to unleash their full potential, Gojo provides a work environment as flexible as possible, including location and time. We ask our employees to choose their area of development and find training that they think will help them grow as professionals, which we support financially. Integrity, which is one of Gojo’s core values, needs to be extended fully to our employees across the group. Gojo developed many policies and processes to ensure this.

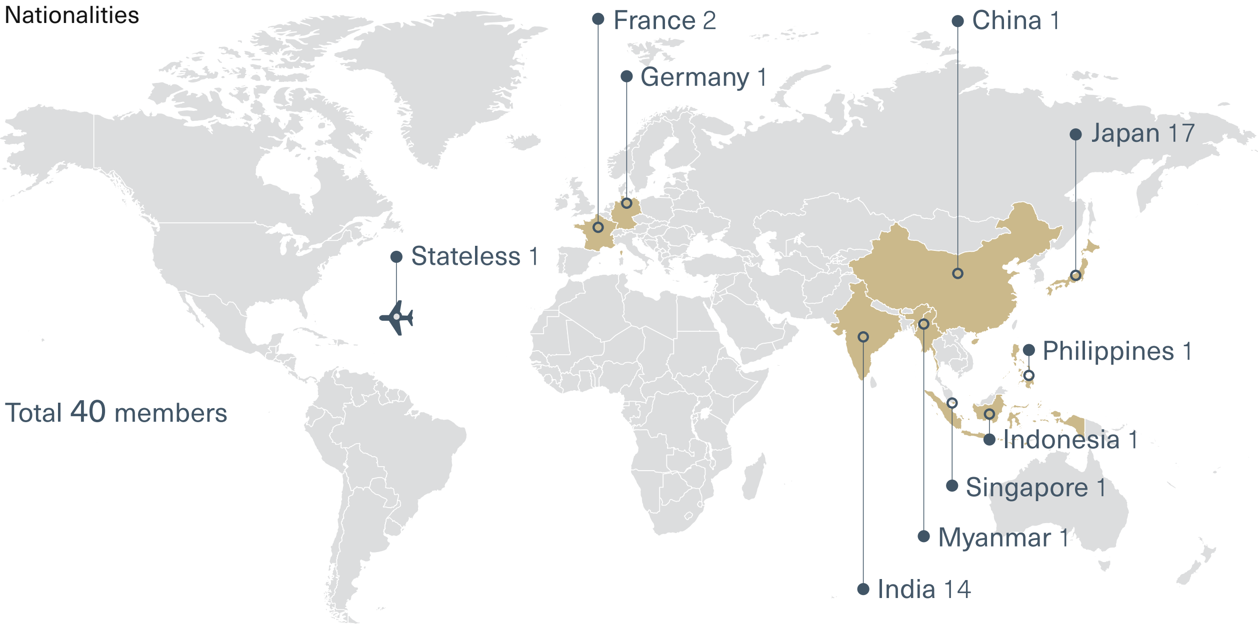
By continuously refining and reinforcing our human capital strategy, Gojo remains committed to building a workplace where every employee has the opportunity to determine their own future while contributing to our mission.

Building a diverse team
A diverse and inclusive workplace not only strengthens our ability to understand and support communities but also helps us identify risks and opportunities that a less diverse workforce might overlook. At the holding company level, ten nationalities are represented among our 40 members reflecting our commitment to global diversity.

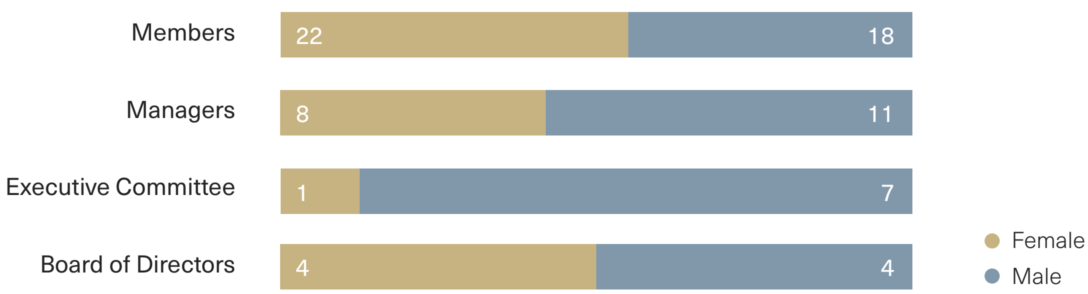
In terms of gender diversity as of March 2025, four out of eight of Gojo's directors are women. The percentage of female members in the company has also increased, rising from 44% in FY2024/03 to 55%. This progress reflects Gojo's commitment to diversity-focused hiring. On the managers level, the balance is fairly good with 42% female. However, gender representation at the senior management level remains uneven, with only one woman among the eight members of the Executive Committee. Addressing this imbalance remains a key priority as we continue our efforts to promote greater diversity in leadership.

