



2024 Impact Report



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2024: A year of Consolidation & Commitment



Bianca Le Thanh
Group Social
Performance Director

Hervé Guyon
General Counsel
Baobab Group

In 2024, Baobab Group reaffirmed its core identity — mission, vision, and values — setting a renewed ethical foundation for the years ahead. Ten years after our last strategic redefinition, we took the time to revisit what drives us: responsible finance, client protection, and continuous impact.

This year was also marked by the continuation of our client protection journey in partnership with Microfinanza, with in-depth assessments conducted in Baobab Senegal and Baobab Nigeria. Senegal completed a pre-certification assessment, and in 2025 we will pursue a CPP certification, a rigorous process based on the Client Protection Principles. If successful, this third-party recognition will re-affirm our commitment to protecting our clients and reflect responsible practices in Baobab.

We also laid the groundwork for a carbon footprint measurement at Group level, to be launched in 2025 — a major step in raising awareness and managing our environmental impact. Throughout the year, each subsidiary

advanced its local social environmental performance management action plan, tailored to its specific context, while aligning with our Group-wide client protection framework. These actions vary from highly targeted operational to broader strategic improvements — all rooted in our structured approach of assessment, analysis, action, and improvement.

After three years of impact measurement, we now turn lessons learned into better implementation. What lies ahead is a cycle of continuous improvement, driven by KPIs and a shared ethical compass.

As we look to 2025, Baobab is entering another cycle with greater intention, clarity, discipline, and purpose. The work continues — and so does our ambition to listen and serve clients better, protect their rights, and grow responsibly. ■

Our History

**From seedling idea to thriving ecosystem:
How Baobab became a leader of digital financial inclusion**



2005



The foundation

The Baobab story begins in 2005, with the foundation of Microcred, supported by Positive Planet (formerly PlaNet Finance) via its Chairman Jacques Attali, and co-founder Arnaud Ventura as well as shareholders AXA Group, the European Investment Bank (EIB) and the International Finance Corporation (IFC). We started with the belief that everyone deserves access to fair finance. And we set out to provide just that, with a range of fair financial services.

The vision

From Microcred's first loan in February of 2006 (funding a fruit and vegetable stand) to the launch of instant loans via our mobile app, the Group's vision has always been to fuel the ambitions of people, so that great ideas and communities can flourish.

After starting operations in Mexico in February 2006 (exited 2010), the second country we offered loans in was Madagascar (November 2006). Since this landmark moment, the Baobab Group has never stopped growing and developing on the African continent.

2006

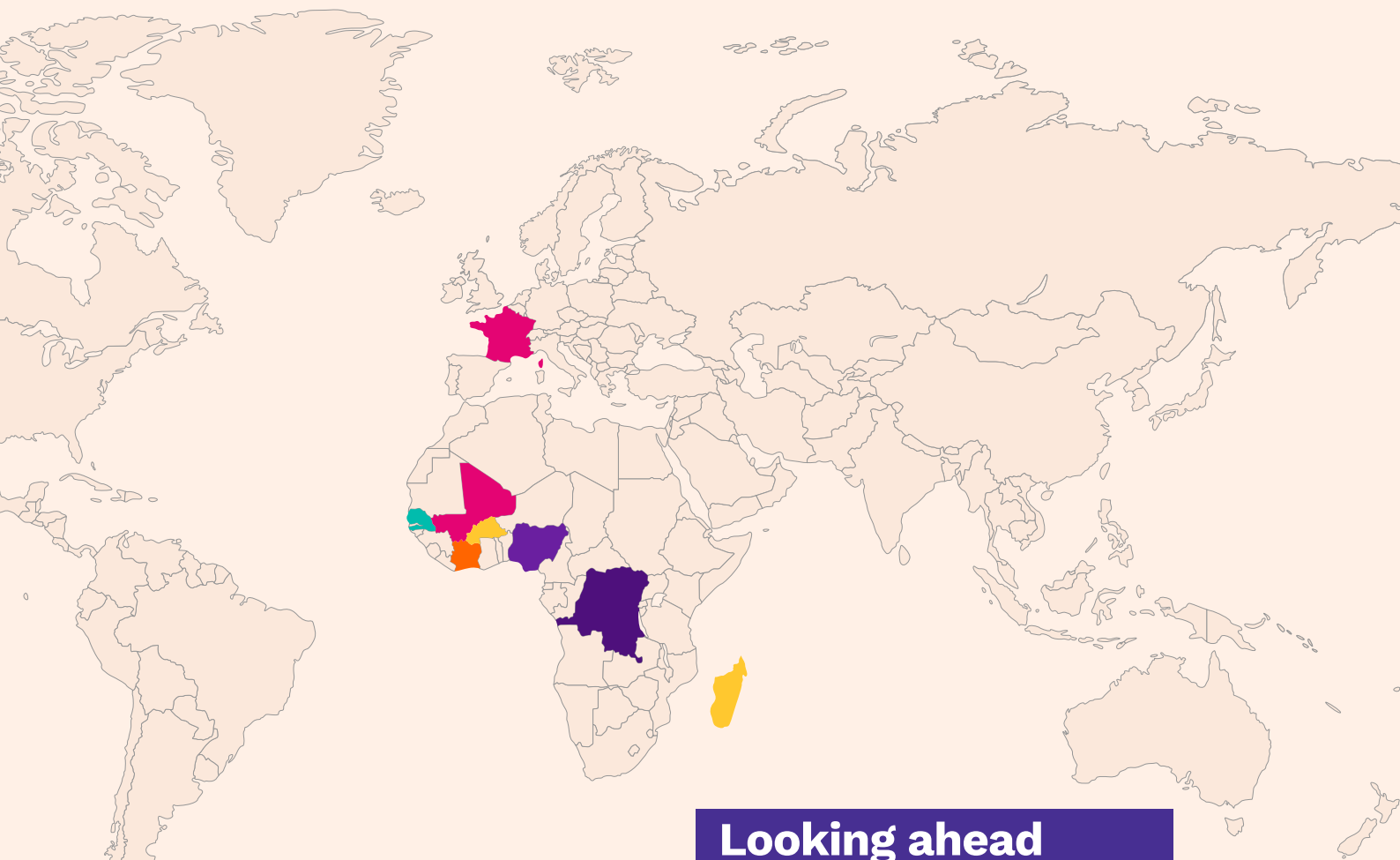


2007



Launched in China

We are also proud to have been the first Microcredit Company in China: in 2007, we launched operations in the province of Sichuan. Currently, the Group operates subsidiaries in Burkina Faso, China, Democratic Republic of Congo, Ivory Coast, Madagascar, Mali, Nigeria and Senegal.



2018

Microcred becomes Baobab

In 2018, we cemented this by taking the name Baobab. Strong and resilient, the African baobab — or 'tree of life' — thrives in harsh conditions, providing food, shelter and water to millions. Committed to supporting its customers beyond financial services, the Group founded Baobab+ in 2018 to offer non-financial solutions. Today, Baobab+ brings access to light and digital technologies—two drivers of economic development—within reach of rural populations.

Looking ahead

Moving ahead, Baobab is deepening its roots in the local communities it serves.

