



2015

ANNUAL REPORT

DEAR FRIENDS

A MESSAGE FROM THE GLOBAL CEO

Dear Friends and Partners
of Opportunity International,

Each year, this report offers a welcome period of reflection for me. This year, more than at any time since I joined Opportunity, I am filled with reverence for the organization's steadfast commitment to serving those living in poverty. Simply put, Opportunity's heart beats for our clients. We are nothing if not working in service to them, and to our donors who fuel our clients' ability to transform their lives.

The landscape for our work has evolved rapidly in just a few years; in 2015, we were faced with important decisions that had the potential to transform the way we work. These focused on how best to reach and serve more clients under our current business model and how we could position ourselves for growth in the years ahead. Throughout these discussions, adhering to our core values of commitment, humility, respect, integrity, stewardship and transformation kept us focused on how we can use our lives to enable our clients to live theirs with purpose, dignity and hope.

2015 was an incredible year of growth for Opportunity around the globe. Across Africa, Asia, Eastern Europe and Latin America, nearly 8.4 million people used an Opportunity loan or savings account and another 5.9 million protected their families with a MicroEnsure insurance policy. We celebrated milestones like exceeding 25 percent client growth in India and Indonesia, making our 100,000th loan in Serbia and reaching more than 1.6 million children through our Education Finance portfolio since the program began. I encourage you to read more about our positive client impact on the next page or by visiting opportunity.org/report.

It was also a year in which we assessed whether our business model in Africa could continue to be the most efficient

way to fight extreme poverty. Based on our experiences over the past 45 years, we know that serving our clients well means responding to their evolving needs and surrounding market conditions. We evaluated the short and long-term financial requirements of our delivery model in Africa—and balanced that with how to best serve the needs of our clients now and into the future. Based on that assessment, we made a bold decision to transfer majority ownership of our banks to partner institutions while retaining minority positions. We knew this strategy was not just an innovative way to effectively steward our resources—it was an essential evolution for us to reach the millions of people who are still excluded from the formal economy.

After much deliberation, we selected our first partner, the financial technology company MyBucks. This groundbreaking partnership is already giving way to a faster, broader engine for serving clients. For example, loan processing times in Mozambique, Tanzania and Kenya have decreased from approximately 14 to 3 days. In just the first two months after MyBucks took over operations, loan disbursements in Mozambique increased by 14 percent and quadrupled in Kenya, meaning more money is getting in the hands of our clients—and faster than ever. Supporters who needed time to process our transition from owning and operating banks in Africa to partnering with banks are now embracing our industry-leading model. We're grateful to have our long-standing corporate partners, foundations and donors joining us at the forefront of the microfinance industry to drive how the world is delivering financial services to marginalized communities.

In the coming year, we will continue our transition while creating new and lasting solutions to reduce poverty that will bring us closer to our goal of helping clients create or sustain 20 million jobs by 2020,

so that we can impact 100 million lives. By the end of 2015, we had supported 15.8 million jobs. We will reach our 2020 goal by investing in entrepreneurs within key sectors that have the highest impact and potential to generate economic growth—education, agriculture and health—while exploring opportunities in other sectors that are affected by systemic poverty, all which align with the UN Sustainable Development Goals.

During this transitional year, our motivation is simple and constant—to answer Christ's call to love and serve the poor. It may sound ambitious, but I truly believe we can end extreme poverty in our lifetime—and I'm so grateful to be on that journey with you.

In service together,

Vicki Escarra
Global CEO



On a recent trip this year, I learned so much from my Colombian partners, CEO Enrique Ordóñez and Loan Officer Yineth Trujillo, who was captured by guerrilla rebels as a child. Since escaping, Yineth has committed her life to serving others living in poverty and is a beautiful example of redemption and strength.

2015 IMPACT

BY THE NUMBERS

LIVING OUT OUR MISSION:

BY PROVIDING FINANCIAL SOLUTIONS & TRAINING

Staying focused on the tools that help entrepreneurs break free from poverty

\$1.4B ▲ 11%
loaned

4M ▲ 18%
loan clients

4.9M ▲ 18%
savings clients

9.9M ▲ 28%
insurance clients*

WE EMPOWER PEOPLE LIVING IN POVERTY

Reaching more people at the bottom of the economic pyramid

Enabling **2.6M** people
in India to formally save money
for the first time

Disbursing **95%** of loans
to the most marginalized group
of people in the world—women.