Diversity of Gojo holdco

Nationalities



Gender



Women now make up 11% of the total workforce across Gojo's majority-owned companies, similar to last year (12%). There continues to be room for initiatives to hire more women in some countries, especially India and Sri Lanka. In these regions, loan officer roles have typically been held by men due to safety concerns, cultural traditions, and the nature of the work. However, we see from other countries such as Myanmar that women can thrive in loan officer positions. We will continue to seek different ways of doing business that encourage gender diversity in our workforce.

Team lunch at Gojo Tokyo office, 2025 / **Taejun Shin**

Employee well-being through flexibility

Gojo aims to create the most flexible workplace to attract diverse talents across the globe, and encourage them to enjoy their private life as much as their work life. We allow employees to work from anywhere, anytime. Part-time work at Gojo is quite common, and some members work only two or three days a week. Full remote work is possible, and allowances are given for employees to set up a comfortable working environment at home. Parental leave by both genders is strongly encouraged.

However, giving the freedom to work in a flexible way can also lead to potential overworking which needs to be taken care of. On top of the initiatives listed as a response to the result of the employee satisfaction survey, we continue to have a monthly check-in where employees meet with their supervisor to discuss overall well-being and any challenges they might face. Lastly, an annual health checkup is in place which is mandatory for all employees to help them keep track of their physical health, the cost being supported by Gojo.

By putting these initiatives into practice, Gojo is building an environment where everyone feels supported, valued, and empowered to thrive. We remain committed to further strengthening our well-being initiatives for sustainable growth.

Interview

Yoko Matsumura

(Legal and Compliance Manager, Gojo)

Since October 2023, Yoko has been leading legal and compliance matters at Gojo. A qualified attorney in Japan since 2009, she previously worked in a global law firm and a listed company.

When I joined Gojo, I was inspired by its mission to expand financial inclusion, but I also had concerns. As a mother of two young children, taking on a critical legal role in a fast-growing startup felt daunting. I wondered if I could balance the demands of the job with being present for my family.

What motivated me was a personal belief: I wanted to show my children, especially my daughter, that parenthood doesn't mean giving up on your ambitions.

What truly makes this balance possible isn't just remote work or flexible hours—though those are helpful—it's the culture. At Gojo, personal life is genuinely respected. There's a deep, shared understanding that family matters, and this trust allows me to care for my children without guilt or hesitation.

Parental leave is encouraged for all, and colleagues step up to support one another, ensuring that everyone feels comfortable taking leave to enjoy special moments with their new families. Seeing this in action has made me feel confident that I joined the right company. In the Guiding Principles that we follow, there is a principle about the family—*While we work hard, we have fun and do not sacrifice our individual or family life*—and everyone seems to truly live by this principle.

At Gojo, we don't just pursue impact externally, we live it internally. And that's what makes this place truly special.

MAXIMA staff in the field / **Guerol Sari**

Integrity as a foundation

A strong ethical foundation is essential for a thriving workplace. At Gojo, clear policies and guidelines ensure that integrity, accountability, and respect remain central to how we operate, both within our organisation and across our group companies.

Employees have access to a whistleblowing system that provides a safe and confidential way to report misconduct, unethical behaviour or serious policy violations. Every concern raised is addressed by the Whistleblowing Committee chaired by an Outside Director, with strict protections against retaliation. Maintaining a respectful workplace is equally important. Our Harassment Policy defines clear standards to prevent and address any form of harassment or discrimination, ensuring a safe and inclusive environment for all. Beyond individual policies, the Code of Conduct serves as a guiding framework for ethical decision making reinforcing principles of fairness, responsibility, and professionalism in all interactions.

We also ensure integrity at our group companies through several initiatives. Similar to Gojo, they have Code of Conduct, Harassment Policies, and Whistleblowing Policies (both at the group company level and also a direct channel to Gojo). Through SPI audits and Client Protection Certification processes as well as our regular internal audit activities (again both at group company level and also by Gojo Internal Audit Department), we monitor and identify any misconduct which requires attention.

Gojo continues to foster a culture where trust, transparency, and ethical conduct are not just expectations but the foundation of how we work.