Having exited China, Baobab is now fully focused on Sub-Saharan Africa, where it is strengthening its presence and impact. We're combining the best aspects of automation and scaling with the intimacy born of our unparalleled network of field agents to connect people through trust — in life and in business.

And the best part is that by continuing to flourish itself, Baobab can extend its efforts to ever more entrepreneurs, supporting a virtuous circle of shared prosperity in the communities we serve.

2024



Baobab's Mission and Vision Statement

Our Mission

To empower
small businesses
in Africa



Our Vision

To become the leading financial
services provider to small
businesses in Africa.
We place the customer at the
heart of our strategy and enhance
financial inclusion to shape a
brighter future



Our Values



Proximity

We are close to our customers and staff members, and easily accessible



Integrity

We are honest, respectful and fair



Simplicity

We keep things simple, understandable and efficient



Transparency

We are committed to being transparent and accessible to our customers



Commitment

We strive to establish a relationship of trust with our customers and employees

Our impact at a glance

Baobab is a financial services group with operations in seven countries on the African continent and one province of China. Via its subsidiaries, Baobab provides financial services to half a million micro entrepreneurs and small businesses, **fulfilling its mission to empower small businesses in Africa**. Our global range of products includes loans, savings solutions, insurance, transaction and daily banking services as well as innovative banking products like mobile payments, digital nano loans & also pay-go solar products via our subsidiary Baobab+.



loans



savings



insurance



payments

Operational outreach key figures



1,662,238
total customers



49%
women
customers



526,136
Yearly Active
Customers (YAC)



33%
of customers
are under 35



4,397
employees



273,267
Monthly Active
Customers (MAC)



1,550
sales points**

Financial key figures



€797m
loan portfolio



€3,013
average loan amount



€438m
total deposits



2.7%
portfolio at risk 30 days

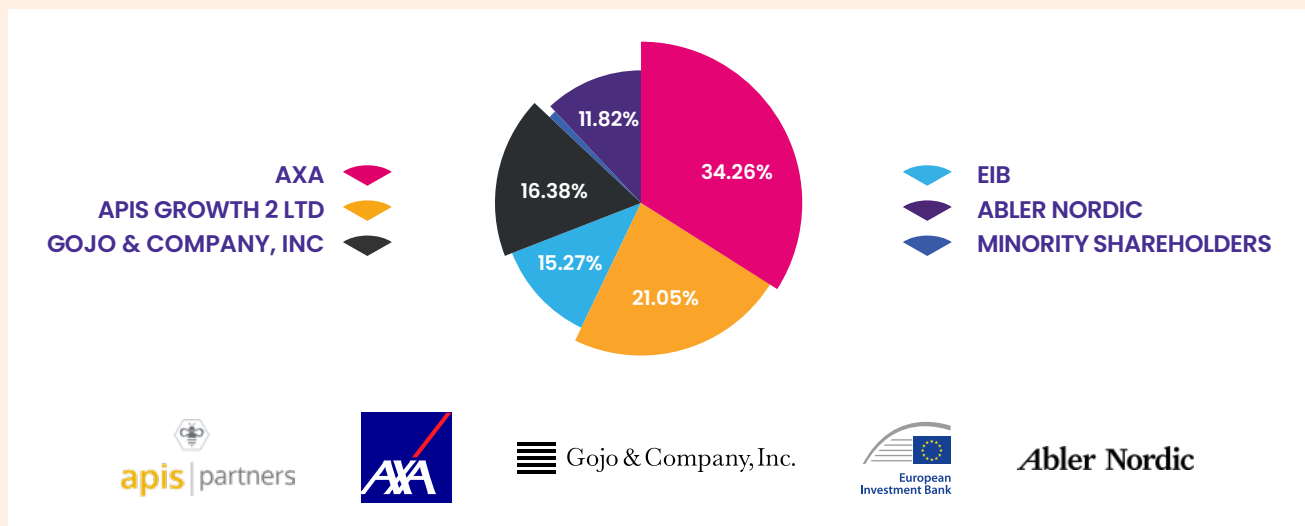
Note:

m : amounts are
in millions
€ : euro

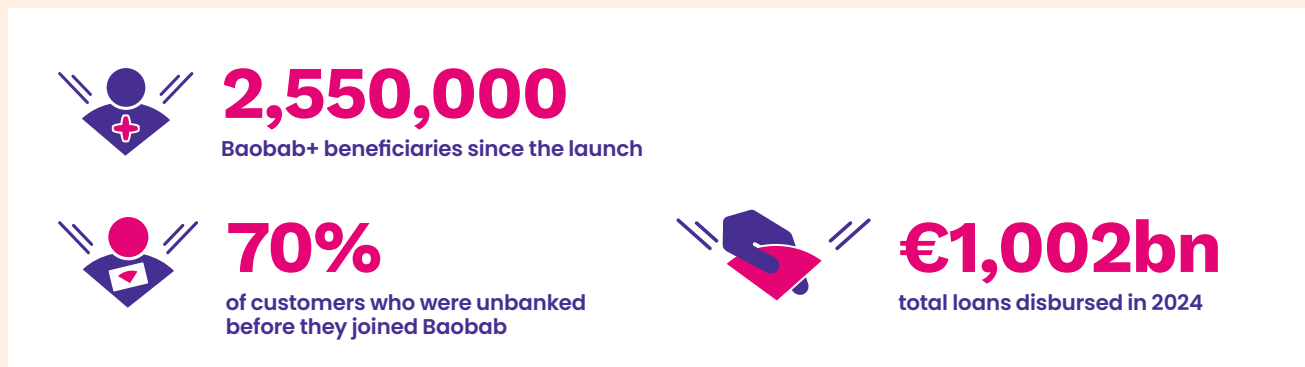
* An active customer is a person or a legal entity having done a transaction on a Baobab account over the last 12 months.
** Sales points includes our branches and our network of banking agents.



Our Governance



Social impact



Our contributions to SDGs



No poverty

70%

of customers banked thanks to Baobab

€1,002bn

total loans disbursed in 2024

€3,013

average loan disbursement in 2024



Quality education

3,210

Number of employees trained in 2024

396

Number of managers trained

137,113

Number of hours of training attended

56%

women trained

3,551

Number of active employees on the Baobab Academy online training platform

5

GENDER
EQUALITY

Gender equality

43%

women employees

43%

women managers

49%

women customers

31%

of our app users
are women

7

AFFORDABLE AND
CLEAN ENERGY

Affordable and clean energy

2,550,000

Baobab+ beneficiaries
since the launch

310,000

homes equipped since
the launch of BB+

75%

increase in study time
(source 60 decibels)

8

DECENT WORK AND
ECONOMIC GROWTH

Decent work and economic growth

257,000

active borrowers

3,028,000

digital transactions

476,818

of active
depositors

47%

of SME Loans

67,000

customers with access to the
digital payment service

13

CLIMATE
ACTION

Climate action

264,105

kerosene lanterns that have
been replaced

3,706,979

Watts of clean energy

333,239

Metric tons of CO₂eq
that have been saved



Our initiatives



Baobab's Green, Social & Sustainable Bond:

A Strategic Move for Financial Inclusion and Sustainability

Why Did Baobab Senegal Launch a €30 Million Bond on the Regional Financial Market?

