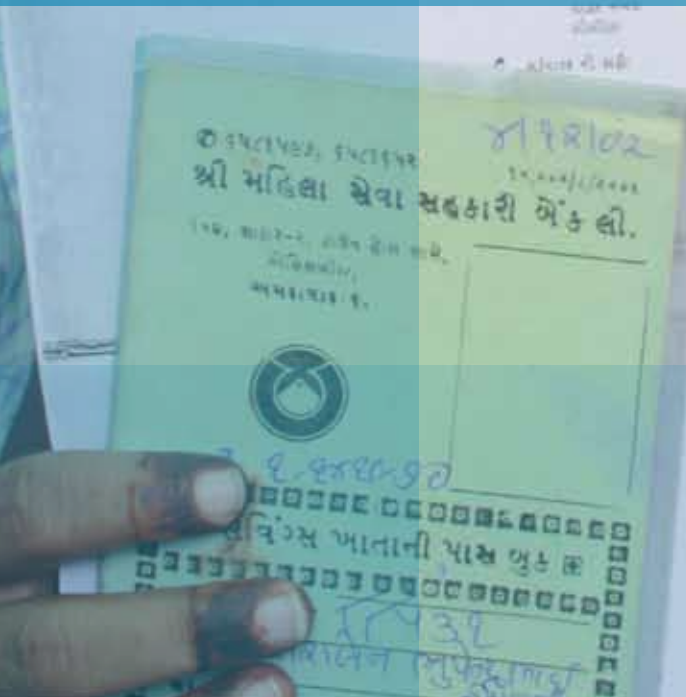




WOMEN'S WORLD BANKING Annual Report 2011



The mission of the Women's World Banking global network is to expand the economic assets, participation and power of low-income women and their households by helping them access financial services, knowledge and markets.

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Letter from the President

During 2011 nearly a million clients gained access to new credit, savings and insurance products through effective partnership with the financial institutions that comprise the Woman's World Banking (WWB) network.

This year, the first year of our current three-year strategic plan, was a year of innovation for WWB. Central to this strategy is a cycle of market research, piloting new products and then learning from the pilots to scale these products to new markets. Throughout this report, we will provide examples of work in each of these phases.

The innovations being led by Women's World Banking are enabling financial institutions to reevaluate the way they distribute financial products, how they assess risk and the ways in which they can provide meaningful financial education to their clients. For example, WWB has worked closely with four network members to help them adapt the most fundamental aspects of their institutions' processes, systems and culture in order to offer savings products [see page 22]. This year we also created innovative methods for product delivery using technologies such as mobile banking and the integration of financial education [see page 20].

Innovation requires strong leadership and a clear vision. Through the Center for Microfinance Leadership we trained more than 300 leaders in the challenges of balancing excellent financial performance with a sustained focus on their social mission. The Center staff's

in-field engagements also convincingly demonstrated that diversity of leadership is imperative for institutional success and sustainability. Findings from our diversity work can be found on page 33.

In the year of "Occupy Wall Street" and amidst growing distrust of mainstream financial institutions, the WWB network of microfinance institutions and banks is proud to have strengthened its commitment to improving the lives of low-income women. Without a fundamental understanding of our clients and a commitment to tailoring our products and services to meet their needs, we are not fulfilling the promise of microfinance. At the same time, financial institutions must be able to offer these products on a sustainable basis if they are to continue after the pilot phase is completed.

Access to credit can be a critical factor in the life of low-income families everywhere, but we believe that providing women and their households a greater measure of financial security through savings, insurance and pension products is the critical next step that financial institutions serving these clients must take. WWB stands ready to build on the successes of the past year by serving as a partner in ensuring financial stability to millions more.

Mary Ellen Iskenderian
President and CEO, Women's World Banking



Letter from the WWB Boards

One of the most important roles of a Board is to provide strategic guidance to management. As Mary Ellen discussed in her letter, this year we set out on a new strategy focused on implementing financial products and services designed to meet the needs of low-income women. Both of WWB's boards provided significant input into the development and implementation of this strategy and continue to guide the WWB network.

One of the unique features of WWB's governance is its inclusion of microfinance practitioners who bring an invaluable on-the-ground understanding of the financial needs of low-income women into the Board room. The Stichting to promote Women's World Banking (SWWB) Board has network member representation from each of the regions in which we work. In 2011 we bade farewell to two long-standing trustees, Humaira Islam and Diana Medman and were joined by Samit Ghosh and Nejira Nalic, CEOs of network members Ujjivan (India) and MI-BOSPO (Bosnia), respectively. The SWWB Board also demonstrated its commitment to maintaining a strong network focused on serving its clients by giving the SWWB Nominating and Governance Committee explicit responsibility over ethical issues related to the network.