In fact, we invest in a woman
every 7 seconds.

Growing the number of clients
who bank from their cell phones
to more than **380K**

TO TRANSFORM THEIR LIVES, THEIR CHILDREN'S FUTURES & THEIR COMMUNITIES

Creating broad impact

2M ▲ 15%
jobs supported

803K ▲ 30%
children educated

\$17.5M ▲ 25%
in agriculture loans
to farmers

99% ▲ 1%
loan repayment rate

All numbers as of 12/31/15 and all percentages shown are 2015 versus 2014.

*Includes 5.9M insurance clients solely with MicroEnsure (no other Opportunity product)

FINANCIALS

EXECUTIVE SUMMARY

Opportunity International achieved significant growth in client impact across our global operations in 2015. The number of clients served worldwide rose 21 percent year-over-year to 14.3 million. We loaned more than \$1.4 billion, and we provided savings accounts to nearly five million clients, helping them build a safety net for their futures.

It was also a year of strategic repositioning and restructuring. Most notably, we designed a groundbreaking strategy focused on delivering services to clients as efficiently as possible that required us to transfer ownership of our banks in Africa to partner institutions. This new ownership structure will provide more resources for people living in poverty and mitigate Opportunity's future risks. Opportunity will continue to design and deliver financial solutions and programs for those living in poverty alongside our new partners. The announcement of our new strategy had a temporary impact on the U.S. financial results, discussion to follow. However, we're pleased to report our strategic changes have positioned Opportunity for a stronger future and are already yielding positive results in 2016.

Opportunity International-U.S. Results (see page 5)

In 2015, Opportunity International-U.S. incurred an operating deficit of \$29.1 million as a result of three key factors. First, we sent more than \$40 million to the field for client program activities, and a large portion of these disbursements were part of multi-year grants for which the revenue was recorded in previous years! Second, we incurred \$7 million in unplanned expenditures primarily related to capital requirements for our banks and for costs in preparation for the ownership transactions. Third, we generated lower revenue than expected, as some donors took time to process and evaluate our new strategy before making their commitments. In comparison to 2014, revenues were lower due to large non-recurring multi-year pledges that were recognized in 2014 (\$14 million); additionally, we reversed a pledge that did not align with our new banking strategy, which had a \$6 million impact year over year.

In anticipation of transferring majority ownership of the African banks, we restructured the organization in late 2015 and early 2016 so that we could most

efficiently leverage donor contributions and maximize our impact on those living in poverty.

We are already seeing a positive impact from the strategic changes enacted in 2015, with fundraising at 147 percent of last year's level for the first six months of 2016, along with much improved financial and operational results.

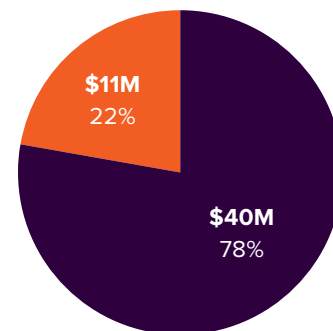
Opportunity International – Combined Global Supporting Member Results (see page 6)

Fundraising by Opportunity International's Supporting Members (our partners who raise funds for our microfinance institutions) outside the U.S. was up 7% for the year, excluding the impact of foreign exchange. On a combined basis, the decline in U.S. revenues resulted in a drop in overall revenue for Supporting Members in 2015.

2015 revenues, collections of prior year pledges and proceeds from the sale of investments enabled our Supporting Members collectively to deploy more than \$52 million to Implementing Member institutions, which serve clients in-country.

¹ Opportunity International's financial statements are based on U.S. GAAP and as such, accrual revenue is recognized when donor pledges are received rather than when the cash donation associated with the pledge is received. Unlike revenue, expenses for multi-year grants are recognized in the year they are incurred.

\$51M Total 2015 Expenditures by Opportunity International-U.S.