Interview

Sok Kosal

(Deputy COO, MAXIMA)

Sok Kosal has been with MAXIMA since 2012. He started his career as a loan officer and, after holding various field operation roles, now heads the department driving digital transformation.

——What is the job of a loan officer at MAXIMA?

Now the role is called Community Banker at MAXIMA because, after adopting a branchless business model, our loan officers focus more on building community among clients. A Community Banker's job has three main components: (1) find new clients, (2) assess loans, and (3) maintain client relationships.

Unlike traditional loan officers at MFIs, they don't commute to a branch; instead, they visit clients directly and meet their manager (former branch managers) in places such as pagodas and coffee shops. They can now use former commuting time for client sourcing and visits.

Roughly speaking, 50% of their time is spent finding new clients and 50% meeting existing clients.

——From your point of view, what is most important in terms of Client Protection Standards in your interaction with clients?

Fair treatment of clients is the most important. We must communicate with them respectfully in any situation. Privacy protection is also very important. Loan application information is private, so we must make sure it is handled with care. If we don't, rumors spread in villages and our business becomes very difficult; bad reputations travel fast.

——How does MAXIMA ensure Client Protection Standards are met? What policies are in place, and what training do you receive?

We have an SEPM Policy, and the SEPM Team works diligently on trainings based on the policy. All new staff receive in-depth SEPM training with practical examples, and are provided refresher training at least annually. The SEPM Team also reviews reports—such as client satisfaction surveys—to ensure compliance with Client Protection Standards.

The key is to understand and empathise with each client's situation.

Landscape after passing a 5,000 metre hill in Ladakh, India / Taejun Shin

Environment

Since launching our Environmental Policy and Roadmap in March 2023, we have made steady progress across our three focus areas: (1) controlling our GHG (Greenhouse Gas) emissions and reducing them to a minimal amount, (2) including environmental considerations pre- and post-investment, and (3) offering green products and services to help clients mitigate and adapt to the climate crisis.

Quantifying our environmental impact

In FY2025/03, we expanded our GHG emissions monitoring efforts to include both head offices and branch networks of MAXIMA, Sejaya, MIFIDA, Ananya (including its subsidiary Prayas), and Humo, alongside Gojo's office in Tokyo. This increase in data coverage enhances our understanding of our environmental footprint and supports the development of group-wide emissions targets.

We follow the GHG Protocol[23] which defines Scope 1 emissions as direct emissions from owned sources. As such, we include emissions from travel by company-owned vehicles in our calculation. Scope 2 emissions are indirect emissions from the consumption of purchased energy, so emissions from electricity and water usage are accounted for. Scope 3 emissions encompass business travel using non-company vehicles, employee commuting, and office consumables like paper and plastic goods. While client-related emissions which should be under Scope 3 are not currently included due to complexity and data limitations, we actively promote environmental risk assessments within loan appraisal processes across our group companies.

23 Greenhouse Gas Protocol (GHG Protocol) was jointly convened in 1998 by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI). It was created as an international standard for corporate accounting and reporting emissions.

Client of MAXIMA, who switched the crop from rice to cucumber as it grows faster than rice / **Taejun Shin**

FY2025/03 GHG emissions (kg CO2eq)*

	Scope 1	Scope 2	Scope 3
Gojo	0	5,078	81,164
MAXIMA	5,363	23,799	130
Sejaya	12,461	18,684	n.a
MIFIDA	6,934	73,308	4,160
Ananya (including Prayas)	980	45,350	121,504
Humo	67,480	869,638	n.a

* Emissions figures reported by group companies are not directly comparable due to variations in reporting scope. For example, Humo includes both its head office and branches in its Scope 1 and Scope 2 emissions, whereas most other companies report data from the head office only. Gojo's Tokyo office reports no Scope 1 emissions, as it does not operate any directly owned emission sources. In Scope 3 reporting, Ananya includes employee commute data for both head office and branches, contributing to higher reported emissions. In contrast, Sejaya and Humo did not report any Scope 3 emissions during this reporting period.


Humo client and his horse. He also raises cows and sheep / Taejun Shin

Continuing the journey toward environmental responsibility
Our group companies continued to take action to reduce environmental impact across their operations and communities.

As reported in previous Impact Reports, several key initiatives remain ongoing: MIFIDA, along with other group companies, continues to incorporate environmental risk assessments into their lending practices, Humo maintains its partnership with GEFF (Green Economy Financing Facility) to expand green finance offerings, and SATYA and MAXIMA provide WASH loans that improve access to clean water and sanitation. These efforts remain active and relevant in FY2025/03.

