

kiva

Annual Report 2015

**Dreams are
universal.**



**Opportunity
is not.**

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Premal Shah, President & Co-Founder

Thanks to supporters like you, 2015 marked our 10th year!
And because of you, it was filled with thoughtful investment
in the futures of many, including the future of Kiva.

Our community of Kiva lenders continued to generously back the dreams of people in underserved communities – from Armenia to Zimbabwe. And Kiva itself welcomed a new CEO – Martin Tschopp – to help guide our organization to even greater impact. Martin takes over from our co-founder & previous CEO Matt Flannery who stepped down after 10 years. With Kiva at over 100 employees, Martin is applying his seasoned management experience, raw intelligence & humility to take us to the next level. It's been a delight working along side him.

Helping smallholder farmers was a priority for Kiva in 2015. By reaching financially-excluded farmers in rural areas globally Kiva has improved quality of life for one of the world's most marginalized populations. For instance, in Colombia, Kiva lenders are helping coffee farmers convert to organic methods of farming, while improving their yields through education programs provided by Kiva's Field Partner, Federación Campesina del Cauca.

2015 was also a big year for Kiva's expansion in the U.S., marked by successful Kiva City launches

in Milwaukee, New York and San Francisco. In Milwaukee – a city where the poverty rate is 29%, twice the U.S. average – our lenders supported 93 financially underserved small businesses, whose success will create jobs, strengthen families and revitalize neighborhoods.

Young people continued to play a leading role at Kiva. Kiva U grew to include 4,070 schools, universities, and youth groups, reaching more than 76,000 young leaders. Student leaders such as Lindsey from Ridgefield High School in Connecticut rallied 53 of her friends to raise over \$12,500 for loans to the working poor. These student leaders are creating change and inspiring the next generation of social change agents.

With our new CEO in place, our engaged community of lenders including young student leaders like Lindsey, and a growing roster of innovative Field Partners, I am excited and hopeful about the impact we will make together in our next decade. Thank you for being part of this movement & mission.



Martin Tschopp, Chief Executive Officer

2015 was an exciting year for me and my family. Joining Kiva as CEO gave me the opportunity to contribute to and get to know a “new world” of nonprofit and international development after having spent almost 2 decades in the for-profit sector.

Throughout 2015, I had the pleasure of meeting many Kiva borrowers in the U.S. and abroad and connecting with many lenders, including Howard from California. Howard is retired and he takes the proceeds he earns from singing at local events and puts them to good use on Kiva. To date he has made over 18,000 loans on Kiva, and he shows no signs of slowing down. Lenders like Howard inspire me to use my experience and skills to support Kiva’s mission and work to alleviate poverty by providing access to capital.

As a child I watched my father run a savings and loan bank in my hometown in Switzerland. This work taught me how important and transformative access to capital can be. My father also introduced me to character-based lending, and I’m excited to see us putting this

into practice through the social underwriting model we use with Kiva U.S. Coming from an e-commerce background, I am focused on growing both the breadth and depth of Kiva’s impact through expansion and innovation. I’m proud to lead Kiva, where I believe our crowdfunding model fills a critical funding gap faced by entrepreneurs whose businesses are too young, too small or too innovative to receive traditional small business loans.

I look forward to collaborating with Premal and the Kiva team in the years to come to increase the depth of our impact, reaching more borrowers who are most excluded from traditional financial systems both in the U.S. and globally.



2015 impact

By the numbers

Borrower stories

Total raised
\$139,840,225

that's

\$283,072/day.... \$11,795/hr.... \$197/min ⌚

By the numbers



Loans by sector



Borrower story



Shana & Renee, Mamacitas Cafe, Oakland

Mamacitas Cafe is famous for its signature food, the fried-to-order “doughnut kebab” made of mini-donuts on a stick. But it’s also a social enterprise with a mission to employ young women in Oakland, ages 16 to 24, and provide them with job skills and leadership training to help improve their economic trajectory. With their Kiva loan, owners Renee and Shana were able to move into a brick and mortar cafe to expand the business and create a safe space for the young women they serve. kiva.org/lend/1089638



Borrower story



Ila, Accra, Ghana

Ila is an artisan from Ghana who specializes in handcrafted leather and bead jewelry. He comes from a family of artists, who were predominantly millet and cattle farmers. They used the leather of the animals they reared for clothing and accessories such as talismans, bangles and necklaces. His Kiva loan allows him to invest in his business and bring on employees.

kiva.org/lend/856846



Borrower story

Zeppa, Harare, Zimbabwe

Zeppa remembers that as a young girl, she would watch her mother bake delicious scones and cake. This inspired her to become a master baker in Zimbabwe. She used her first loan to buy ingredients in bulk and her second loan to purchase a big gas stove. She is also planning to open a coffee shop where she can serve her cakes and other confectionery items.

