Annual Report 2016

JOIN THE MOVEMENT: INVEST IN HER

GRAMEEN AMERICA
Half of all women are unbanked or underbanked

More than 1 in 8 women live in poverty (nearly 17 million women)

30% of low-income consumers have no credit history

More than half of low-income children live in female-headed households

Women entrepreneurs account for only 4% of all conventional small business loans (roughly $1 out of every $23)

FEDERAL DEPOSIT INSURANCE CORPORATION, NATIONAL WOMEN’S LAW CENTER, U.S. CENSUS BUREAU, NATIONAL WOMEN’S BUSINESS COUNCIL

Grameen America is dedicated to helping women who live in poverty build small businesses. We offer microloans, training and support to empower women entrepreneurs across the country.
“In the two years since I joined Grameen America, I’ve been able to open my own hair salon and begin saving for my daughter’s future. None of this would have been possible without their support.”

Wendy
Beauty Salon Owner

Dear Friends and Partners,

As we reflect on 2016 and look toward our future, Grameen America is proud to stand as an emblem of hope for women living in poverty around the United States. We have never felt more grateful and fortunate to be involved in the amazing work of Grameen America.

This past year has been a landmark year for Grameen America. We celebrated major milestones: we invested more than half a billion dollars in low-income women entrepreneurs and we opened our nineteenth branch in our twelfth city. Together with our partners, we have empowered more than 86,000 women around the country.

Although our country has made significant progress toward reducing poverty, we still have much work to do. Shockingly, more than one in eight women and more than one in three families headed by single mothers live in poverty. Women receive only 4 percent of loan capital nation-wide, and low-income minority women are shut out at even more alarming rates.

In the face of this, Grameen America is giving women the support they need to stand on their own. Year after year, we have offered a proven, scalable solution to help women in poverty achieve economic independence. This is more than philanthropy. This is a social business in which each investment in our members recycles back into our program to empower even more women nation-wide.

Thanks to our friends and supporters, we were able to deepen our impact across the country in 2016. We provided tens of thousands of low-income women entrepreneurs with the financial tools they need to build small businesses, achieve financial security, transform communities, and create a better life for themselves and their families. We worked with our partners to connect women entrepreneurs with transformative financial technologies and extend our reach into new markets. We’re doing all this while our members continue to repay at an incredible rate of 99.6 percent.

This report is dedicated to the partners and friends who have made our work possible and to our hard-working members who prove that backing women is the best investment we can make to end economic inequality. We hope these pages inspire you with what we’ve accomplished together and energize you for the exciting work that lies ahead.

Now, more than ever, we must come together to ensure that Grameen America continues to stand tall as a proud solution in our country. As we approach our tenth anniversary, we hope you will continue to work alongside us, and we thank you for believing that, together, we can make a difference in the lives of tens of thousands.

Onward and upward.

Andrea Jung  
President and CEO  
Grameen America

Professor Muhammad Yunus  
Chair, Board of Directors  
Grameen America
In 2016, we passed an incredible milestone of investing more than half a billion dollars in more than 86,000 women entrepreneurs around the country.

- **86,000** women entrepreneurs served
- **$591,000,000** total disbursed
- **265,000** loans
- **$1,200** annual income boost
- **99%** repayment rate
- **12** U.S. cities
- **22,000** new members in 2016
- **640** average credit score
- **$5.9M** total value of members’ savings
- **$211** average member savings
- **90%** retention rate
- **110,000** training hours in 2016
“Grameen America has given me the support I need to realize my dreams and follow my passion. They have inspired me to look towards the future and set goals for myself and my business.”

Olivia
Seamstress & Clothing Shop Owner
**2016 KEY FINANCIAL HIGHLIGHTS**

- **TOTAL ASSETS**: $78.5M
- **LOAN PORTFOLIO**: $58.7M
- **NET ASSETS**: $35.1M
- **DEBT/NET ASSETS**: 1.20x
- **ORGANIZATIONAL SUSTAINABILITY**: 51%
- **PORTFOLIO AT RISK > 30 DAYS**: 0.3%

**PORTFOLIO QUALITY MILESTONES IN 2016**

1. Increased Loan Loss Reserve ratio to 1.78% of Gross Loan Portfolio
2. Achieved lowest annual write-off to portfolio ratio in Grameen America history (0.3%). Since inception, Grameen America has written off $697,000 on $590M cumulative disbursements.
3. Maintained a PAR>30 of 0.3%
4. Three additional branches became operationally sustainable (4 branches total). As each branch’s microloan portfolio scales, we are able to cover operational costs through interest income.