The "GSS Baobab 6.8% 2024-2025" (Green, Social, and Sustainable) bond, recently listed on the BRVM, marks Baobab Senegal's third capital raise. This issuance stands out as it is labeled green, social, and sustainable, underscoring our strong commitments to the United Nations Sustainable Development Goals (SDGs), as validated by an independent Second Party Opinion (SPO) from Microfinanza.

The primary target of this bond issue is micro, small, and medium-sized enterprises (MSMEs), particularly those led by women and young entrepreneurs in various stages of growth. This initiative also pushes us beyond our traditional focus on trade finance, enabling us to support at least 5,000 MSMEs in sectors with high socio-economic impact.

A portion of the funds will be allocated to healthcare and pharmaceuticals to improve access to medical services and social protection. We are also strengthening our commitment to sustainable agriculture, integrating climate resilience into farming practices—such as drought-resistant seeds, efficient water management, soil regeneration, and the use of organic inputs.

Additionally, we aim to finance projects that reduce greenhouse gas emissions, particularly in clean energy and sustainable transport, including fleet renewal programs and the promotion of electric vehicles.



Interview with
Serigne Bamba Mbacké Diop
Deputy Managing Director – Baobab Senegal

Ultimately, this bond issuance is about high-impact financing—creating jobs, fighting poverty, promoting environmental preservation, and empowering women and youth. It also paves the way for the adoption of Responsible finance, which will become integral to our business model.

Who Are the Investors in This Bond, and What Are Its Terms?

The "GSS Baobab 6.8% 2024-2025" bond was launched in September 2024 and was fully subscribed at 20 billion FCFA (€30 million), reaching 100% of the target. It has a five-year maturity with a one-year grace period, offering a gross yield of 6.8% with semi-annual coupon payments.

The transaction, arranged by CGF Bourse, attracted leading institutional investors, including the African Local Currency Bond Fund (ALCB Fund) and the International Finance Corporation (IFC). Other key subscribers include the West African Development Bank (BOAD), commercial banks, pension funds, and insurance companies, bringing the total number of investors to 140 participants across the WAEMU region.

We extend our gratitude to all stakeholders for their trust, with special recognition to retail investors, who contributed over 5% of the total issuance.

Will Baobab Group Launch Similar Bonds in the Future?

This transaction is historic—it is the first private GSS bond issued in Senegal and the sub-region. It aligns with Baobab's pioneering approach, as seen in our early adoption of agency banking, mobile applications, and now ESG-labeled bonds. We aim to replicate this success in other WAEMU countries where we operate.

Our ambition is to become the leading provider of impact-driven financing. In 2023, Africa accounted for only 1% of the world's ESG-labeled bonds, despite facing severe climate challenges such as droughts and floods. The businesses we support are the most vulnerable to these risks, making SDG-aligned financing critical.

Furthermore, ESG bonds provide access to long-term capital at competitive rates, benefiting our clients. A testament to this is our recent concessional financing initiative with La Banque Agricole (LBA), which has just secured approval from the Green Climate Fund (GCF).



A final word ?

Baobab Senegal's €30 million GSS bond is more than a financial transaction—it is a commitment to sustainable and inclusive economic growth. By supporting women, young entrepreneurs, and climate-resilient businesses, this initiative positions Baobab as a leader in impact-driven finance.

As we scale our ESG ambitions, we are setting the foundation for future green and social bond issuances, driving innovation, and reshaping the financial landscape in Africa.



Ampela: Empowering Women for Madagascar's Socio-Economic Transformation



Interview with
Harimboahangy RANARISON
Human Resources Director – Baobab Banque Madagascar



What inspired the Ampela project?

The Ampela Project was conceived in 2023, driven by the vision of Baobab's leadership to strengthen women's empowerment in Madagascar. With women representing 50% of Baobab's client base, a striking imbalance was observed: they receive fewer loans than men, despite demonstrating higher repayment reliability and stronger financial management skills. This discrepancy highlighted an urgent need for more targeted support to ensure that women entrepreneurs have equal opportunities to access financial resources and develop their businesses.

Baobab is committed to bridging this gap by empowering women through financial inclusion, capacity building, and market access. The overarching objective of the Ampela Project is to foster socio-economic transformation by equipping women with the tools and resources necessary to thrive. Women play a critical role in Madagascar's economy, particularly in sectors such as fishing, where they are instrumental in sorting and selling products. However, their contributions often go unrecognized and unsupported. The project aims to amplify the visibility and impact of women in the country's economic development.

Beyond financial empowerment, Ampela seeks to inspire young women to pursue entrepreneurship, enabling them to generate income, contribute to household financial stability, and achieve greater independence. Encouraging young women to step into leadership roles is essential to building a more inclusive and equitable economy.

How Does the Ampela Project Work?

Following extensive research and planning, the Ampela Program was built on three core pillars: INFORM – CONNECT – INVEST (I.C.I.).

At the core of the Ampela Project lies a strong emphasis on education and skills development. The initiative is built around financial literacy and business training programs designed to equip women with essential competencies. Baobab has established key partnerships to support this effort, including collaboration with the International Finance Corporation (IFC) and Goldman Sachs Foundation to provide online business training through the 10.000 women program. In 2024, a significant milestone was reached when 300 women participated in a leadership and self-development training session attended by the First Lady of Madagascar, coaching session organized by HOPE program.

Baobab's commitment to financial education extends beyond its female clients. Internal programs also provide training for men, fostering a culture of inclusive financial literacy. Special Ampela AfterWork sessions have been introduced to engage women entrepreneurs in discussions about personal and professional development. These gatherings have proven valuable in creating a sense of community and enabling women to exchange experiences and insights.

As the project evolves, Baobab is working to strengthen business networks and expand market access for women entrepreneurs. By fostering connections among women, the initiative aims to

help them integrate into national and international markets, creating opportunities for growth and economic advancement. Networking is a key component of the project, as it enables women to learn from one another and establish valuable business relationships.

Looking ahead, financial inclusion remains a critical priority for Ampela. Efforts are underway to develop customized financial products tailored to women's associations and business cooperatives. In parallel, Baobab is engaging with incubators, associations, and women-led enterprises to provide specialized financial support. Recognizing the pressing need for healthcare solutions, the initiative is also exploring microinsurance products that will improve women's access to health services and social protection.



What are the key milestones in 2024 & the challenges for 2025?

The year 2024 marked a series of significant achievements for Ampela. Two dedicated Ampela AfterWork events were organized, providing a platform for female entrepreneurs to connect and exchange knowledge. Additionally, the project established partnerships to support 300 women from diverse backgrounds, including the wives of police officers and survivors of domestic violence. These initiatives reflect Baobab's commitment to financial and social empowerment, ensuring that women from all walks of life have access to the resources they need to succeed.

Building on this momentum, 2025 will be a pivotal year for Ampela's expansion. Through local networks and community partnerships, the initiative has the potential to impact up to 300,000 women. Baobab is also planning to extend Ampela AfterWork sessions beyond the capital, ensuring that women in remote areas have access to these

opportunities. To further solidify the program's impact, Ampela Ambassadors will be introduced in different regions, serving as focal points for women seeking guidance and support.