We also highlight new initiatives that build on this foundation. Credo offers agricultural insurance products that enhance Georgian farmers' resilience against climate-related risks as an agent to insurance companies. The livestock insurance product safeguards farmers from financial losses due to cattle illness, injury, or death caused by both environmental and non-environmental events. The crop insurance product covers a variety of crops, including vineyards, cereals, legumes, and citrus fruits, against natural disasters common in Georgia such as hailstorms and flash floods. These products empower Credo's clients to recover from climate shocks and sustain their livelihoods.

In addition, employee engagement remains a key pillar of environmental stewardship. Each year, MAXIMA organises city clean-up drives in its operational areas, involving not only staff but also their families and local authorities. These activities foster environmental awareness and promote a shared culture of responsibility within the company and the broader community.

Looking ahead
While we are encouraged by our progress, we recognise that we are still early in our journey to becoming a truly environmentally responsible financial institution. As noted in the B Corp section, our low score in the "Environment" impact area underscores the urgency of accelerating action. We remain focused on building internal capacity, expanding emissions tracking, and scaling green initiatives in the years ahead.

How Arvand is driving environmental impact in Tajikistan

Arvand continues to make significant strides in advancing financial inclusion and environmental sustainability across Tajikistan, guided by its ESG roadmap. To implement this plan, an internal ESG Transition Plan Working Group was formed in June 2023, bringing together staff from various departments to drive efforts in the following three pathways.

Environmental Sustainability

One of Arvand's key goals is to adopt responsible waste management practices. The company has already conducted an assessment of the types of waste generated across its operations. The next steps include a more effective waste segregation system and forming partnerships with recycling companies. Another focus is expanding Arvand's portfolio of green products. As of March 2025, green loans—supporting projects like drip irrigation and rainwater harvesting—make up approximately 9.5% of Arvand's total loan portfolio. The company plans to further expand its green product offerings to grow this share.

Social Responsibility

Arvand aims to embed a culture of social responsibility within the organisation. This includes conducting ESG and sustainable development webinars for employees across the head office and all branches to raise awareness and promote environmentally responsible behaviours. As of March 2025, nine such webinars have been conducted. Additionally, 188 employees have completed training in green finance, covering topics such as energy efficiency and climate adaptation.

Corporate Governance

Under this pathway, Arvand is working to strengthen its governance framework. Efforts include enhancing internal control by including environmental considerations into policies and procedures, disclosing ESG-related data on its website and in annual reports, and obtaining external sustainability certifications. Notably, Arvand has already achieved the last point, receiving an 'A' rating from Agents for Impact. This rating was based on their AFISAR (Agents for Impact Sustainability Assessment and Rating) tool, which measures how closely a company's sustainability practices align with the SDGs.

Through these initiatives, Arvand is committed to contributing to a more sustainable Tajikistan.

Closing Remarks by Our Outside Director

Kshama Fernandes, our Outside Director, is a leading figure in the Indian financial markets and in the field of impact investing. She has three decades of experience in capital markets, risk management and structured finance, with the last 15 years focused on the financial inclusion space in India. She has advised the World Bank and the Government of India and currently serves as Vice Chairperson of Northern Arc Group, which connects underbanked institutions and businesses with capital markets investors.

FY2025/03 has been particularly challenging, especially in India, where a record-breaking heatwave, a downturn in the microfinance sector, and a sharp decline in market valuations placed immense pressure on both financial institutions and clients.

In May and June of 2024, India experienced one of its most severe heat waves in recorded history. Temperatures exceeded 45 degrees Celsius across many regions and even surpassed 50 degrees in parts of Rajasthan and Delhi. This extreme weather event claimed many lives due to cases of heatstroke. The agricultural sector was heavily affected with significant yield losses in crops. These losses severely impacted rural incomes and forced many low-income households to borrow from multiple financial institutions, including informal lenders, to cover basic needs. This exacerbated existing issues of over-indebtedness and put further strain on borrowers' repayment capacity. Microfinance institutions that lend to many who are vulnerable to economic and environmental shocks, felt the seriousness of the issue as borrowers' ability to repay weakened, overdue payments surged, and lending activities slowed.

Responding to the situation at the industry level, important steps are being taken to address the root causes of over-indebtedness. In August 2024, MFIN (the Microfinance Industry Network), an industry association for microfinance institutions in India, introduced new guardrails to reinforce lending discipline. These include limits on borrower exposure and strengthened requirements for income assessment—measures aimed at improving portfolio quality and at protecting clients from debt stress.

