MAXIMA
Microfinance

SOCIAL PERFORMANCE MANAGEMENT ANNUAL REPORT 2025

Contents

Key Social Performance Management (SPM) Milestones

Mar-2015: Maxima Cleanliness and Health Promotion Project (MCHPP), with first Hand Washing Workshop initiated at Kbal Koh Village, Sangkat Koh Dach, Khan Chhroy Changva, Phnom Penh

Jun-2015: Attend training workshop on "Responsible Financing" organized by Oiko Credit.

Maxima Management Team to set up the action plan for Client Protection Principles (CPP) aligned with Smart Campaign.

Jul-2015: Training on CPP with all COs

Sep-2015: Board Resolution to integrate SPM in Maxima and establish SPM Committee

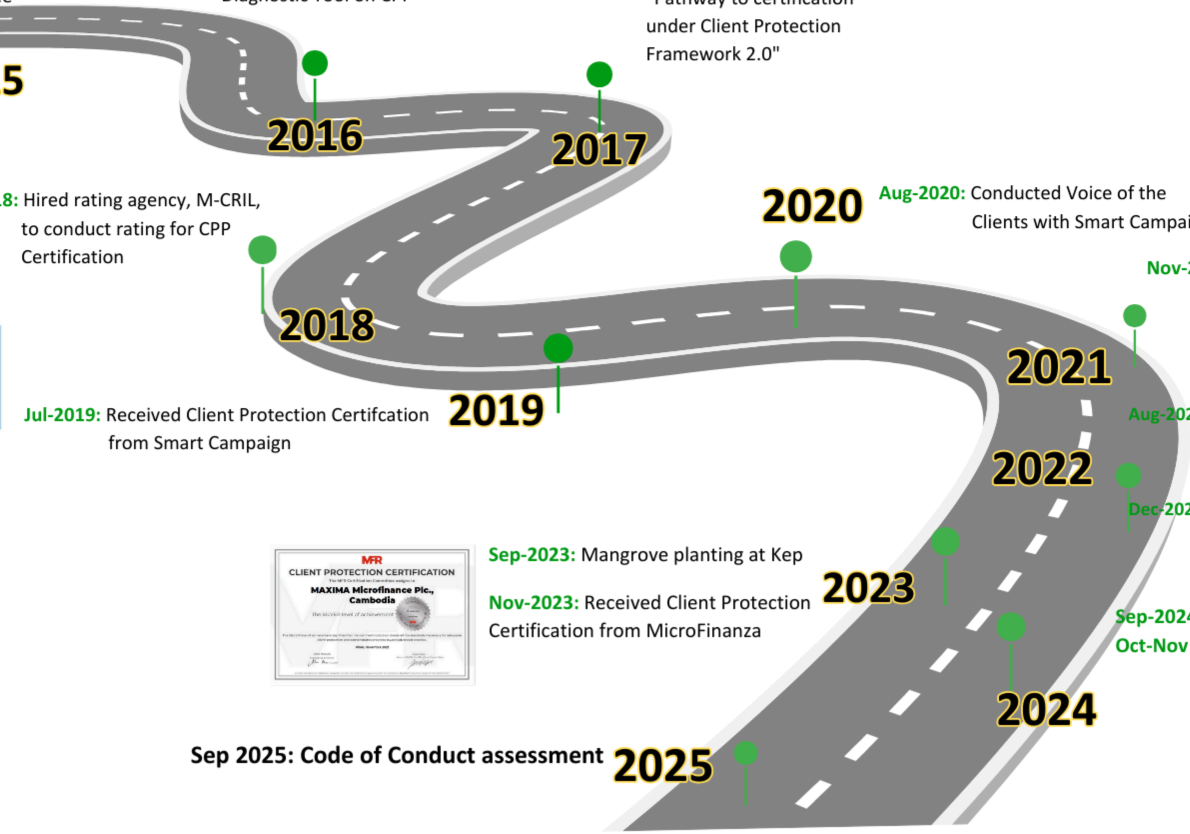
Apr-2016: Training on CPP with Middle Management

Jul-2016: Maxima Green Cambodia Campaign Campaign (MGCC), "Each One Plant One", initiated at Chheur Teal Village, Prek Anchanh Commune, Kandal Province