An exciting development for 2025 is the introduction of the Ampela Trophy, which will recognize outstanding achievements in five categories, including digital innovation and export excellence. This initiative aims to celebrate and encourage the entrepreneurial spirit of women across Madagascar. To ensure the effective implementation of these ambitious projects, a dedicated project coordinator will be joining the Ampela team, enhancing the initiative's operational capacity.

Measuring the success of Ampela is essential to its long-term sustainability. Key performance indicators include the number of women and young girls trained, the total hours of training delivered, the number of bank accounts opened, and the volume of loans granted. More importantly, success will be measured by the growth and expansion of businesses supported through the initiative.

The Ampela Program is more than a financial inclusion initiative—it is a catalyst for change. By equipping women with the tools, knowledge, and financial support they need, Baobab is laying the foundation for a more inclusive and resilient economy in Madagascar. The journey is just beginning, but the impact of Ampela will be felt for generations to come.



From Access to Empowerment: How Digital Innovation boosts Financial Inclusion



Interview with
Guillaume Villa
Head of Digital & Transformation

How can digital transformation drive financial inclusion?

For Guillaume Villa, Head of Digital & Transformation, the answer is clear: “Our digital strategy is rooted in a fundamental shift from a product-driven approach to a truly customer-centric one. Our ambition is to empower customers by giving them greater autonomy and becoming their preferred financial services provider.”

How are digital tools strengthening everyday relationships with customers?

One of the most significant shifts underway is the move from a credit-cycle-based relationship to one focused on daily interactions. By digitizing the entire customer lifecycle—from onboarding to payments and servicing—the institution is fostering deeper, more consistent engagement with its clients.

Digital payments, in particular, are changing the game. They allow customers to access their funds at any time and manage their finances autonomously, increasing both transaction frequency and deposit levels. This improved accessibility is a cornerstone of inclusion.

What role does personalization play in this new strategy?

Increased digital interactions are not only improving service but also generating valuable insights. With more touchpoints, the organization gains a better understanding of customer behaviors and preferences. Behavioral analysis will soon enable the delivery of more personalized offers and experiences, tailored to each customer’s needs.

Looking ahead, the use of real-time transaction data will allow for faster, more accurate credit decisions, moving away from static, historical models and improving access for those traditionally excluded.

How is efficiency being improved behind the scenes?

The transformation isn’t only customer-facing. Internally, robotics and process automation are streamlining operations, reducing low-value administrative tasks and freeing up resources. These gains in efficiency are being reinvested in areas that directly support customer development and high-value activities, amplifying the broader impact on inclusion.

What are the main enablers of this digital shift?

Several pillars support this digital transformation.

1. Delivering 24/7 access to funds through digital payments

The roll-out of digital payment solutions has already brought major benefits. Mobile money integrations are live in all key markets—except the Democratic Republic of Congo, where regulatory approval is pending—and card payment services are operational in Nigeria and Madagascar.

Digital transactions have surged, with an average annual growth rate of 86% since 2022. Today, 37% of all transactions are digital, and fewer than half are processed through physical branches. Markets like Nigeria and Senegal are leading the way, following significant product ramp-up efforts.

To build on this momentum, new merchant acquiring initiatives are planned in Nigeria, and interoperability projects are in preparation for both the WAEMU region and Madagascar.

2. Expanding access to digital credit and savings

Digital loans, like TAKA* and ALIP** are scaling up rapidly, with all countries working toward a 50% digital share through platforms.

A 100% digital savings offer recently launched in Nigeria is showing promising adoption, and there are plans to extend it to additional markets.

In parallel, the organization is piloting a digital collection tool in Madagascar to boost efficiency. Future enhancements will include decision engines that use real-time transaction data to grant credit based on current activity rather than past performance—improving both access and risk management.

3. Reaching more customers through diversified digital channels

Expanding and diversifying customer channels is another critical step. The Android mobile app is already available in seven countries, while USSD functionality supports customers in three. Since adopting agile development methods in mid-2023, the teams have significantly improved responsiveness and engagement. The results are promising: a 20% increase in monthly active users since January 2024 and app ratings consistently above four stars. Looking forward, an iOS version of the app will be introduced, eBanking is underway in Madagascar, and USSD services will be expanded to the remaining markets. These new channels will enable even more frequent interactions and personalized marketing via the organization's CRM (Customer Relationship Management) platform.

4. Enhancing internal efficiency through automation

On the operational side, digitalization and robotics are driving efficiency and improving reliability in core banking functions. To scale this progress, the company is establishing an Automation Center of Excellence that will coordinate and accelerate automation efforts across the group.

Key priorities include identifying high-potential automation use cases, strengthening the delivery team, and launching a new loan origination system. This next-generation system, with digital capabilities and automatic credit scoring, was launched in Nigeria in Q4 2024, with a multi-country rollout planned in 2025.

What's the big picture?

"Financial inclusion is not just about expanding access," concludes Guillaume. "It's about enabling customers to truly take control of their financial lives. Through digital innovation, we are building the tools and experiences that will empower them—every day."

* TAKA is a digital nano-credit solution, instantly available to eligible customers identified via scoring.
 ** Alip is an automatic credit renewal system, available to top customers selected through scoring.



Meet our colleagues & clients



Building the Leaders of Tomorrow:

Inside the Baobab Academy Campus

Baobab recently launched the Baobab Academy Campus, a leadership and management training program.

Can you tell us more about this initiative?

We launched the Baobab Academy Campus in April 2024 with the goal of developing future leaders within our organization. This first cohort brought together 24 participants from across our network, including branch managers, headquarters staff, and executive committee members from different subsidiaries. By mixing different management levels, we fostered rich exchanges of experiences between those with a field perspective and those with a strategic vision from headquarters.

The program consists of 18 training modules, evenly split between soft skills development and technical expertise. The training structure is highly interactive, incorporating hands-on learning, neuroscience-based methods, and real-world case studies. We emphasize experimentation and spaced repetition, ensuring that participants can apply their learning immediately.

Beyond formal learning, the Campus is all about learning in motion. Learn a little every day, share the benefits with your team, support change, implement continuous improvement, and strengthen everyone's capacity of innovation.



Interview with
Anne Delvern
Group Training Director

What makes the Baobab Academy Campus different from other leadership training programs?

One key difference is our multi-format learning approach. The academy is designed as a series of four in-person sessions, interspersed with mandatory virtual classes and e-learning capsules. Between sessions, participants engage in group projects, case studies, and collaborative exercises, reinforcing the knowledge they've gained.

Each participant also works on a final project, identifying a customer-driven challenge in their daily work, developing a structured solution, and implementing it. If their project delivers positive results, it can serve as a blueprint for problem-solving across other Baobab branches. This ensures that learning is directly tied to practical improvements within the organization.



Leadership seems to be a major focus of the Academy. Can you elaborate on that?

Developing strong leaders, capable of maintaining strong level of excellence and commitment is at the core of our vision.

The program emphasizes personal leadership, influence, and interpersonal communication, equipping participants with skills in problem/ conflict solving, collaborative interactions , and effective decision-making.

Additionally, we incorporate modules on business ethics and corporate social & environmental responsibility, reinforcing the importance of customer centric and values-driven leadership in today's financial sector.

Beyond leadership, we also cover Baobab's core business functions, including risk management, finance, marketing, human resources, internal and external communications, and corporate strategy. This cross-functional training helps participants develop a holistic understanding of Baobab's operations, encouraging cross-departmental collaboration and strategic decision-making.