WWB's governance is also differentiated by its dual board structure: the SWWB Board provides a global perspective on the issues facing the organization, while the U.S.-based Friends of WWB Board (FWWB) offers important insights at this critical moment in

U.S. philanthropy. WWB made significant strides in 2011 in tapping the talent and varied expertise of both of its governing bodies. These include the appointment of the Chair of the FWWB Board as a Trustee of the SWWB Board and the creation of the first joint-board committee, focused on supporting WWB's fundraising efforts.

An important feature of the current strategic plan involves a greater investment in communicating the lessons from WWB's research and product innovation work. This new emphasis was mirrored in our governance through the appointment to the FWWB Board of Hollis Rafkin-Sax, a distinguished communications professional, and the subsequent creation of a Marketing and Communications committee, chaired by Kay Madati.

In addition to organizational strategy, both boards came together on important issues concerning WWB's long-term sustainability. The boards were deeply involved in overseeing the incubation of WWB's two social enterprises: WWB Asset Management and the WWB Holding Company. These two initiatives hold the promise of contributing to WWB's long-term financial sustainability and will allow us to fulfill WWB's mission of expanding access to financial services for low-income women long into the future.

Dr. Jennifer Riria

Chair, SWWB Board of Trustees

Beth K. Roberts

Chair, FWWB Board of Directors

ABOUT WOMEN'S WORLD BANKING

WHAT IS MICROFINANCE?

Women's World Banking is a global network of 39 leading microfinance institutions from 27 countries. Network members are diverse in geography, size and structure but united in the firm belief that microfinance must remain committed to women as clients, innovators and leaders. WWB works with these institutions to design financial products and services that fulfill women's needs while demonstrating the sustainability and social impact of serving women.

Microfinance is Financial Inclusion

While lending to the poor was the founding principle of microfinance in some countries, the industry has evolved with the recognition that the poor need a way to build not only a business, but a financial safety net and the ability to mitigate risks.

Low-Income Clients Want the Same Financial Tools

As microfinance has become increasingly sophisticated, it has also broadened its reach. Women who may not want to borrow are becoming clients to deposit savings—at a rate of three to one! WWB works with institutions to understand their client's needs and to develop products that fit her goals.

Financial Service Providers Take Many Forms

Microfinance institutions (MFIs) within the WWB network are varied in their approach and structure but united in a commitment to women. Our network members range from community banks to large banks. Some are regulated entities operating under a banking license, while others remain very successful non-profit organizations.

Bankers Wear Saris and Suits

Our network leaders come from diverse backgrounds. Some started their microfinance organizations and became bankers along the way. Others worked in commercial banks before moving into the microfinance sector. WWB's Center for Microfinance Leadership ensures that these leaders, who run innovative, high-performing institutions, have the support necessary to be visionary leaders committed to both operational excellence and social impact.

Soap Operas Can Help Women Save

WWB and its network members are engaging in some of the most innovative forms of financial education and product marketing. Some combine traditional aspects, such as doorstep loan collection, with iPod Touch-based financial education videos. Another approach uses a social soap opera's weekly broadcast to help customers understand the potential of saving over time.

2011 Achievements

CONDUCTED

9

RESEARCH
STUDIES

IN

7

COUNTRIES

INCUBATED

9

PRODUCTS
WITH

15

INSTITUTIONS
REACHING

908,692

CLIENTS

PRODUCED

8

RESEARCH
STUDIES,
TOOLKITS
AND
PUBLICATIONS

\$7

BILLION

IN

OUTSTANDING

LOAN

PORTFOLIO

26

MILLION
ACTIVE CLIENTS

\$3.5

BILLION IN DEPOSITS

80%

WOMEN

WORKING IN

27

COUNTRIES

WORKING WITH

39

MICROFINANCE
PROVIDERS

SERVING

WOMEN FOR

36

YEARS

OUR NETWORK

WWB NETWORK MEMBERS

WWB is unique in that it is a network not bound by ownership or obligation, but by a shared vision and common values. Each member institution of the WWB network believes that women are the gateway to household security and are key to the success of microfinance.