Dec-2016: SPM committee discussed and prepared the Smart Campaign Diagnostic Tool on CPP

Feb-2017: Training on CPP with Branch Managers and Chief of Service Office

Jun-2017: Joined Client Protection Principles Workshop "Pathway to certification under Client Protection Framework 2.0"



Dec-2018: Hired rating agency, M-CRIL, to conduct rating for CPP Certification

Jul-2019: Received Client Protection Certifcation from Smart Campaign

Aug-2020: Conducted Voice of the Clients with Smart Campaign

Nov-2021: Completed and passed the required biennial check-in of the CPP Certification, conducted by MicroFinanza Rating

Aug-2022: Registered with Cerise+SPTF as a committed institution on the New Client Protection Pathway

Dec-2022: Completed the SPI4 self-assessment

Sep-2023: Mangrove planting at Kep

Nov-2023: Received Client Protection Certification from MicroFinanza

Sep-2024: Mangrove planting at Kep

Oct-Nov 2024: SPI5 audit assessment

Sep 2025: Code of Conduct assessment

1. Introduction

Social Performance Management (SPM) is an integral aspect of Maxima's operations, aimed to translate our social mission into practice. We put in place social goals, monitor the achievement of our social performance objectives, and integrate social performance information in our decision making, both operationally and strategically. Maxima balances the social and financial interests of its clients, employees and other stakeholders.

In November 2023, MAXIMA obtained the Client Protection Certification from MicroFinanza Rating (MFR) that indicated the commitment towards client protection. To fully anticipate and adhere to all the guidelines of the program, MAXIMA continues to mainstream the understanding within instructional level from top to bottom, from our Board of Directors, Management Team, Staff and related stakeholders. The training program under CPP is provided to staff regularly as for new staff and as refresher course for the existing staff to ensure alignment and practices accordingly. In 2025, MAXIMA went through the code of conduct assessment and prepared for the renewal of client protection certification in 2026.

There are some activities in place that MAXIMA implemented during 2025 which is part of corporate social responsibility to cover both client-centric, employee-centric and environment. On an environmental related project, MAXIMA conducted the City Clean event, and donation for people affected by the border issue. At the same time to improve the working environment and foster teamwork, MAXIMA arranged some events such as football matches for staff, Head Office relocation to foster new working environments and build on the team spirit. In addition to this, MAXIMA conducted a satisfaction survey, and an exit survey for clients and our staff. MAXIMA focused and strengthened the Financial Literacy Project for our clients and in 2025, we implemented and continued phase 2 of “My Money Tracker”, a project in partnership with Good Return. Throughout the project we trained our clients mainly on how they could manage the cash flow.

2. Client Relationship Management

MAXIMA conducted a client satisfaction survey and client exit survey to understand more from clients.

2.1. Client satisfaction survey

MAXIMA conducted the client satisfaction survey on a monthly basis to understand and assess the level of satisfaction of its clients with the products and services provided to the clients. The client satisfaction report is released on a semester basis.

During semester 1 of 2025, 99.6% of the clients expressed satisfaction. The net promoter score is 90.88%. The major areas of satisfaction are: speed of obtaining the loan and Process simplicity.

Specific by product, the clients informed through the survey finding of dislike on repayment flexibility (payment day, early payment) for Special_Unsecured loan, Interest rate and fee for Secured_MXMulti and Unsecured_MXMultiQuick, and Guarantee system / collateral principles for VB_Unsecured. Clients feel positive about the staff behavior except 1 case where a client complained about behavior. In addition, clients understand the channel to complain as the majority knows that they could complain to the complaint hotline / call center. Improvement points and recommendations noted in the survey are taken for further improvement.

2.2. Client exit survey

Client exit surveys support MAXIMA to enhance our products and services to meet the client's needs. The survey is conducted for clients who have paid off but have not renewed their loan. The purpose is to obtain information which would serve as reference for Maxima to analyze the level of client drop outs, identify any defects or problems in our products or services which leads to dissatisfaction and distinguish improvement points to improve client retention.