This is a good time to remind ourselves of the positive momentum in India's long-term fundamentals. The country is undergoing a demographic and technological shift that is reshaping the financial landscape. Digital adoption is accelerating, internet access in rural areas is expanding, and the cost of smartphones and mobile data continues to decline. While these aren't the only measures of progress, these trends are paving the way for more inclusive, tech-enabled financial services and a more resilient foundation for the sector.


A client of SATYA who lives in Jaipur, India / **Hiroko Hirota**

By the final quarter of FY2025/03, we began to see signs of stabilisation within Gojo's India operations, in line with these broader macro trends. Although PAR rose significantly over the course of the year, the pace of increase has slowed—an early indicator that conditions may be beginning to turn.

As the saying goes—*a smooth sea never makes a good sailor*—, Gojo made meaningful progress this year despite the difficulties. We strengthened our overall resilience by expanding our global footprint and deepening our presence in multiple regions. This geographic diversification was not only a risk mitigation strategy—it also reaffirmed our belief that inclusive finance can be both socially impactful and financially sustainable across diverse contexts.

When conditions are tough, it becomes even more critical to stay grounded in what matters most. For Gojo, that means keeping governance and social and environmental performance at the heart of everything we do. We believe that our ability to deliver meaningful, long-term impact depends on this foundation. As this report illustrates, impact is not just measured in numbers—it is reflected in the systems we build, the choices we enable, and the trust we cultivate for the long-run.

We are deeply grateful to our group companies, our employees, and all our stakeholders who continue to move forward—despite uncertainty—with clarity, integrity, and empathy for those we serve.

Abbreviations

AFISAR = Agents for Impact Sustainability Assessment and Rating

ALINUS = Aligning investors due-diligence and reporting with the Universal Standards

CSS = Client Satisfaction Survey

CSR = Corporate Social Responsibility

DRC = Democratic Republic of the Congo

EBRD = European Bank for Reconstruction and Development

ESG = Environmental, Social, and Governance

GEFF = Green Economy Financing Facility

GHG = Greenhouse Gas

GRI = Global Reporting Initiatives

JLG = Joint Liability Group

LLM = Large Language Models

MFI = Microfinance Institution

MFIN = Microfinance Industry Network

MIS = Management Information System

MSME = Micro Small and Medium Enterprise

PAR = Portfolio at Risk

SDGs = Sustainable Development Goals

SEPM = Social and Environmental Performance Management

SME = Small and Medium Enterprise

SPI = Social Performance Indicator

USSEPM = The Universal Standards for Social and Environmental Performance Management

WASH = water, sanitation and hygiene

Data points presented in this report

The data mapping process for this Impact Report involved creating a list of all impact indicators for each stakeholder and their corresponding location in the report. We then mapped the indicators to their relevant SDGs (Sustainable Development Goals) goals and GRI (Global Reporting Initiatives) disclosure numbers, following the microfinance industry standard by researching how other MFIs conducted their own data mapping. A few of the indicators Gojo uses could not be matched to any GRI disclosure numbers.

Stakeholder	Indicators	Page	SDGs Target	GRI Standard
Clients	Number of unique clients	8	1 / 8 / 10	203-2
Clients	Number of lending clients	8	1 / 8 / 10	203-2
Clients	Number of savings clients	8	1 / 8 / 10	203-2
Clients	Female clients as percentage of total clients	8	1 / 5 / 10	203-2
Clients	Rural clients as percentage of total clients	8	1 / 10	203-2
Clients	Gross loan portfolio	9	1 / 8 / 10	201-1
Clients	Client satisfaction survey results	37–38	1 / 10	–
Clients	Client exit survey results	38	1 / 10	–
Clients	SPI audit results	39–42	1 / 10	–
Employees	Number of consolidated employees	43	16	401-1

Stakeholder	Indicators	Page	SDGs Target	GRI Standard
Employees	Employee satisfaction survey results	44	16	–
Employees	Programs for employee upskilling	44	16	404-2
Employees	Female employees as percentage of total consolidated employees	45	5	405-1
Employees	Nationalities of Gojo employees	45	16	405-1
Employees	Number of female and male employees at Gojo	45	5	405-1
Environment	Direct (Scope 1) GHG emissions	51	13	305-1
Environment	Energy indirect (Scope 2) GHG emissions	51	13	305-2
Environment	Other indirect (Scope 3) GHG emissions	51	13	305-3

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