**FINANCIAL TRENDS**

**OUR SOLID BALANCE SHEET SUPPORTS GROWTH.**

<table>
<thead>
<tr>
<th>(ALL $M)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>YOY</th>
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<tbody>
<tr>
<td>Loan Portfolio</td>
<td>32.5</td>
<td>44.5</td>
<td>58.7</td>
<td>32%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>45.5</td>
<td>62.3</td>
<td>78.5</td>
<td>26%</td>
</tr>
<tr>
<td>Net Assets</td>
<td>27.9</td>
<td>31.0</td>
<td>35.1</td>
<td>13%</td>
</tr>
<tr>
<td>Debt/Net Assets</td>
<td>.61x</td>
<td>1.00x</td>
<td>1.2x</td>
<td></td>
</tr>
</tbody>
</table>

**2016 INCOME**

- Interest Income (46%)
- Individuals (18%)
- Foundations (21%)
- Corporations (10%)
- Government (2%)
- Other (3%)

**2016 EXPENSES**

- Programs & Services (89%)
- Fundraising (6%)
- Management & General (5%)

Pro bono revenue and expenses excluded.
JOIN THE NATIONAL MOVEMENT

OAKLAND, CA
5,375 Members
Members with savings accounts have saved an average of $304.

OMAHA, NE
6,850 Members
More than 3,000 members in Omaha improved their credit score in 2016. Over 35% of Omaha members have a score above 670.

SAN JOSE, CA
2,230 Members
San Jose branch tests new repayment system using debit cards with the goal of scaling this system nation-wide.

LOS ANGELES, CA
7,720 Members
Los Angeles branches successfully transition to cashless and paperless operations.

AUSTIN, TX
2,335 Members
Austin branch nearly doubled the number of women served since 2015.

INDIANAPOLIS, IN
3,995 Members
Yesenia, a Grameen America member in Indianapolis, hosted a luncheon for supporters and other key members of the financial services community.

BOSTON, MA
2,025 Members
Boston branch successfully switched to 100% cashless repayments through PayNearMe.

NEW YORK, NY
46,235 Members
New York City branches piloted several innovative technology solutions in 2016, including disbursement cards for members.

UNION CITY, NJ
1,650 Members
Union City branch nearly doubled the number of women served since 2015.

SAN JUAN, PR
2,405 Members
San Juan branch surpassed $5 million invested in women-owned small businesses.

CHARLOTTE, NC
5,600 Members
Over 4,000 members in Charlotte now have active savings accounts. Grameen America has been helping members improve balances by collecting and transferring deposits electronically via ACH transfer technology.

NEWARK, NJ
In November 2016, Grameen America celebrated the opening of our newest branch in Newark, NJ. Newark marks our twelfth city of operation and the branch is our nineteenth across the country. The branch is the first to open completely cashless and paperless.

With the support of our Newark Advisory Council, we aim to make Grameen America a fixture of financial inclusion and access for the women of Newark. Support from The Prudential Foundation and other funders has catalyzed our ability to work within the community to provide economic opportunity to all of Newark’s Wards. Within the first two years of operations, we expect to reach nearly 2,000 women-owned micro businesses.

MIAMI, FL
In 2017, Grameen America will open its first branch in Miami, FL. The branch will fill a much needed role as the only source of affordable microcapital to Miami’s low-income women entrepreneurs. J.P. Morgan’s anchor support has made this branch possible.
"As a single mother, I feel empowered knowing that I have a safety net with Grameen America. I know that I can use my loan to build my business and gain more security for myself and my daughter. Now, I believe the possibilities are endless.”

Maria
Notary & Tax Service Owner

2016 marked a year of monumental milestones for Grameen America. Looking ahead, Grameen America will continue to build on last year’s momentum with an agenda full of new programmatic initiatives.

REACHING NEW COMMUNITIES:
With the support of the W.K. Kellogg Foundation, Grameen America has taken steps to expand our footprint in the Harlem community and connect native-born African-American women with microloans, financial training, and business development support. In 2017, with the help of Citi Community Development and Whole Planet Foundation, we will build on this success, expanding impactful services to transform the lives of more than a thousand women in this community, in both Harlem and Newark, NJ.

TECHNOLOGY INNOVATIONS:
With the support of Citi Community Development, Mastercard and Apple, we transitioned to a cloud-based Management Information System that will increase our efficiency and further empower our members. A transformative feature of the system provides members with digital receipts for loan payments, allowing them to receive up-to-date information on their accounts to familiarize them with mobile banking. This new MIS also enables our field staff to access and analyze member information in real-time.
“In just five years, Grameen America has given me over $30,000 in microloans for my business. With Grameen America, I am proud that I can be a successful role model for my children.”

Lourdes
Taxi & Transportation Business Owner

PHYSICAL HEALTH:

To more fully address the needs of women in New York City, Grameen America partnered with sister organization Grameen PrimaCare to introduce new program initiatives linking financial health to physical health. The two organizations co-located in Queens, NY to deliver affordable primary health services through Grameen PrimaCare’s clinic, VidaSana. Together, we are also piloting Promotoras, a program to connect Grameen America members to community health workers.

SMALL BUSINESS EXPANSION:

As Grameen America approaches our 10th anniversary, we are honored to have earned the reputation as a trusted source of affordable capital among our members. In 2017, we hope to build on the support we’ve received from partners like the Small Business Administration to develop graduation products that our more experienced members can utilize as they embark on their next phase of business growth.