kiva.org/lend/981452



Borrower story



Seth, Prison Bars, San Francisco

Prison Bars' mission is to create delicious and nutritious snack bars while providing employment opportunities and reintegration pathways for the formerly incarcerated. Seth, Prison Bars' founder and a former inmate, says he wants the company to "humanize the 2.2 million incarcerated Americans out there." With his Kiva loan, Seth secured the organic, non-GMO ingredients he needs for commercial production of his latest snack bar ideas.

kiva.org/lend/1090229



Borrower story



José, Gracias, Honduras

Don José has dedicated his life to agriculture – growing corn, beans and coffee. Coffee has given him and his family the highest earnings. His Kiva loan helped him buy more inputs to fertilize his farm and grow the best quality coffee. kiva.org/lend/851369



Borrower story



AFAK, Carenage-Cap-Haitien, Haiti

Asosiyasyon Fanm Karenaj borrower group opened a sewing shop for making clothes and manufactured products. With several sewing machines and accessories, AFAK has trained dozens of women. Their group is a strong advocate for women's financial independence. AFAK's Kiva loan funds necessary raw materials for the business. kiva.org/lend/820201





Kiva ecosystem

Staff

Volunteer

Field Partner

Supporters



Staff



Vince Main, Portfolio Manager, Southeast Asia

I first became aware of Kiva when a colleague of mine introduced me to the website. I was immediately hooked and became a lender. I loved the direct connection Kiva lenders get with borrowers and the dignity of giving someone a hand up.

In 2014, I applied as a volunteer to Kiva's fellowship program. I was lucky enough to be accepted

and rewarded with a 4-month assignment in Azerbaijan. The experience really opened my eyes to the hardships people face and how access to financial services can open the door to opportunity. In 2015, I joined Kiva as a portfolio manager based in Southeast Asia. The experience has been incredible, I work with some amazing partners who are using ever more innovative ways to support low-income families and vulnerable populations.

I was immediately hooked and became a lender.

I've had many memorable moments, but if I had to single out 1, it would be rowing across a lake (in Vietnam) to meet a borrower who took out a loan to start a small fish farm. Then hearing his story of how the loan had changed his life. The business now supports his entire family and allowed him to send his children to school. This is what makes Kiva special.



Volunteer



Kate O'Brien, Kiva Fellow, Cambodia

Originally from the beachside city of Newcastle, Australia, I was lucky enough to travel with my family at a young age.

Learning about development methods that empowered women and the burgeoning 'grass-roots' movement inspired me to embark on a year-long journey through Eastern Africa and India. I was fortunate to spend three months volunteering for an organization that operated an

adult education centre in Moshi, Tanzania. I continued to travel and volunteer internationally, developing a deep connection to Southeast Asia. I first heard of Kiva after reading 'Half the Sky: Turning Oppression into Opportunity for Women Worldwide.'

I was able to work with Kiva Partners that worked with financially excluded populations in rural areas.

During my Kiva fellowship in Cambodia, I was able to work with Kiva partners that worked with financially excluded populations in rural areas. Pulling together reports and documenting evidence of what was being done with Kiva loans was crucial for the rural Field Partners. The evidence provided them with the data needed to provide more catalytic loans to the Kiva platform, helping bring hundreds of thousands of dollars to financially excluded people in rural Cambodia.

Field Partner

Lamia, Tulkarem City, Palestine



FATEN, Palestine

Palestine for Credit & Development, known as FATEN, is one of Kiva's oldest partners in the Middle East. FATEN has been eager to innovate with us, using Kiva funding for new loan products such as solar loans, loans for water filtration systems, and loans to families whose homes were destroyed by recent violence. FATEN is also working to pass on the low cost of Kiva funds to their borrowers by lowering interest rates for Kiva-funded loans.





Supporters

Thanks to innovative partnerships with corporations, foundations, and individuals through Kiva's managed lending program, Kiva has deployed over \$40M to over 1M borrowers worldwide. Whether it's engaging customers, engaging employees, supporting the launch of Kiva New York and Kiva San Francisco, or providing in-kind products and services, our supporters help us get one step closer to our mission of alleviating poverty.