PROGRAM ACTIVITIES FUNDRAISING & G&A ACTIVITIES

Tanzanian farmer Martin Mwambujule (left) meets with loan officers Emmanuel Mapande (center) and Paul Mabuga (right) in the field, where they are using tablets to record information about his farm that will help him maximize profits at harvest.



NOTES TO FINANCIALS – U.S. FINANCIAL STATEMENTS

REVENUE

Opportunity International-U.S. revenue was \$22.1 million, a decrease of \$27 million compared to 2014. A drop in fundraising revenue occurred as several large multi-year donations from corporate and private donors were recognized in 2013/14, without large new donations in 2015. Opportunity International received a large grant of \$22.4 million in 2013/14 for transformative work in Africa, for which program activities will continue through 2018. The accrual revenue for this grant was recorded in 2013 and 2014 for \$8.8 and \$13.6 million respectively. In addition, a \$3 million pledge in 2014 was reversed in 2015, as Opportunity determined the project did not align with our strategy moving forward. Government grants decreased by \$0.2 million. Other Income includes fees received for services.

PROGRAM ACTIVITIES

Equity investments in Opportunity banks: Direct equity investments were \$11.8 million in 2015, including a \$5.6 million investment in Malawi and a \$4.1 million investment in Dia Vikas, our partner in India. Investments were made in countries with continuing equity needs. In addition, Opportunity International raised debt and equity of \$21 million from third parties for Implementing Members (our in-country microfinance institutions that serve clients) to facilitate capital requirements and growth in lending.

Grants to member organizations: Grants were \$9.2 million in 2015, a decline of 1% compared to 2014. Grants to African partners declined \$0.9 million to \$6.5 million overall, while grants to Asia and Latin America increased by a similar amount.

Business development and training services:

The Opportunity International-U.S. expenditures for business development and training services provided to Implementing Members by Opportunity International operations personnel increased by \$1.6 million from 2014 funding levels due to investments in mobile and business intelligence technology and transformation services. These services include: (i) performance and risk monitoring, (ii) recruitment and training of personnel of Implementing Members, (iii) development of client training modules and (iv) technology enhancements.

Operations: Expenditures for operations support were down slightly year over year. These services include building and managing Opportunity banks and overseeing the range of technical services provided to them by Opportunity International banking and operations personnel. Also included are expenditures for general management, governance and administrative services.

Other program expenditures: Program expenses increased 4% in 2015 due, in part, to activities from prior year donations, such as grants management activities, regional banking activities, general community education and communications.

FUNDRAISING AND GENERAL & ADMINISTRATIVE (G&A) ACTIVITIES

Fundraising and G&A expenditures declined by \$0.3 million or 2%. The ratio of FG&A as a percentage of funds raised, which includes equity and debt raised for the Implementing Members, increased to 26%. The ratio of FG&A as a percentage of expenditures remained constant at 22% in 2015.

OPPORTUNITY INTERNATIONAL-U.S.

STATEMENT OF OPERATING REVENUE AND EXPENDITURES

\$ in thousands (unaudited)	FOR THE YEAR ENDED	
	December 31, 2015	December 31, 2014
REVENUE		
Private contributions and pledges	\$ 20,899	\$ 48,255
Government grants	477	647
Other income	754	180
TOTAL REVENUE	22,130	49,082
EXPENDITURES		
Program Activities		
Equity investments in Opportunity banks	11,793	13,844
Grants to member organizations	9,239	9,298
Business development and training services	5,232	3,633
Operations	1,112	1,126
Other program expenses	12,714	12,258
Total Program Activities	40,090	40,159
Fundraising and G&A Activities		
Fundraising and G&A	11,096	11,375
TOTAL EXPENDITURES	51,186	51,534
NET OPERATING SURPLUS (DEFICIT)	\$ (29,056)	\$ (2,452)

STATEMENT OF FUNDS RAISED

\$ thousands (unaudited)	2015	2014
Contributions, pledges, grants & other income	22,130	49,082
Equity and debt raised for Implementing Members	21,097	29,993
TOTAL FUNDS RAISED	\$ 43,227	\$ 79,075

OPERATING SURPLUS (DEFICIT)

The operating deficit is a result of the decline in revenue, along with flat expenses year over year, a large portion of which were program activities related to multi-year grants that had revenue recorded in the previous year. Restructuring and repositioning changes have been implemented and will result in improved financial performance going forward.