The dropout rate in 2025 is 28.62% (information based on the report in MIS). Based on the survey, most clients have positive experience in the last loan cycle. Clients also provide some suggestion to improve products / services overall as follows:

- Lower the interest rate
- Lower or do not charge the admin fee
- Consider to waive the overdue interest rate charge
- Improve speed for obtaining the loan

3. Client Protection Activity

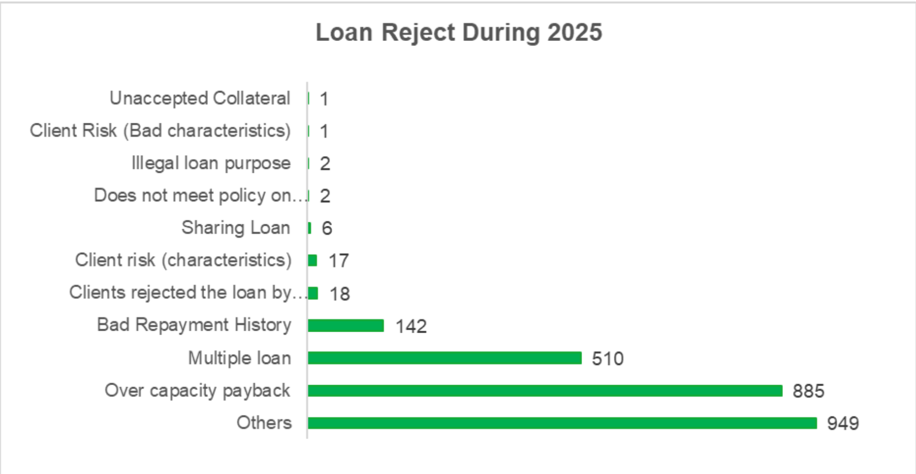
3.1. Appropriate Product Design and Delivery

MAXIMA designed products to serve the clients' value and set the price to ensure competitiveness, profitability, regulatory compliance and benefits to clients. The delivery is defined as the sales practice and clients' interaction to review the needs and select the right product for the clients. By studying the feedback from clients, during 2025, MAXIMA launched product name "MX One Quick" which focuses on small loans, and released a memo on reducing interest rate on secured and unsecured loans. In addition, MAXIMA also put on a dedicated team to research for opportunities for green loans including solar pumping machine loan to clients and the E-motorbike that could support environmental initiatives.

3.2. Prevention of over-indebtedness

MAXIMA conducts loan assessment on income based and focuses on the client's repayment capacity. The net repayment capacity is the ability to repay the loan. It is calculated from net income after family expenditure, which includes repayment to other institutions multiplied by the threshold, 75% for monthly income and 65% for seasonal income.

The assessment logic helps to prevent over-indebtedness. For instance, in 2025, around 70% of the loan rejections in 2025 was due to the client's capacity.



3.3. Transparency

MAXIMA offers clients a transparency form that presents the terms and conditions of the loan and necessary information for the client to make the right decision. The post disbursement call in conducted by Call Center after Check if the customers received the full amount as per request and to check utilization and compare with the original purpose. In addition, the client satisfaction survey is another method to collect feedback from clients and confirm if the clients experience any unexpected fee charge.

3.4. Responsible pricing

Maxima sets prices competitively, taking into consideration the interest rate ceiling of 18% as required in Prakas B7-017-109-P.K issued by the National Bank of Cambodia on 13 March 2017. On the other hand, Maxima also analyzes components of its interest rate including funding costs, credit costs and operational costs. MAXIMA continuously sophisticated our operation to reduce the costs, which enables us to discount the prices for the clients. During 2025, MAXIMA updated the new pricing based on the result and suggestion from the client satisfaction survey and the client exit survey.

3.5. Fair and respectful treatment of client

In 2025, MAXIMA updated the Code of Conduct to reflect and maintain status to support our clients. The majority update is to insert further clauses to prevent aggressive sales and maintain professional ethics as a staff to serve our clients better.