MIDDLE EAST AND NORTH AFRICA

- **Egypt**
Lead Foundation
- **Jordan**
Microfund for Women (MFW)
- **Morocco**
Association Al Amana
- **Tunisia**
enda inter-arabe

EUROPE

- **Bosnia and Herzegovina**
MI-BOSPO
- **Russia**
Women's Microfinance Network

ASIA

- **Bangladesh**
ASA
Delta Life Insurance Company, Ltd.
Shakti Foundation for Disadvantaged Women
- **India**
Friends of Women's World Banking – India (FWWB)
SEWA Bank
SHARE Microfin Limited
Spandana Sphoorty Finance Limited
Ujjivan Financial Services Pvt Ltd.
- **Mongolia**
XacBank
- **Pakistan**
Kashf Foundation / Kashf Microfinance Bank
- **Philippines**
CARD Bank
Negros Women for Tomorrow Foundation (NWTF)
- **Sri Lanka**
Women Development Federation (WDF)
Sarvodaya Economic Enterprises Development Services (SEEDS)

AFRICA

- **Bénin**
Association pour la Promotion et l'Appui au Développement des Micro-Entreprises (PADME)
- **Burundi**
Caisse Coopérative d'Épargne et de Crédit Mutuel (CECM)
- **Ethiopia**
Poverty Eradication & Community Empowerment (PEACE)
- **The Gambia**
Gambia Women's Finance Association (GAWFA)
- **Ghana**
Women's World Banking Ghana
- **Kenya**
Equity Bank
Kenya Women Finance Trust (KWFT-DTM)
- **Uganda**
Finance Trust

The WWB network is fundamentally focused on expanding the economic assets, participation and power of low-income women and their households by helping them to access financial services, knowledge and markets. They are closest to the women WWB seeks to serve as a gateway for realizing impact. It is with the network that WWB can incubate new products for women that are sustainable and scale these products globally.

As we innovate, incubate and scale, WWB shares experiences with the rest of the network; **peer learning remains at the heart of WWB and one of the main benefits of being part of a network.**

WWB Global Meetings are the premier learning exchange opportunity for the network, bringing together MFI leaders, the WWB global team and other experts to discuss innovations and challenges in microfinance and share insights and best practices. The biennial meetings are a hallmark of the network. During 2011 WWB brought 26 network members to New York City for lively discussions on the importance of client focus, managing microfinance institutions through crisis, and delivering on social mission while maintaining sustainability.

In 2011 WWB facilitated several network member exchanges, including the first intra-country exchange between Mibanco and CMAC Arequipa in Peru, and an exchange between Ujjivan Financial Services (India) and Shakti Foundation for Disadvantaged Women (Bangladesh) during which Ujjivan shared its successful individual lending framework.

Additionally, in 2011 WWB hosted its 9th Annual Capital Markets Conference. The conference is the leading industry event of its kind, bringing together expert practitioners from the mainstream financial sector and the microfinance industry, and providing a forum for knowledge exchange. This year's conference discussed why microfinance still needs and warrants quality investments to help achieve its vision. Such investments sustain MFIs that positively affect the lives of poor and vulnerable people through the provision of financial services while simultaneously meeting shareholder objectives.



OUR APPROACH



Why Focus on Women?

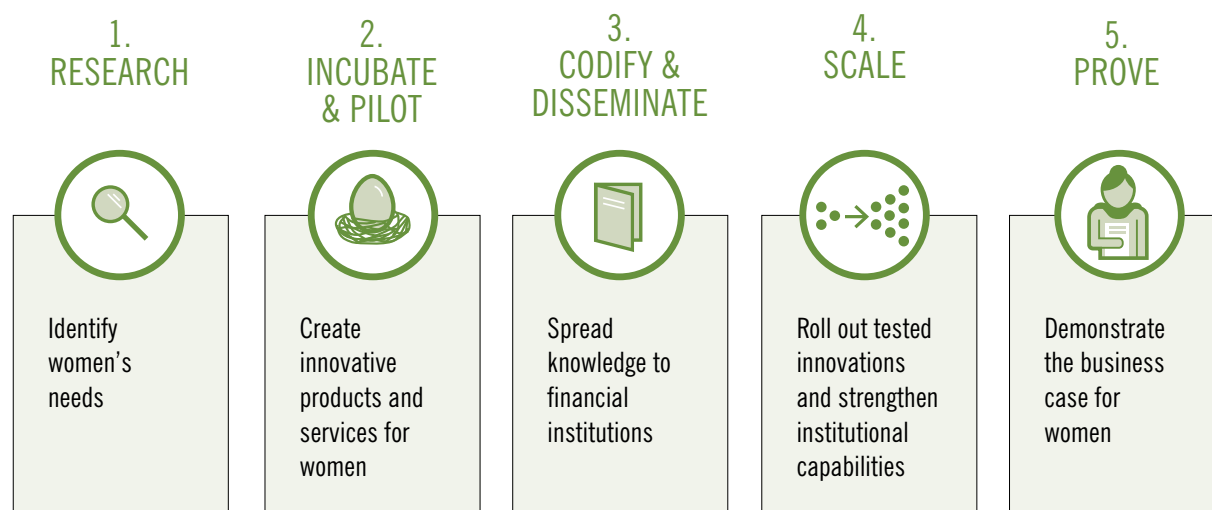
Gender equality fuels growth and has the power to advance families and societies. A growing body of research including two prominent studies by Goldman Sachs and the World Bank substantiate that providing women access to financial services results in greater development benefits for poor families, as women tend to invest their resources in family priorities (*Global Economics Paper No: 154* and *Gender Equality, Poverty and Economic Growth*, respectively). As women gain increased economic power in the household there are improvements in education, nutrition, healthcare and increased household savings. The impact of a woman's access to financial products and services extends to her family, community and society.