What kind of impact has the first cohort experienced so far?

The impact has been remarkable. Participants have expressed a newfound sense of responsibility and confidence in their ability to drive change within Baobab. After just three months, many reported that the program had transformed their daily work and leadership approach.

For example, some have reorganized their teams, improved active listening skills, and created a more open dialogue with employees. One branch manager in Mali demonstrated the real-world impact of this training when, during a period of nationwide bank closures, he collaborated with his team to develop solutions that kept their branch operational in a spirit of customer service.

We've also received outstanding feedback, with high satisfaction scores and positive testimonials from participants.

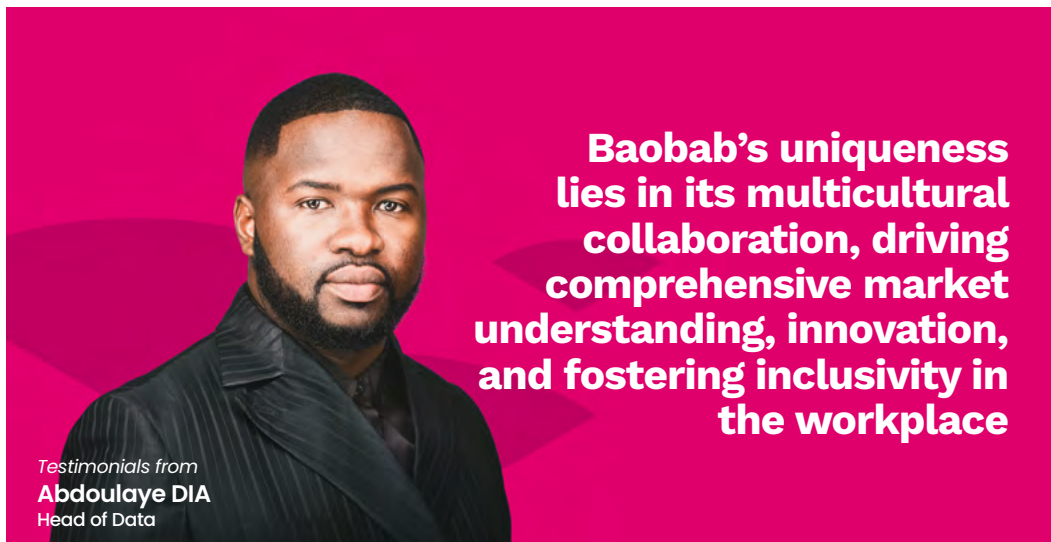
What's next for the Baobab Academy Campus?

Given the success of the first cohort, we're excited to launch the second promotion in April 2025. Our goal is to make this leadership development program a long-term initiative, continuously refining and expanding it to empower more leaders within Baobab.

We strongly believe that great leadership drives sustainable growth, and through the Baobab Academy Campus, we are equipping our teams with the skills, knowledge, and mindset to lead the future of inclusive finance in Africa.



Meet Abdoulaye DIA



My name is Abdoulaye DIA, Head of Data at Baobab Group, based in Dakar. I joined the company in March 2022 with a clear mission: promoting a data-driven culture across the holding departments and subsidiaries. Born in Pikine and raised in Guédiawaye, in the suburbs of Dakar, contributing to Africa's development and my country, even in a small way, is a source of pride.

Our DATA team's goal is to empower the entire organization to make informed decisions based on data, driving efficiency and innovation. This requires constant proximity to real-world challenges, despite the geographical distance.

To address this, we have adopted an Embedded DA model, integrating Data Analysts at the Holding and Data Correspondents within the subsidiaries. This structure strengthens data culture on the ground and amplifies our impact.

What makes Baobab unique is its multicultural collaboration. This is a true driving force, fostering a deep understanding of the market, stimulating innovation, and creating an inclusive and enriching work environment.

What motivates me daily? Knowing that data is more than just numbers—it creates tangible social impact. At Baobab, data is a strategic enabler, facilitating decision-making, improving customer insights, and enhancing operational excellence. Working in Africa's dynamic digital transformation presents countless opportunities for growth, both personally and professionally.

My father used to say:
«Don't settle for being good—strive for excellence, where success becomes a habit.»
I carry this philosophy with me every day, constantly learning, improving, and striving to add value.

Meet Fatou DIAKHATE

At Baobab, I thrive on invigorating challenges that not only fuel my daily motivation but also foster continuous growth and discovery

Testimonials from
Fatou DIAKHATE
Team Lead Application Developer



My name is Fatou DIAKHATE, and I am a Team Lead Application Developer at Baobab. I have been with the company for 10 years, starting as a Support Agent for a year before joining the IT Delivery team as a CBS (T24) Configuration Agent. I then transitioned into a T24 and JAVA Developer role, where I had the opportunity to work on several impactful projects, including TAKA, ALIP, and AML*, which have been particularly significant in my journey.

Looking back on my years at Baobab, I cherish the experience of working in a young, dynamic team that feels like a family, sharing both the good and challenging moments together.

What makes Baobab unique is the constant stream of new challenges—every day brings something different, keeping the work engaging and rewarding.

What drives me daily is the excitement of taking on and overcoming challenges.

My personal motto:
«You must be enthusiastic about your work to truly excel.»

* AML: Anti-money Laundering

Meet Awa Niang



Awa is an energetic vendor operating at the bustling fish market of Yarakh, Dakar. Her journey with Baobab began in 2015, back when the institution was still known as Microcred. From the very start, she received personalized support, benefiting from attentive guidance and a relationship built on trust. Over the years, this bond grew stronger, reinforced by regular interactions marked by professionalism and a touch of warmth.

Awa initially secured a first loan of 200,000 FCFA, a modest amount that helped strengthen her business. As her activity grew, so did her financial needs. She subsequently accessed additional loans of 330,000 FCFA, 500,000 FCFA, and eventually 2,000,000 FCFA, reflecting her entrepreneurial success and the mutual trust established with Baobab.

One aspect Awa particularly values is the flexibility of her partnership with Baobab. Even in times of payment delays, she benefits from understanding and attentive support. Today, with the My Baobab mobile app, she can conveniently manage her repayments without leaving her stall—a true time-saver for her thriving business.

At Yarakh market, Baobab has become a trusted reference among vendors. “My twin sister also works with Baobab, just like my elder sister,” she shares proudly. Awa hopes that the institution will continue supporting women entrepreneurs and expresses her gratitude to Baobab for its unwavering support, which has transformed her journey.



Meet Zoungrana Boureima



Zoungrana, a dynamic entrepreneur from Pouytenga, Burkina Faso, is involved in multiple sectors, including beverage sales, water sachet production, and livestock farming. He discovered Baobab in 2021 through a field agent and quickly decided to trust the institution. Since then, he has benefited from several loans, the latest being a loan of 29 million CFA, which supports and expands his business operations.



For Mr. Zoungrana, Baobab stands out due to its quality support and the responsiveness of its services. «The personalized follow-up and commitment to small businesses make all the difference,» he says. Despite being located 16 km from the closest Baobab agency, he regularly visits and especially appreciates the warm welcome he receives there.