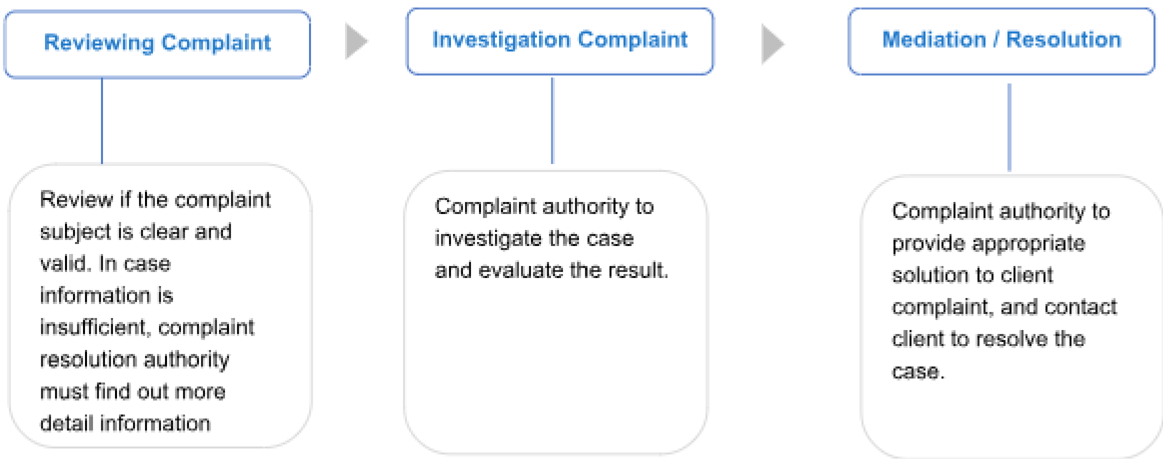
3.6. Privacy of client data

Maxima collects clients' data for various operational purposes. These client data are kept in secured locations and access is limited to authorized personnel. In instances where sharing of client's data to external parties are required, Maxima requests permission through obtaining consent forms signed by clients. As stated also in the Code of Conduct, MAXIMA values privacy of client's data and staff needs to be aware and careful when handling clients' data.

3.7. Mechanism of client complaint

MAXIMA considers and values clients' complaints and pays attention to find solutions for the clients and also improve product and services. MAXIMA committed to handle and resolve complaints based on the policy and procedure. The process includes the filling and turnaround time for complaint investigation, resolution, and response to the clients. As a result during 2025, MAXIMA received 57 complaints.

The client complaint resolution process includes:



3.8. Governance and HR committed to client protection

In order to ensure the commitment towards the client protection, the Board of Directors have an important role in guiding the strategy and make decisions based on social and financial data. Therefore, the Management Team from time to time submitted to the Board of Directors for the report on client satisfaction survey, employee satisfaction survey, client exit survey, client complaint report. Based on social data provided, the Board of Directors recommended a certain set of actions to implement. In 2025, our Board of Directors visited MAXIMA and observed the field operations and met the clients to review the overall situation of the clients.

4. Corporate Social Responsibility and Environmental Activity

During 2025, various corporate social responsibility and environmental activities were implemented.

The main highlight of the activities are:

- City clean event at Koh Brak Village, Kien Svay, Kandal - March 2025

- Staff football match (4 matches)
- Staff culture building activities: introduce reading culture, board games (cheese, and badminton, etc.).

4.1. Environmental activity

On 02 March 2025, MAXIMA Microfinance Plc. has conducted the city clean drive at our operation area in Koh Brak Village, Koh Thom Commune, Kien Svay District, Kandal Province. As part of our commitment towards Sustainable Development Goals (SDGs): *"Goal 11: Sustainable Cities and Communities".*

The event was participated by 22 staff (10 female and 12 male), 3 staff family members, and also 12 local community officers. We mainly take it as a social activity, as part of our responsibility towards the environment.

Photo: City clean event at Koh Brak Village, Kien Svay, Kandal - March 2025

4.2. Staff activity

At MAXIMA we believe in maintaining good relationships with all-level of staff. We foster a good working environment and team building. We build a good culture for the office by introducing Board Games (cheese, and badminton, etc.).and the 30 minutes reading every day in the office.

4.3. Fundraising activities

During 2025 and according to the Cambodia-Thailand border conflict and issue, MAXIMA gathered fundraising to support displaced people, refugees through Cambodia Microfinance Association (CMA). Within this fund and MAXIMA's fund, we purchased different kinds of material, food supplies and other essential items for donation.