Why then is an entire market segment struggling to gain access to financial services? Women make up less than 30 percent of the labor force in many countries. Bringing women into the economy requires a shift in our perception to see women and particularly the poor, as powerful economic agents. When a woman generates her own income—and this holds true no matter what the country—she re-invests her profits in ways that can make long-term, inter-generational change: the education of her children, health care for her family and improving the quality of her family's housing.

WWB understands that women need more than loans. They need access to a safe and secure place to save, insurance products, and pensions. WWB works with network members to create products that women will use and that will allow them to begin to plan for their futures in ways they had never dreamt of before.

MAKING THE BUSINESS CASE FOR INVESTING IN WOMEN

Women's World Banking is committed to creating innovative approaches to provide credit, savings and insurance products so that one day all women will be able to build a secure financial future for themselves and their households.



Designing Products for Women

Before highlighting some of WWB's most innovative work from 2011, it is important to note the cultural constraints within which women live and work that affect their ability to access financial services or grow their businesses. For example:

- Women are the financial managers in most households. They manage household expenses from the money they earn and/or are given. They are also generally the savers, putting aside money for emergencies and other financial goals.
- When women engage in income-generating activities they do so in addition to their more traditional roles, such as taking care of children and the household.

Women around the world complain of this “double burden,” saying that it causes stress and limits the time and money available to invest in their businesses.

- Asset ownership rates are extremely low for women, housing and land being the most inaccessible.
- Mobility constraints lead to women's involvement in predominantly home-based businesses, which are typically in highly competitive sectors and require limited human and investment capital. Businesses are often extensions of household activities, such as sewing, running beauty parlors and catering. While these activities have low barriers to entry, they also have limited scalability.



WWB's Approach

Providing women with the means to create their own economic security has been at the heart of WWB's mission since the organization was established more than 30 years ago. In developing its 2011-2013 strategy WWB articulated the following vision statement: "One day all women will be able to build a secure financial future for themselves and their households."

Given the breadth of this challenge, WWB needed to find the most powerful ways to deliver on this vision and developed a strategy that centers on creating innovative approaches to provide credit, savings and insurance products specifically designed for the unique needs of women and scaling them with our network partners and other financial institutions.

The incubation process begins with market research, speaking to our network members and their clients to understand what financial services they want and what attributes those products should have. We then pilot the product and, after implementation, replicate what we have learned in other markets. At each stage we are committed to capacity building with our partner institutions. Given the diversity of institutions within our network, institutional development can take many forms. It may mean helping to expand marketing capability, training staff or strengthening internal systems.

WWB is building strong institutions that serve women by creating sustainable solutions. Serving women makes good business sense and WWB will prove it.

GDP GROWTH DRIVEN BY WOMEN

A growing body of research indicates that those emerging markets that are best able to close the economic inequality gap between men and women will be poised for the most sustained growth in GDP. Women now represent 40 percent of the global labor force, 43 percent of the world's agricultural labor force, and more than half of the world's university students. Productivity will be raised if their skills

and talents are used more fully—for example, if women farmers were to have the same access as men to fertilizers and other inputs. Eliminating barriers that discriminate against women working in certain sectors or occupations could increase labor productivity by as much as 25 percent in some countries.