Although he does not yet use the My Baobab app, Mr. Zoungrana actively recommends Baobab to his network, highlighting the significant role the institution has played in the growth of his business. He also suggests expanding financing options, particularly in the construction sector, as he plans to venture into it in the near future. Thanks to Baobab's support, Mr. Zoungrana's business has thrived, and he has created new jobs in his community. «Your financing has truly unlocked my potential,» he concludes gratefully.





Baobab Nigeria Assessment & Initiatives



A glance at Impact Assessment: Focus on Baobab Nigeria

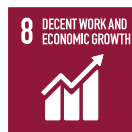
Baobab Nigeria overall objective is to empower their customer's businesses by making financial services more accessible, more inclusive and more transparent.

4/5 Impact Score

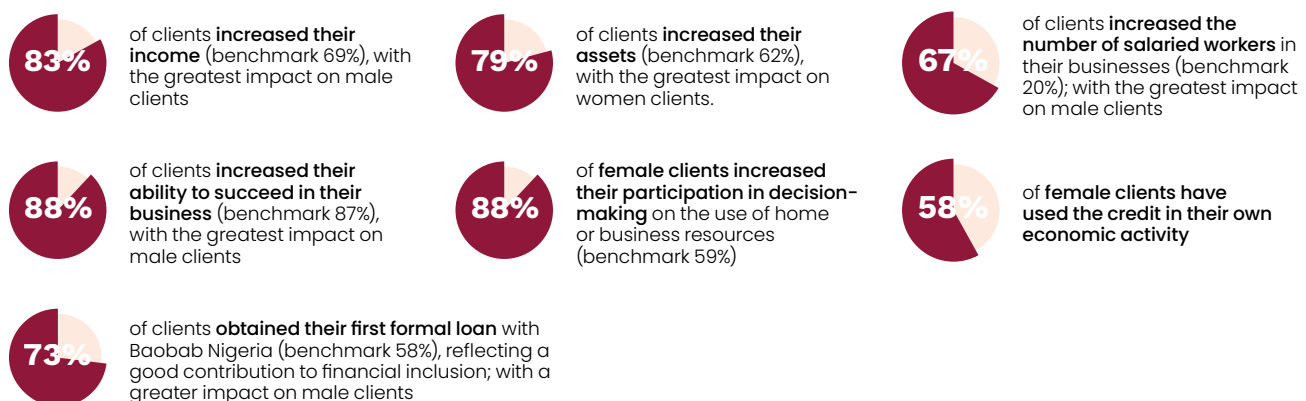
High probability of making a positive impact on the lives of the clients. Good alignment of impact results with the mission and theory of change.

Source: Microfinanza Rating (MFR)

Business



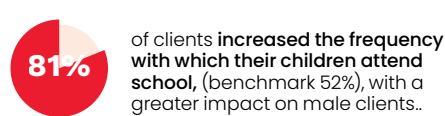
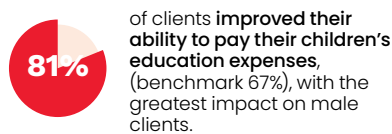
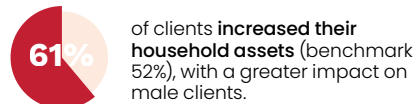
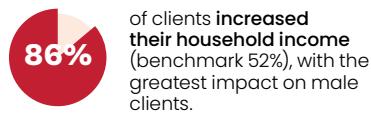
- Good impact results on clients' business plausibly attributable to the services offered by Baobab Nigeria.
- In line with the theory of change, it had a positive impact on the income and assets of the business, in addition to having contributed to maintaining the number of wage workers in the financed business.
- Contributed to the empowerment of women through increased participation in decision-making in the business and home.
- Good contribution to financial inclusion through Baobab Nigeria's services.



Household



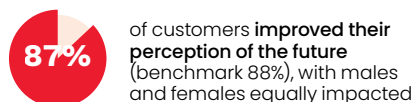
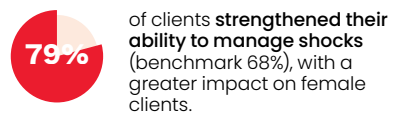
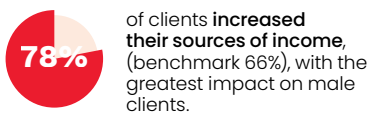
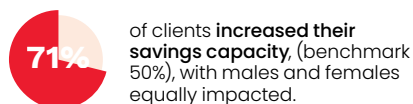
- In line with Baobab's theory of change of promoting the economic development of the household through the development of the business, levels of income and household assets have been reported to have been maintained, and even increased.
- Baobab Nigeria's financial services offer allowed improvements to be made to clients' homes.
- The impact extends to the clients' children, strengthening their ability to cover children's school expenses and increasing the frequency of attendance.



Resilience



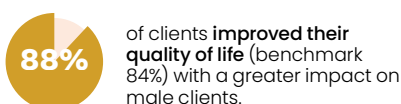
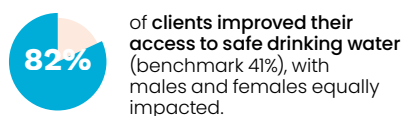
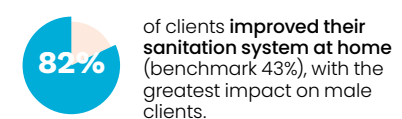
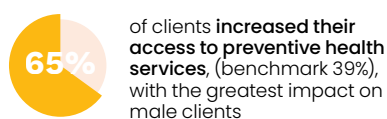
- Good impact results in terms of client resilience plausibly attributable to the services offered
- Stable capacity of clients to face unforeseen events
- Baobab Nigeria contributed to maintaining the savings capacity of its clients, in addition to increasing the number of sources of income



Health



- Adequate impact results in terms of client health plausibly attributable to the services offered by Baobab Nigeria
- Improved the clients' sanitation system, in addition to having increased access to drinking water, mainly in rural areas
- The survey results suggest that the quality of life of clients has been strengthened, thanks to an improvement in their quantity and quality of food derived from the boost to the economic development of the business and home



A Year of Transformation and Innovation

Redefining Financial Services in Nigeria

The year 2024 marked a transformative journey for Baobab Nigeria, a year in which we fully embraced our banking license to its full potential. We moved beyond our historical credit-focused model to adopt a client-centric approach, prioritizing accessibility, digitalization, and financial inclusion.

With increasing competition in the sector, we took strategic steps to reinvent our business model, transitioning from a traditional brick-and-mortar structure to a “phygital” model, where digital solutions complement our physical presence. One of our biggest achievements this year was our ability to source deposits digitally from anywhere in Nigeria, no longer limited to physical locations.

This was made possible through Jollof+, our game-changing mobile application, which gained over 30,000 clients within six months. This digital milestone has significantly improved our liquidity and positioned us as a leader in Nigeria’s evolving financial landscape.

2024: A Year of Records and Firsts

Baobab Nigeria broke multiple records in 2024. For the first time, we maintained our portfolio level and quality throughout the year, a significant achievement given historical trends of portfolio declines. We also set new records in loan disbursements, leveraging client segmentation to better serve our diverse customer base. Nigeria continues to lead in digitalization, a key pillar of our growth strategy. We have improved the length of loans, enhanced our portfolio managers’ productivity—doubling their efficiency, and taken the lead in digital transactions. With a mature digital market, we have successfully shifted 80% of our transactions to digital platforms, and our goal is to reach 100% digital



Interview with
Eric Ntumba
Country Manager – Baobab Nigeria

processing for nano-loans—eliminating the need for human intervention in small-scale credit approvals.