NON-OPERATING ACTIVITY (not shown in table above)

In 2015, Opportunity International-U.S. entered into a share purchase agreement with MyBucks, a Luxembourg-based financial technology company, to sell six majority-owned banks in Africa. In 2016, share purchase agreements were signed between Opportunity and two additional parties for the two remaining majority-owned banks in Africa. The net value of these banks, as established in the purchase agreements, is reflected in current assets under Net Banking Assets Held for Sale (page 6) and has been accounted for in accordance with guidelines for discontinued operations. A net unrealized non-operating loss of \$10 million was recorded as a result of the pending transactions.

ADDITIONAL NOTES

Opportunity International, Inc. serves clients in 24 countries through MicroEnsure and 43 Implementing Members, and we work with Supporting Members in the United States, Australia, Canada, Germany, Hong Kong and the United Kingdom.

Opportunity raises funds from many sources, including charitable gifts and government grants, which it sends to its Implementing Members in the form of grants, loans and equity investments. A portion of these funds is also used for fundraising and G&A activities.

In addition to these sources of funds, Opportunity raises equity and debt from third parties for its Implementing Members, shown in the Statement of Funds Raised. Although these funds do not flow through Opportunity International-U.S., the investments increase the funding the Implementing Members have available for client loans and operating expenses.

These statements include information compiled from the financial statements of independent organizations around the world, using foreign exchange rates in effect at year-end or during the periods shown. The Implementing Members' statements represent a combination of the revenue and expenditures and balance sheets compiled from the financial statements of the Implementing Members, also without regard to ownership status.

The selected financial data shown in these statements reflects certain adjustments to GAAP or IFRS made in each year for presentation purposes, including presenting the equity investments made to the Implementing Members as an expenditure.

Complete audited financial statements by KPMG are available upon request.

SUPPORTING MEMBERS

Supporting Members raise funds for our microfinance institutions

COMBINED STATEMENT OF OPERATING REVENUE AND EXPENDITURES

	FOR THE YEAR ENDED			
	December 31, 2015		December 31, 2014	
\$ in thousands (unaudited)	U.S.	Outside U.S.	Total	Total
REVENUE				
Private contributions and pledges	\$ 20,899	\$ 16,783	\$ 37,682	\$ 64,204
Government grants	477	3,851	4,328	6,201
Other Income	754	1,150	1,904	1,044
TOTAL REVENUE	22,130	21,784	43,914	71,449
EXPENDITURES				
Program Activities				
Equity investments in Opportunity banks	11,793	2,310	14,103	16,861
Grants to member organizations	9,239	6,581	15,820	19,541
Program development activities	19,058	2,889	21,947	24,565
Total program services	40,090	11,780	51,870	60,967
Fundraising and G&A Activities				
Fundraising	7,840	2,751	10,591	10,449
G&A	3,256	1,106	4,362	4,658
Total fundraising and G&A	11,096	3,857	14,953	15,107
TOTAL EXPENDITURES	51,186	15,637	66,823	76,074
NET OPERATING SURPLUS (DEFICIT)	\$ (29,056)	\$ 6,147	\$ (22,909)	\$ (4,625)

COMBINED BALANCE SHEET

	FOR THE YEAR ENDED			
	December 31, 2015		December 31, 2014	
\$ in thousands (unaudited)	U.S.	Outside U.S.	Total	Total
ASSETS				
Current				
Cash and cash equivalents	\$ 7,806	\$ 4,249	\$ 12,055	\$ 27,245
Restricted cash and cash equivalents	2,195	6,440	8,635	11,226
Current receivables	13,818	1,949	15,767	18,537
Banking assets held for sale, net of liabilities	14,119	–	14,119	–
Other current assets	1,947	122	2,069	9,119
Total current assets	39,885	12,760	52,645	66,127
Long-Term				
Long-term receivables	4,472	–	4,472	12,423
Capital in Opportunity banks	32,720	46,981	79,701	101,926
Investments – other	18,428	5,533	23,961	25,413
Net property and equipment	2,399	62	2,461	1,669
Total long-term assets	58,019	52,576	110,595	141,431
TOTAL ASSETS	\$ 97,904	\$ 65,336	\$ 163,240	\$ 207,558
LIABILITIES				
Current				
Current portion of long-term debt	\$ 12,557	\$ 254	\$ 12,811	\$ 5,484
Accounts payable and other current liabilities	5,678	837	6,515	12,833
Total current liabilities	18,235	1,091	19,326	18,317
Long-Term				
Total long-term debt and other liabilities	22,538	131	22,669	32,517
TOTAL LIABILITIES	40,773	1,222	41,995	50,834
NET ASSETS				
Unrestricted net assets	27,744	8,221	35,965	54,629
Restricted net assets	29,387	55,893	85,280	102,095
Total net assets	57,131	64,114	121,245	156,724
TOTAL LIABILITIES AND NET ASSETS	\$ 97,904	\$ 65,336	\$ 163,240	\$ 207,558