FINANCIAL EDUCATION AND ASSET BUILDING SOLUTIONS:

In 2016, Grameen America partnered with the MetLife Foundation to identify areas of efficiencies in our Center Meeting operations. Our branch staff are saving time and resources by implementing the project’s recommendations. Looking ahead, the Robin Hood Foundation will work with Grameen America to evolve Center Meeting structure through development of curriculum modules. To bolster asset building, MetLife Foundation will continue to partner with Grameen America to research innovative savings products to support our members’ ability to build assets. To further support asset building, Grameen America’s banking partners, such as Capital One Bank, will provide access to savings accounts to our members.

A GROWING MOVEMENT:

We are working with the Sara Blakely Foundation and Spanx to empower more than 100,000 women to join Grameen America. As part of this partnership, Grameen America members are featured on the Spanx website to raise awareness about the power of women entrepreneurs.
Our key supporters make our work possible. We are grateful for their commitment to expanding financial inclusion for women.

### FUNDING PARTNERS

- Aqua Foundation
- Apple, Inc.
- Bancorp Popular
- Bank of America Charitable Foundation
- California Community Foundation
- Capital One, NA, Capital One Foundation
- Capricorn Investment Group
- Citi Community Development
- Community Development Financial Institutions Fund, a fund of the U.S. Department of Treasury
- Community Foundation of New Jersey
- La Fondation Cuveller
- Dafos Foundation
- Roy and Patricia Disney Family Foundation
- Blair and Cheryl Effron
- Empire State Development Corporation
- Fari West Capital
- Finessiebthe Family Foundation
- First National Bank of Omaha
- Friedman Family Foundation
- Fundación Sogea Boerman e Hijos, Inc.
- Michael Gould
- Iowa Community Capital
- Iowa West Foundation
- J.C. Penney Company Fund, Inc.
- JPMorgan Chase Foundation
- The Jung Family Foundation
- Peter Kwanin
- Knight Foundation
- Mahmoud Mamedian
- MasterCard Center for Inclusive Growth
- John Morgan, Sableashea Foundation
- Morgan Stanley
- New York Community Trust
- PIMCO Foundation
- Karen Pritzker, Sandelings Foundation
- Santander Bank
- Sara Blakely Foundation
- SPARK
- Synchrony Financial
- The Glick Fund, a fund of Central Indiana Community Foundation
- The Hearst Foundations
- The Leon Levine Foundation
- The MCI Amelior Foundation
- The Marion Foundation, Inc.
- The Midlife Foundation
- The Prudential Foundation
- The PSEF Foundation
- The Estate of Kalia Reed
- The Robin Hood Foundation
- The Rose Hills Foundation
- Rami Sondharan and Auto-Owners Insurance Company
- The SunTrust Foundation
- Sutphin Fund, a fund of The Indianapolis Foundation
- The U.S. Small Business Administration
- TPG Global, LLC
- Victoria Foundation
- W.K. Kellogg Foundation
- Wahtz Family Foundation
- Whole Planet Foundation
- William and Ruth Scott Family Foundation
- Y&M Sada Foundation
- Z. Smith Reynolds Foundation

### LENDING PARTNERS

- Boston Impact Initiative
- California Community Foundation
- Calvert Foundation
- Capital One Bank
- Empire State Development
- First Internet Bank
- First National Bank
- Foundation For The Carolinas
- Goodwill Industries
- Lake City Bank Loan
- New York City Investment Fund Loan
- Northern Trust Corporation
- PNC Bank, NA
- Premier Capital Corporation
- San Francisco Foundation
- Silicon Valley Bank
- Synchrony Bank
- Upper Manhattan Empowerment Zone Development Corporation
- Wells Fargo & Company

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“My life changed when I received my first loan of $1,000 with Grameen America. Now, I run a successful ice cream shop and have hired six employees.”

**Herlinda**

**Ice Cream & Sandwich Shop Owner**
“When I received support from Grameen America, I felt confident. Now that I have these tools, I can achieve my dreams.”

Teanys
Daycare Owner

2016 was a banner year for Grameen America. As we celebrated major milestones, we also reached new fundraising goals with the unveiling of our Invest In Her campaign. Designed to help raise awareness about women’s economic inequality, this campaign will continue to fuel our growth through 2017.

Our donors — our Investors in Her — are empowering tens of thousands of low-income women entrepreneurs to realize the American Dream. Together, we are giving women access to capital to build a better life and revitalize their communities.

INVEST IN HER CAMPAIGN

INVESTORS IN HER

Donations received in 2016 ranging from $500 to $10,000.

PHOTO CREDIT: Mark Thompson
To Empower Women Entrepreneurs

1. INVEST IN HER:
Donate today to support women entrepreneurs. A gift of $1,500 will support a first-time loan and $7,500 will support five new women members.

2. FUNDRAISE FOR HER:
Set a goal and inspire your friends and family to help you fundraise. We can help you create a fundraising page and motivate your supporters.

3. GIVE MONTHLY:
Your monthly gift will help support a woman, her business, and her family year-round.

“Grameen America isn’t your average charity. This is venture philanthropy with a sustainable impact. Each new investment is recycled back into our program, allowing us to reach more women entrepreneurs and unleash their potential in the United States.”

– Andrea Jung, President and CEO of Grameen America