Photo: MAXIMA staff and Management team with the donation to support the displaced people and refugees

5. **Financial literacy**

In financial literacy for clients, MAXIMA participates in the Financial Literacy campaign with Cambodia Microfinance Association (CMA) in both financial week and financial street 2. MAXIMA implemented the Pasio project and provided loans to clients from 18-35 years old and focused on loans to generate income. Clients who registered to Pasio community will be communicated through Pasio Community and continue to receive the financial literacy information and material.

As part of a continuing project on Financial Literacy with Good Return on “My Money Tracker”, MAXIMA provided training on Apps “My Money Tracker” to 180 clients. The endline survey of project (in phase 1) highlighted Survey results show that the app is helping users become more financially aware, particularly in tracking income and expenses and building saving habits. 58% of users reported increased savings, and 93% acknowledged the importance of saving for emergencies. Nearly half felt more confident in managing their money after using the app.

The activities on the financial literacy project is the MAXIMA’s responsibility for the social and the intervention from MAXIMA to support clients as part of non-financial services towards clients. Within the My Money Tracker, our impact and result from the program could help our clients to strive and understand further on financial management and personal finance. Within the finding, MAXIMA decided to continue the project (phase 2) with Good Return.

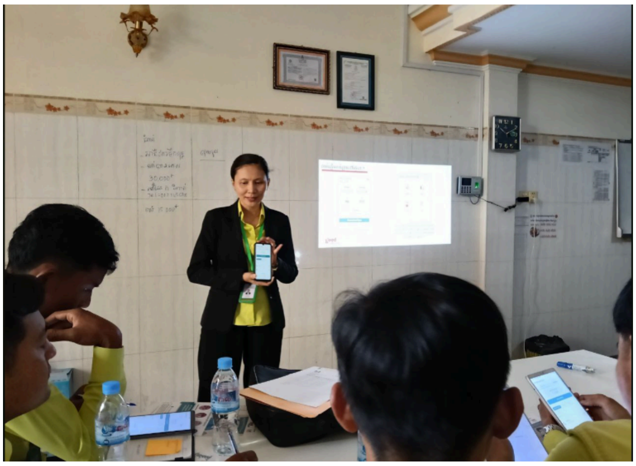


Photo 1: Mrs. Chea Kunthea,a grocery seller at Ta Pek Village in Kandal Province
(client consents form is prepared for this photo to publish under project financial literacy with Good Return)

Photo 2: Training the Community Bankers on My Money Tracker (Phase 2)

6. **Code of conduct and client protection assessment**

MAXIMA has gone through the assessment of code of conduct and client protection assessment during September to October 2025 following the cooperation and joint effort with Cambodia Microfinance Association. The purpose of this assessment is that the sector wants to restore the confidence of stakeholders (clients, investors, NGOs, media, etc) via assessments – highlight the good practices and BFIs as examples and case studies. As a result, after a report released in November 2025, MAXIMA scored 96.9% in code of conduct and scored 95.8% for client protection. This result confirmed the commitment of MAXIMA towards the client protection and operation practice. By 2026, Q1 to Q2, MAXIMA will process for client protection certification renewal.

7. **Water and Sanitation Hygiene (WASH) loan**

In Sustainable Development Goals (SGDs), goal number 6 is to ensure availability and sustainable management of water and sanitation for all. A lack of safe drinking water and sanitation are major health risks affecting Cambodian people especially children across Cambodia, and particularly those who live in rural areas. Too many children are still denied the most basic rights to safe water, the dignity of using a toilet, and the simple practice of washing hands with soap. The consequences for children are severe, as high occurrences of diarrhea, skin disease, respiratory illnesses such as pneumonia, intestinal and other diseases. The main objectives of this program are to support access to financial services for WASH purposes. This is especially needed for poor households to reduce the risk of disease and to improve the livelihoods of existing MAXIMA clients and the community.

MAXIMA provided WASH loans to its valued clients who want to build or renovate latrine, digging/pumping-well, water storage or buy other water and sanitation materials to improve living conditions and contribute to social-economic standards. As of December 2025, we provided WASH loans to 41 existing clients.