SUPPORTING MEMBERS

FINANCIAL STATEMENT PRESENTATION

The financial information included in these statements was compiled from the financial statements of independent organizations around the world, using foreign exchange rates in effect at year-end or during the periods shown. The selected financial data shown here reflects certain adjustments to GAAP or IFRS made in each year for presentation purposes, including presenting the equity investments made to the Implementing Members as an expenditure.

The Supporting Members' statements reflect the revenue, expenditures and balance sheet for charitable operations of the combination of the six independent fundraising members (Australia, Canada, Germany, Hong Kong, United Kingdom and United States), without regard to ownership positions in certain Implementing Members.

Opportunity International-U.S. capital in Opportunity banks in 2015 was reduced by the amount shown as banking assets held for sale, net of liabilities. In addition, we are reporting the capital in Opportunity banks net of the accumulated losses of the banks consistent with the audited consolidated financial statements. For comparative purposes, the 2014 amount for capital in Opportunity banks is also net of accumulated losses.

The U.S. restricted net assets include restricted cash, current and long term receivables (future pledge and grant installments) and assets included in long-term investments that serve as collateral for the line of credit. The restricted assets outside of U.S. include investments in Opportunity banks. The decrease in net assets from 2014 to 2015 resulted from the 2015 net deficit and the non-operating losses on investments.

IMPLEMENTING MEMBERS

Implementing Members are in-country microfinance institutions that serve our clients

COMBINED STATEMENT OF REVENUE AND EXPENDITURES

	FOR THE YEAR ENDED					
					December 31, 2015	December 31, 2014
\$ in thousands (unaudited)	Africa	Asia	Eastern Europe	Latin America	Total	Total
INCOME & EXPENSES						
Financial income	\$ 60,457	\$ 166,291	\$ 26,844	\$ 22,128	\$ 275,720	\$ 250,352
Financial expenses	9,707	51,948	6,808	4,219	72,682	59,088
Gross financial margin	50,750	114,343	20,036	17,909	203,038	191,264
Provision for loan losses	3,243	5,864	1,075	1,100	11,282	13,596
Net financial margin	47,507	108,479	18,961	16,809	191,756	177,668
Operating expenses	60,080	93,491	15,935	15,341	184,847	171,002
Net income from operations	(12,573)	14,988	3,026	1,468	6,909	6,666
Contributions and grants	5,829	243	0	–	6,072	5,980
Other income	284	51	25	–	360	579
Net income before taxes	(6,460)	15,282	3,051	1,468	13,341	13,225
Provision for income taxes	(1)	3,482	300	69	3,850	4,437
NET INCOME (LOSS)	\$ (6,459)	\$ 11,800	\$ 2,751	\$ 1,399	\$ 9,491	\$ 8,788