To further enhance efficiency and security, we have established new partnerships for direct debit transactions, allowing for faster, safer, and more convenient transactions for our customers.

Driving Innovation: New Projects for 2025

Baobab Nigeria is investing in cutting-edge solutions to improve the customer experience, operational efficiency, and credit accessibility. One of our most exciting innovations is Collect Smart, a system that fully digitalizes our loan collection processes. This new system will provide real-time tracking of loan performance, enabling faster and more informed credit decisions. Collect Smart will be fully deployed by June 2025.

Similarly, we are piloting a Loan Origination System in Nigeria. This system will automate the loan application process, credit approvals, and insurance integration, making it easier for customers to access financing while allowing us to gather financial and non-financial insights to improve lending decisions.

Additionally, we are rolling out a Customer Relationship Management (CRM) system, giving our business officers a dedicated tool to manage customer interactions. Beyond credit services, this tool will facilitate real business discussions, support customer needs, and offer tailored solutions across multiple communication channels. The CRM project is expected to be fully operational by June 2025.



Beyond Banking: Our Social Impact

At Baobab Nigeria, impact goes beyond financial transactions—it's about empowering communities, fostering financial literacy, and driving long-term socio-economic change.

Financial Education:

Financial literacy is embedded in our DNA. Many of our clients lack formal financial education, so we support them in understanding business fundamentals, including preparing their first balance sheet.

We are also refining agribusiness financing through specialized training programs and are committed to expanding educational initiatives. In 2024, Baobab Nigeria helped facilitate the registration of children from widowed families, ensuring they could attend school and continue their education until graduation. In addition, we launched grants dedicated to young girls' education and actively support the Goldman Sachs 10,000 Women Program, which provides business education and mentorship to female entrepreneurs.

Health Insurance for Underserved Communities:

One of our most impactful initiatives in 2024 was the launch of a six-month free health insurance plan for underserved customers. Many people in our communities lack awareness of the benefits of insurance, and this initiative has helped demonstrate how essential health coverage is for financial stability.

Environmental & Educational Impact in Lagos:

In disadvantaged areas of Lagos, we launched a project that funds school fees through plastic bottle recycling. This initiative not only promotes a cleaner environment but also provides education for children who might otherwise lack access to schooling. The initiative was supported by NN NG, which contributed funding to support the school's mission.

Empowering the Next Generation

With Nigeria's youth population growing rapidly, we recognize the importance of providing financial support and employment opportunities for young people.

Currently, 50% of our loan recipients are women, reflecting our commitment to gender inclusion and economic empowerment. We are also working to address challenges young people face in accessing financial services, including insurance, which often requires a three-year employment history. Baobab Nigeria is providing young entrepreneurs with financial opportunities that might otherwise be out of reach.

In addition, our Jollof+ app launched a youth internship program, providing one-day banking internships for young Nigerians. This initiative introduces youth to career opportunities in finance, offering them insights into the real-world banking environment while providing Baobab with fresh perspectives on how the younger generation perceives financial services.

Building a Bank for Every Nigerian

At Baobab Nigeria, our mission is to build a fully inclusive financial institution, where every Nigerian is a potential client. Through our best-in-class digital neo-bank, we are eliminating barriers to financial inclusion, ensuring that no one is left behind due to distance, lack of infrastructure, or limited banking access.

Our digital transformation is making banking accessible to all corners of Nigeria. Whether through our USSD services, which allow users to transact even in areas with weak network coverage, or through our banking agents who serve remote locations, we are redefining financial accessibility.

Our impact is real—we are not just a bank; we are a driver of economic empowerment, a supporter of small businesses, and a bridge to financial security for millions of Nigerians.

Baobab Nigeria is growing, innovating, and reshaping the financial landscape—and we are just getting started.

A glance at Baobab Nigeria initiatives







Social Environmental Performance Management (SEPM)



Social Environmental Performance Management (SEPM)

In 2024 Baobab completed a 3-year performance and impact measurement cycle in partnership with the rating agency Microfinanza (MFR). 7 Social Environmental Ratings and 7 Impact Assessments were performed.

SOCIAL ENVIRONMENTAL RATING

The rating methodology focused on 4 dimensions: social performance management system, client protection and social responsibility, outreach, and quality of the services.

All Baobab affiliates scored sBB level, which reflects “adequate social performance management and client protection systems [and] satisfactory alignment to the social mission.”

(Microfinanza rating scale).

SOCIAL ENVIRONMENTAL RATING		
Baobab Burkina Faso	November 2022	Final score: sBB
Baobab RDC	December 2022	Final score: sBB-
Baobab Côte d'Ivoire	May 2023	Final score: sBB+
Baobab Madagascar	June 2023	Final score: sBB+
Baobab Mali	October 2023	Final score: sBB
Baobab Sénégal	April 2024	Final score: sBB+
Baobab Nigeria	September 2024	Final score: sBB+

Across Baobab affiliates, some of the **common strengths** identified: the **financial services offered by Baobab are diversified, accessible and flexible**, allowing to **meet the needs of the target population**, while the **services delivery channels are good (86%)**. **Breadth of outreach** ranges from **moderate to good**, while **Customer Protection practices** are rated to be from **adequate to**

good. Towards staff, there are **good systems of accountability** in place. Baobab's social mission is defined, formalized, and shared; the **overall supervision & strategic orientation provided by the respective board of directors** are rated **adequate to good**.



Photo courtesy of IFC, www.ifc.org

IMPACT ASSESSMENT

Impact as defined in MFR's methodology is **"the change generated by the organisation in the lives of its clients, whether positive or negative, voluntary, or involuntary, in relation to their business, household, access to education and health"**.

The assessment methodology is based on several sources of data and compared to benchmarks. Primary data source is a clients survey carried out on a representative sample of clients from the total active borrowers with an active loan in the last 3 years. Secondary data sources are data from the affiliates' MIS. Results are compared with MFR internal benchmark and Atlas database.

IMPACT ASSESSMENT		
Baobab Burkina Faso	November 2022	Final score: 4/5
Baobab RDC	December 2022	Final score: 3/5
Baobab Côte d'Ivoire	May 2023	Final score: 4/5
Baobab Madagascar	June 2023	Final score: 4/5
Baobab Mali	October 2023	Final score: 4/5
Baobab Sénégal	April 2024	Final score: 4/5
Baobab Nigeria	September 2024	Final score: 4/5

86% of Baobab affiliates scored an **Impact overall score of 4/5**, which reflects **"high probability of making a positive impact on the lives of the clients, and good alignment of impact results with the mission and theory of change"** (*Microfinanza scoring scale*), while one affiliate scored 3/5, which reflects "probability to generate a positive impact on the lives of the clients [with] adequate alignment of impact results with the mission and theory of change". (*Microfinanza scoring scale*).