8. Figure

Employee Statistics

Total staff is 238 as of 31 December 2025, of which 33 are female. Staff turn over rate for 2025 is 21.41%.

Social Goal

In 2025, MAXIMA also defined the social goal targets and monitored actual achievement based on each of the indicators. Main achievements include: staff retention achieved at 79% a bit below the target set, completed 1 environmental project (1 City Clean event). The most significant remark for social goals was Financial Literacy Program “My Money Tracker” phase 1 completed and MAXIMA decided to continue in phase 2. The overall target for financial literacy achievement is 71% of total active clients (target set is at least 35% of active clients). Information missing from the social goal are: staff satisfaction survey result semester 2 of 2025, client satisfaction survey and client exit survey (Q4 of 2025). The detailed information is mentioned in Appendix 1 of this report.

Date: February 05, 2026
Reviewed and Approved by

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Phnom Penh, January 11, 2026
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APPENDIX 1 - MAXIMA Social Goal and Indicators Achievement for 2025

					FY 2025	Quarter 1-2025 (Accumulated)			Quarter 2-2025 (Accumulated)			Quarter 3-2025 (Accumulated)			Quarter 4-2025 (Accumulated)		
#	Social Goal	KPI	Calculation Frequency	Actuals for FY2024	Annual Targets	Target	Actual	% of Achieved	Target	Actual	% of Achieved	Target	Actual	% of Achieved	Target	Actual	% of Achieved
1	Client satisfaction and retention	% satisfied clients	Annual	90%	90%				90%	91%	101%				90%	In Progress	
2		% clients exiting due to dissatisfaction or poor outcomes	Monthly	2%	Overall exit rate < 5%	1%	0.00%	0%	2%			3%			4%	In Progress	
3	Employee satisfaction and retention	% satisfied employees	Bi-annual		80%				80%	73%	91%				80%	In Progress	
4		% employees retained	Annual		80%					93%			85%		80%	79%	98%
5		% of female staff at Head Office	Quarterly		40%	40%	48.08%	120%	40%	42.62%	107%	40%	46.55%	116%	40%	44%	111%
6	SPM and Environmental Goals	SPI5 audit score	Annual	79%	N/A											N/A	
7		CPP status	Annual	N/A	N/A											N/A	
8		Environmental projects	Quarterly	2	2	1	1	100%	2	1	50%				2	1	50%
9		GHG emission (tCO2)	Annual	Calculating monthly	Calculate company GHG emissions by December 2025.												
10		Green loan purpose / environment-endorsing loan product (could be good to connect with environmental CSR project)			100	25	1	4%	50	24	48%	75	34	45%	100	41	41%
11	Client Targeting	Active low-income savings clients	Monthly	N/A	N/A												
12		Micro to Micro-SME spectrum	Monthly	1,814	4,000	1,600	3,840	240%	2,400	4,400	183%	3,600	4,761	132%	4,000	5,008	125%
13	Product/service suitability for clients	Digital Payments	Monthly	N/A	N/A												
		Financial/digital literacy projects	Quarterly	22.36%	PASIO		78			121			142			142	
					My Money Tracker (MMT)		55			57			0			29	
					Financial Literacy Through Apps		2,056			3,139			4,902			6,396	
14					1 financial literacy program, targeting ~35% of active clients	10%	2,189	22.32%	20%	3,317	33.12%	30%	5,044	51.64%	40%	6,567	71%
15		Transparency and accessibility of loan and savings information	Annual	N/A	N/A												
16	Over-indebtedness	Loan to income ratio	Monthly		Loan to income within range or over >100% must be <=10%	5%	8.43%	169%	6%	7.06%	118%	7%	9.97%	142%	8%	10.06%	126%
17		Success rate of restructuring (track with PAR of restructured portfolio)	Monthly		PAR >30 days of the restructured portfolio <=7%	2%	1.37%	69%	3%	2.18%	73%	3%	0.25%	8%	4%	3.03%	76%
18		Debt to income ratio	Monthly		Debt to income >60%					12.92%			14.20%			15%	