"The Hewlett Packard Enterprise Foundation's support of Kiva through our Matter to a Million program demonstrates our commitment to accelerating opportunity by helping entrepreneurs to fulfill their potential. **We're very proud of this great partnership which has enabled us to make a significant impact over several years – more than \$11.6 million. It has also provided us with a unique opportunity to align giving with employee engagement. We hope our example and success inspires other companies to participate in the program.** This collaboration is part of HPE Living Progress: uniting people, ideas and technology to solve the world's toughest challenges." – Lisa Conover, Living Progress & HPE Foundation

"MetLife Foundation has a global focus on financial inclusion, ensuring that more people have access to the financial tools they need to build better more secure lives. Our \$1 million contribution for Kiva New York City provides crowdfunded loans at 0% interest – and new opportunity – to small business owners traditionally excluded from mainstream financing. **From an employee engagement perspective, we have been thrilled to find a program that aligns with our focus and that can be rolled out to our associates around the world.**" – April Hawkins, MetLife Foundation

"At Pearson, our vision is to empower human progress through learning. **Our \$1M commitment to Kiva has enabled our employees to impact thousands of students, teachers, families, and communities through crowdfunded loans.** We're proud to partner with Kiva to help learners and entrepreneurs in our local communities and all over the world." – Kate James, Chief Corporate Affairs and Global Marketing Officer at Pearson





Highlights

10 year anniversary

Kiva New York

Kiva San Francisco

Newest Field Partners



10 years of Kiva

When Kiva began in 2005, we had a simple goal: to connect borrowers who need small amounts of capital to improve their lives, with lenders who want to help. Ten years later, we've seen the incredible power and impact of this model brought to life by 1.5 million Kiva lenders and 2 million Kiva borrowers.

Kiva's grown into a true global community, where people come together to support and believe in each other.





Kiva New York

Archie, owner of Hurry Chute, Manhattan

The 2015 launch of Kiva NYC brought our local Kiva community – including borrowers, Trustees, lenders and sponsors – together with former President Bill Clinton to celebrate the growth of the #LendLocal movement. To date, more than \$1.9 million has been lent to 199 small businesses in New York by more than 10,000 lenders in partnership with 46 Trustee organizations.



A woman with a red headscarf and a red apron over a grey and black striped shirt is smiling and holding a metal tray filled with golden-brown baked goods, likely piroshki. The background shows a kitchen setting with wooden cabinets and a framed picture on the wall.

Kiva San Francisco

Anna, owner of Anda Piroshki, Upper Haight & Bernal Heights

More than 1,000 people came out to celebrate the launch of Kiva San Francisco at City Hall. The building was transformed into a small business marketplace where everyone had the chance to mingle with entrepreneurs selling handcrafted goods and locally-made food and treats.



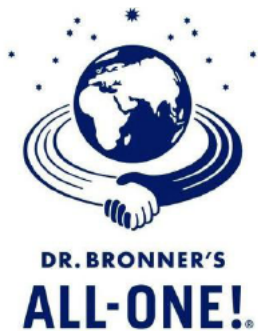
Newest Field Partners



ADOBE CAPITAL

Adobe Capital

Adobe Capital is an impact investment firm that focuses on supporting social and environmental businesses in the early stages of growth in Mexico. Adobe Capital was created to improve upon the work done by New Ventures Mexico, a nonprofit founded by the World Resources Institute to accelerate the distribution of capital to social businesses in Mexico.



Dr. Bronner's / Serendipalm

Dr. Bronner's is a top-selling U.S. manufacturer of organic and Fair Trade body care and culinary oils with company roots that can be traced back to 1858, in southern Germany. Dr. Bronner's makes its products almost entirely from agricultural materials – specifically, coconut, olive, palm, hemp and jojoba oils.

Loans funded on Kiva are disbursed to farmers by Serendipalm, Serendiworld's Ghanaian subsidiary. Serendipalm supplies Dr. Bronner's with organic and Fair Trade palm oil, a primary ingredient in the brand's bar soaps. Serendipalm is now a large community employer in the eastern region of Ghana, working with more than 670 family farms and producing more than 500 metric tons of organic palm oil every year.



Agora Partnerships

Agora Partnerships is a nonprofit organization that works with early-stage social businesses across Latin America that are too large to be considered micro-enterprises, but too small for investments from traditional financing institutions. These for-profit businesses are finding innovative ways to solve social and environmental challenges. They lack access to the knowledge, networks, and capital they need to grow their businesses and their impact.

Financial health

Assets

Current assets	\$23,149,258*
Property & equipment	\$3,089,161
Other assets	\$565,613
Total assets	\$28,633,236

Liabilities

Current liabilities	\$1,138,180
Deferred rent	\$105,217
Net assets	\$27,389,839*
Total liabilities & net assets	\$28,633,236

Total revenue & support

2015: \$21,494,009 2014: \$18,638,968

Total expenses

2015: \$17,646,743 2014: \$17,299,648

Self-sufficiency

(Kiva's online revenue/ total program expenses)

2015: 71% 2014: 70%

The data above is a consolidated balance sheet. Details on Kiva's financial statements are available at kiva.org/about/finances

*A Donor Advised Fund is charitable giving vehicle which is administered by a public charity and created for the purpose of managing charitable donations on behalf of an organization, family or individual. Kiva created its own Donor Advised Fund in late 2013 to enable tax advantageous lending on Kiva for corporations, foundations and individuals.