IMPACT RESULTS – BUSINESS

Across all Baobab affiliates, surveys results reflected **good business impact results** for clients, plausibly attributable to the services offered by Baobab, **positive impact on the business' income and assets**, in addition to having contributed to the increase in the number of employees in the financed company.

The majority of Baobab affiliates are fulfilling its objective of financial inclusion, proving to be the main source of financing for its clients.

IMPACT RESULTS – HOUSEHOLD

Across all Baobab affiliates, surveys results showed: i) **overall positive impact on household income and asset levels**, plausibly associated with Baobab's services, and in line with Baobab theory of change; ii) Baobab's financial services offer has **brought improvements to clients' homes**; iii) the **clients' quality of life has been strengthened**, thanks to an improvement in their quantity and quality of food derived from the boost to the economic development of the business and home.

The **impact extends to the clients' children**, strengthening their ability to cover their children's school expenses and increasing the frequency of attendance.

IMPACT RESULTS – RESILIENCE CAPACITY

Across all Baobab affiliates, surveys results reflected that plausibly attributable to Baobab services offered: i) **overall good impact results in terms of client resilience**; ii) **maintaining and strengthening the savings capacity of its clients**, in addition to increasing the number of sources of income; iii) **good to stable capacity of clients to face unforeseen events/ shocks**, despite some of the countries' challenging macroeconomic and social situation.

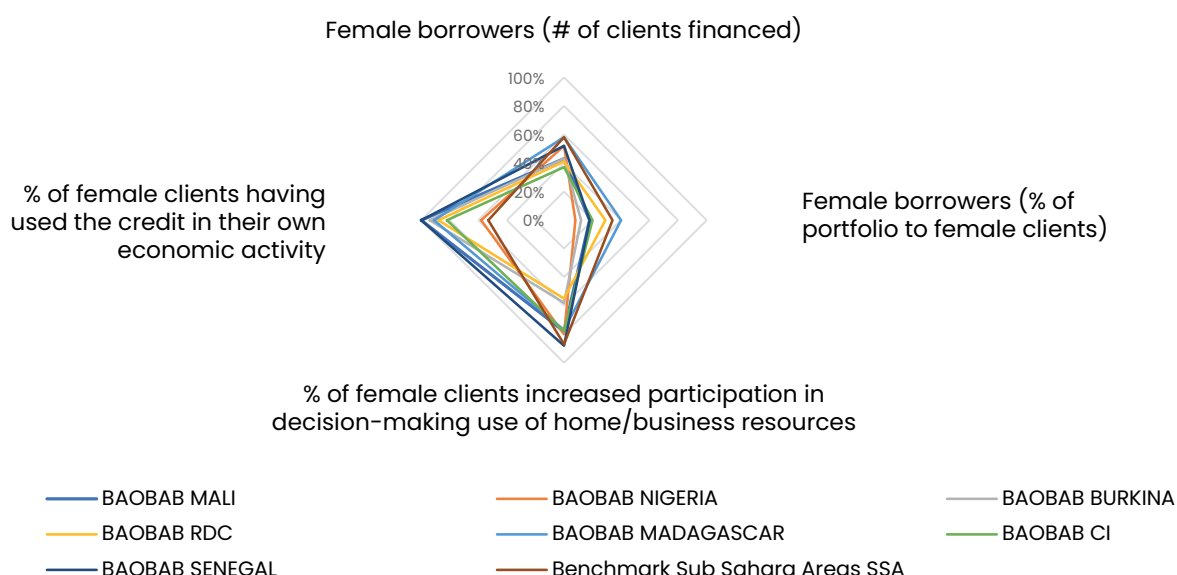
IMPACT RESULTS – HEALTH

Across all Baobab affiliates, surveys results indicated that likely attributable to services offered by Baobab: i) adequate to good impact results in terms of client health; ii) improvement of the sanitation system of clients' homes, in addition to having an increased access to drinking water and a cleaner source of energy for cooking.

GENDER OUTREACH & IMPACT

Outreach to female clients is adequate ranging between 37-57%, and from surveys results, Baobab services plausibly contributed to the empowerment of its female clients.

Gender outreach & impact



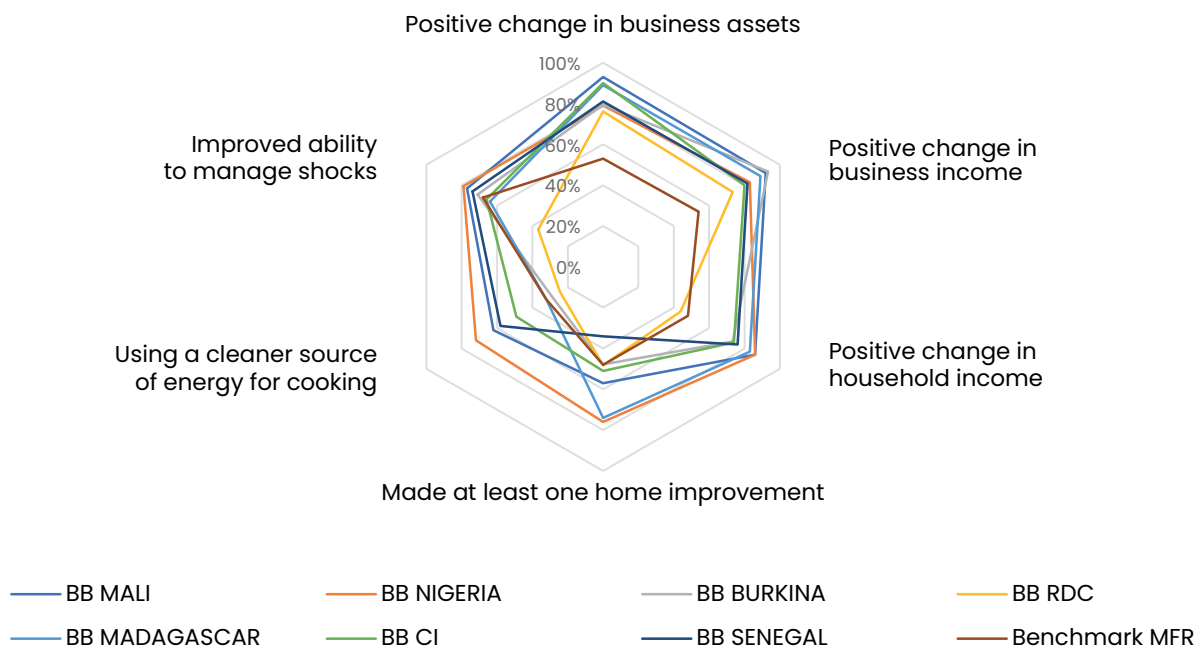
From these key findings and lessons learned, improvement actions will be deployed, both at Baobab group level and at individual affiliates level. The performance and impact measurement cycle will resume after some adjustments, with the objective to achieve higher score at the next cycle.

Baobab strives to continue adjusting its SEPM framework, standards and practices to align with the best practices of the inclusive finance sector.

Since 2014, Ms. Lassissi has been developing her shop with the support of Baobab Côte d'Ivoire. Starting with a loan of 800,000 CFA francs, she has managed to grow her business and obtain up to 5,000,000 CFA francs. Specializing in baby and household items, she particularly appreciates Baobab's personalized support, which is essential for overcoming challenges.



Changes in clients' lives





Baobab Group

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