COMBINED BALANCE SHEET

	FOR THE YEAR ENDED					
					December 31, 2015	December 31, 2014
\$ in thousands (unaudited)	Africa	Asia	Eastern Europe	Latin America	Total	Total
ASSETS						
Current						
Cash and cash equivalents	\$ 22,469	\$ 55,422	\$ 18,702	\$ 2,029	\$ 98,622	\$ 106,780
Interest bearing deposits and investments	25,499	62,392	7,435	1,257	96,583	74,428
Net loan portfolio	97,310	532,030	110,058	61,072	800,470	677,515
Other current assets	10,751	39,639	3,038	1,964	55,392	50,776
Total current assets	156,029	689,483	139,233	66,322	1,051,067	909,499
Long-term						
Fixed and other long-term assets	21,975	44,096	4,748	4,799	75,618	91,929
TOTAL ASSETS	\$ 178,004	\$ 733,579	\$ 143,981	\$ 71,121	\$ 1,126,685	\$ 1,001,428
LIABILITIES & NET ASSETS/EQUITY						
Current						
Short-term debt	\$ 367	\$ 116,310	\$ 11,008	\$ 4,458	\$ 132,143	\$ 112,637
Client savings deposits	98,817	68,702	70,639	25,168	263,326	261,395
Other current liabilities	7,511	36,915	5,499	2,292	52,217	61,323
Total current liabilities	106,695	221,927	87,146	31,918	447,686	435,355
Long-term						
Total liabilities and long-term debt	32,336	363,278	30,007	23,739	449,360	347,067
TOTAL LIABILITIES	139,031	585,205	117,153	55,657	897,046	782,422
NET ASSETS/EQUITY						
Total net assets/equity	38,973	148,374	26,828	15,464	229,639	219,006
TOTAL LIABILITIES AND NET ASSETS/EQUITY	\$ 178,004	\$ 733,579	\$ 143,981	\$ 71,121	\$ 1,126,685	\$ 1,001,428

IMPLEMENTING MEMBERS

Opportunity serves clients through 43 Implementing Members (non-governmental organizations and commercial microfinance institutions) in 24 developing countries. Supporting Members provide financial support to Implementing Members in the form of equity or grants. Implementing Members are not all legally affiliated with Opportunity International-U.S. As of December 31, 2015, Opportunity had majority or minority ownership in 15 of the 43 Implementing Members, all of which are microfinance institutions. The Implementing Members' statements represent a combination of the revenue, expenditures and balance sheets compiled from the financial statements of the Implementing Members, regardless of ownership status.

Financial income: Implementing Members' financial income increased by 10% to \$276 million in 2015 as growth occurred in Asia, Eastern Europe and Latin America. In India alone, the combined growth of the 14 Implementing Members was 29%.

Net income: Implementing Members' net income increased 8%. The improvement in operating results was driven by growth in the loan portfolio, combined with lower loan loss provisions.

Loan portfolio: The net loan portfolio increased by 18% at the end of 2015 to \$800 million. The net loan portfolio has grown at a 10% compound annual growth rate over the last five years.

Customer deposits: Client savings deposits increased 0.7% to end the year at \$263 million. Excluding the impact of foreign exchange, deposits in Africa grew 25%.

BOARD MEMBERS

GLOBAL BOARD

Mark Thompson

Board Chair
Principal, Riverbridge Partners, LLC

Edward Kerr

Lead Director
Chairman, Opportunity Australia

Vicki Escarra

Global Chief Executive Officer,
Opportunity International

Dick Gochnauer

Former Chief Executive Officer,
United Stationers, Inc.

Stephen Harris

Principal, Northern Beaches
Christian School, Sydney

Robert Lawless

Chairman, Opportunity Canada

Barbara Lupient

Chairman, Lupient Companies

The Right Reverend Laurent Mbanda

Bishop, Anglican Church of Rwanda,
Shyira Diocese

Nils Ritterhoff

Chairman, Opportunity Germany

Herve Sarteau

Former Senior Partner,
CarVal Investors / Cargill, Inc.

Warren Staley

Retired Chief Executive Officer, Cargill, Inc.

Beth Johnston Stephenson

Founding Partner, Willis Stein & Partners

David Tolmie

Partner, The Edgewater Funds

Terry Watson

Former Chief Risk Officer, Allianz Asset
Management

U.S. BOARD

David Tolmie

Board Chair
Partner, The Edgewater Funds

LeAnn Pedersen Pope

Board Vice Chair
Former Partner, Burke, Warren,
MacKay & Serritella, P.C.

Alana Ackerson

Managing Partner and President,
Signum Investments

Kat y Assem

Former Executive Director, Chicago State
University Foundation

Karen Robinson Cope

Executive Vice President, Nanolumens

James W. Cox

Former Executive Vice President, Fiserv, Inc.

