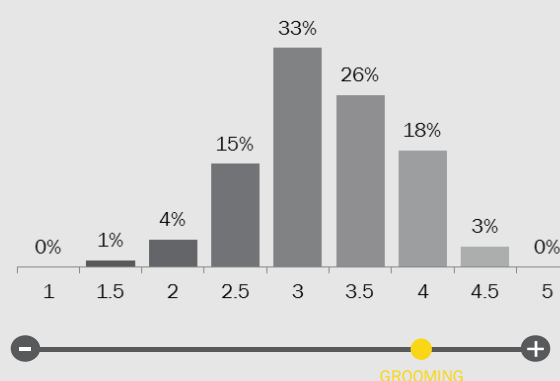


Social Results ³	Excellent
Social Commitment	Good
Date of Information	Sep-15
Validity Date ⁴	Oct-16

SOCIAL RATINGS DISTRIBUTION

MAIN PERFORMANCE INDICATORS

Social Profile Nigeria	Sep-14	Sep-15
Poverty Rate	n/a	n/a
Extreme Poverty Rate	n/a	n/a
Unemployment Rate	n/a	n/a
Indicadores Grooming Centre		
Loan Portfolio (US\$000)	\$93,181	\$98,209
Number of Borrowers	407,707	476,673
Total Savings (US\$000)	\$29,347	\$33,326
Number of Savers	436,446	486,797
Clients in rural areas (%)	60.0%	60.0%
Female clients (%)	99.5%	99.5%
Cost per borrower	\$50	\$51
Client retention	n/a	n/a
Annual percentage rate US\$ 250	87.1%	87.1%

GROOMING CENTRE

Grooming People for Better Livelihood Centre (Grooming) is an NGO founded in 2006, in Lagos (Nigeria). It covers, as of September 2015, 22 states (out of 36) with a network of 376 branches.

The institution serves 476,673 borrowers using a mixed individual/group lending methodology, for a loan portfolio of US\$98 million and an average loan size of US\$206. It collects member deposits totaling US\$33 million.

RATING RATIONALE

Grooming shows excellent social performance and important improvements since the last social rating by MicroRate. The Microfinance Institution (MFI) is characterized by strong social commitment, serving the very low niche of the micro-finance sector efficiently and respectfully. The institution's commitment to its staff is remarkable.

The MFI focuses on lending to female microentrepreneurs. Financial and social objectives are well balanced. An excellent financial position has allowed the MFI to grow rapidly and it assures that services will be provided in the future. A high degree of compliance with Client Protection Principles has been achieved. However, there is room for reducing the cost of credit gradually in the future as the institution grows.

The strong social focus also drives important contributions to the community. Top management is deeply committed to the social performance since the MFI's inception. The strategic plan, which maps out the financial future, could be expanded to include social goals. Customer service, which already is excellent, could be further strengthened if more weight were given to training staff in social issues.

HIGHLIGHTS
Social Results

- » Serving efficiently low income women
- » Commendable commitment to staff
- » High compliance with Client Protection Principles
- » Important contribution to the community

Social Commitment

- » Strong social focus at the board and senior management level
- » Clear and well communicated mission
- » Opportunity to further strengthen the strategic plan and monitoring of social performance

¹ MicroRate is a member of the Social Performance Task Force (SPTF). This social rating is aligned to the Universal Standards of Social Performance Management.

² See Annex I.

³ See Annex II.

⁴ The rating is valid up to one year after the field visit. MicroRate reserves the right to modify the rating at any time due to changes that may occur.

ANNEX I: SOCIAL RATING GRADE DEFINITIONS

Social Rating A MicroRate Social Rating measures the social performance of a microfinance institution (MFI).

★★★★★ 5 stars: The MFI has a World Class level of social performance.

★★★★☆ 4 stars: The MFI displays an excellent level of social performance.

★★★☆☆ 3 stars: The MFI displays a good level of social performance.

★★☆☆☆ 2 stars: The MFI has a moderate level of social performance.

★☆☆☆☆ 1 star: The MFI has a weak to no social performance.

Social Results

Excellent
Good
Moderate
Weak

Evaluates the social outcomes of an institution's operations.

Social Commitment

Excellent
Good
Moderate
Weak

Evaluates the institution's social orientation and degree of social mission fulfillment as well as its social performance management.

Rating Outlook Expected direction of the rating grade over the 12 months following the rating.

Positive The rating is expected to increase.
Stable The rating is expected to remain unchanged.
Negative The rating is not expected to remain unchanged.
Uncertain Due to unpredictable factors, a rating outlook cannot be determined.

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