Vicki Escarra

Global Chief Executive Officer,
Opportunity International

Susan Gillette

Former President, DDB Chicago

John Hart

Vice Chairman, New York Private Bank
& Trust Company

Mark Linsz

Former Treasurer, Bank of America

Barbara Lupient

Chairman, Lupient Companies

Muffy MacMillan

Vice President, The Cargill Foundation
Board of Directors

Richard McClure

Former President, UniGroup, Inc.
(United Van Lines / Mayflower Transit)

Jane Nelson

Former Vice President, Bank of America

Elizabeth Perdue

Partner, Holland & Knight , LLP

Herve Sarteau

Former Senior Partner,
CarVal Investors / Cargill, Inc.

Beth Johnston Stephenson

Founding Partner, Willis Stein & Partners



Najroon Bano prepares her saris for the day's shoppers. Najroon and her husband grew profits from their clothing business from \$45 per month to \$155 per month after receiving loans and training from Opportunity and its partners in India. Go to opportunity.org/najroon to see the incredible ways Najroon has transformed her life.

DEAR PARTNERS

A MESSAGE FROM THE GLOBAL BOARD CHAIR

Dear Friends and Partners
of Opportunity International,

When the Global Board was created in 2014, one of our key promises to you was to make wise investment decisions. No sooner did we make that promise than it was tested. Our banks in Africa—originally established to fill a vast gulf in financial inclusion—were reaching a critical mass. We found ourselves at a crossroads asking: If we maintain sole ownership of our banks in Africa, given the associated costs and risks, are we most effectively marching toward our vision of helping people achieve a life free from poverty?

I am humbled by the company I keep on our Global Board. Their vast experience, intelligence and commitment to those living in poverty is second to none. Together we, with Management, analyzed our history and learnings in Africa and across Latin America, Asia and Eastern Europe. We evaluated our delivery models around the world, ranging from non-owned partners to minority- and majority-owned institutions. We calibrated for trends in poverty reduction, economic growth, financial inclusion and the financial technology sector. We contemplated models, partnerships and strategies that would catalyze our impact.

Our overwhelming conclusion was that our focus should not be on exclusively operating banks; it should be on providing

services that help people transform their lives and move out of poverty—using whatever delivery model is most effective in that region. The reality is that continuing to be majority owners and principal managers of banks in Africa, an increasingly regulated environment with growing capital requirements, would inevitably pull us away from our mission rather than draw us closer.

As pioneering bankers in Africa, we created new markets, new services, new competitors and new products. We provided 39 million clients with access to financial services that they could not otherwise receive. You, our loyal supporters, have been invaluable in shaping the very landscape to which we must now respond. The Board and Management concluded that by standing still, we would lose the chance to vastly increase our client reach while simultaneously putting the organization at financial risk. At the end of 2015, we agreed to transfer majority ownership positions in our African banks to expert institutions that are better equipped to own and manage them, thus shifting our role to become strategic microfinance investors with minority equity positions and board involvement within those institutions.

Opportunity's Global Board is united, personally committed and even more so—grateful—to be brought together for “such a time as this.” Since joining with our first



partner, MyBucks, we are already serving many of our clients faster, at a lower cost and more efficiently. We are buoyed by the early wins that are proving our theory of change can be strengthened as it is refined.

So we pray, we pivot, we proceed. Our work is flourishing in Latin America and Asia, a new frontier is upon us in Africa, and we are looking ahead toward a world in which all people have the opportunity to achieve a life filled with dignity, hope and purpose.

With many blessings,

A handwritten signature in black ink, appearing to read 'Mark Thompson', with a long, sweeping underline.

Mark Thompson
Global Board Chair

550 W. VAN BUREN ST., SUITE 200
CHICAGO, ILLINOIS 60607
800.793.9455
opportunity.org

First page: Monica Kasalu Banda stands in her grocery store in Malawi, which she grew from a small roadside stand with the help of Opportunity's services and training.



Join the conversation at
facebook.com/opportunityintl
twitter.com/opportunityintl

Opportunity International is a 501(c)(3) nonprofit and serves all people regardless of race, religion, ethnicity or gender.

©2016 Opportunity International