OUR PROCESS:

RESEARCH

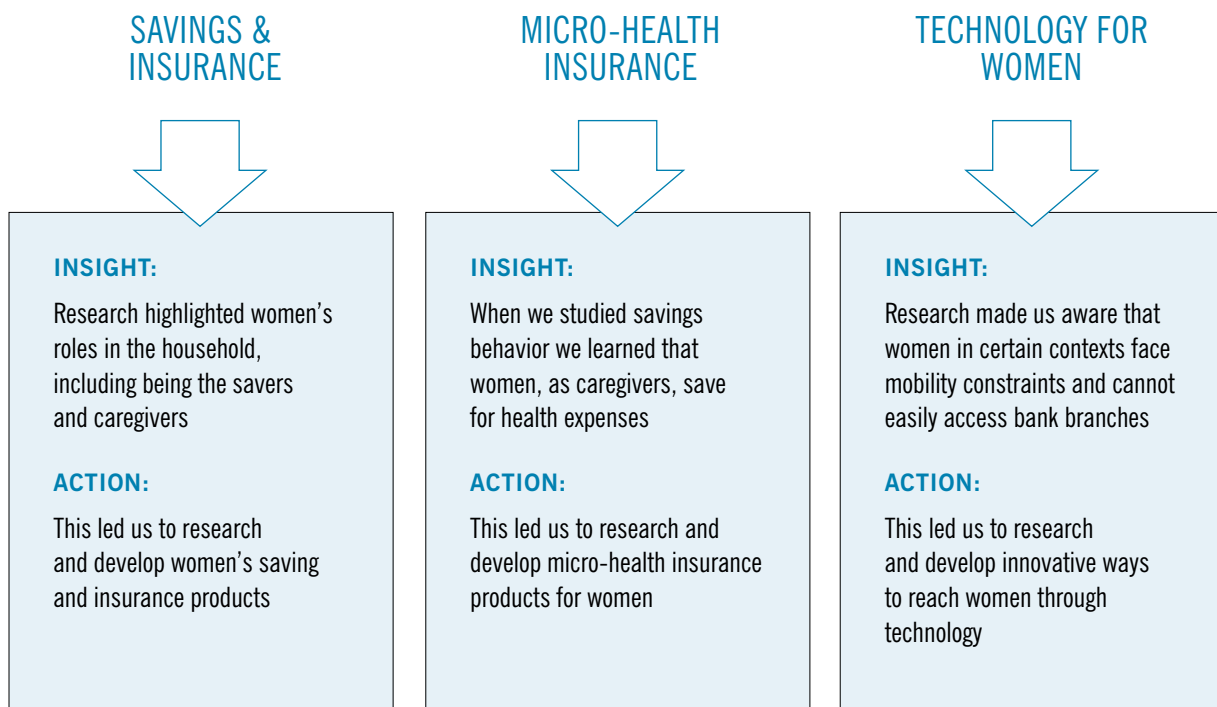


Solutions Based on Listening to Clients

WWB works with network members to identify the products and services women need to build and protect assets. Listening to women about their financial lives is at the heart of our research and they tell us that there are major barriers for poor women that impede their inclusion in the financial sector. Understanding the lives of women and the challenges they face is imperative to closing the financial inclusion gap.

WWB's success over the past 30 years has been based on our ability to understand customer needs and develop appropriate, responsive solutions. Our approach to market research, the foundation of all our projects, involves going beyond simply asking about preferences and money management to exploring underlying factors such as cultural patterns of gender, identity, status and household relationships that we find to be critical in delivering tailored financial services to women. WWB then uses insights from this research to inform all of its work.

INSIGHT TO ACTION



PRODUCT:**REMITTANCES****Turning Remittances into Savings**

Once remittances have been received there is an opportunity to help women manage this money in safe and productive ways.

More than 900 million people leave their homes and families to work in other cities or countries. Often, these people work to send, or remit, a percentage of their earnings home to provide the primary or supplemental income that their families need to survive. This past year, WWB conducted two in-depth studies on the remittance market to better understand the needs of women related to the sending and receiving of remittances.

Research confirmed that women are an integral part of the remittance process. Traditionally, women are seen as the receivers of funds. Both men and women abroad prefer to send money to women, given their role as the household financial managers and caregivers. They use remittances for everyday expenses, such as food and clothing, as well as for health emergencies and education. However, women are also increasingly becoming the senders of remittances as they go abroad for their own paid work. These women are sending money to their mothers, sisters or friends who are responsible for taking care of their families in their home countries.

Women regularly go into banks to pick up cash transfers, but the banks often overlook them as potential customers for other services. Once remittances have been received there is an opportunity to help women manage this money in safe and productive ways. Generally, these are clients who would not have otherwise sought out financial services or did not know that such services were available to them. This gap presents a significant opportunity for MFIs given their existing outreach to low-income women. They are in a position to tailor remittance and remittance-linked products to better serve a currently underserved market.

Looking Forward

Research has uncovered new opportunities for both clients and MFIs. Commissions from money transfer companies, and the ability to earn a fee on foreign exchange transactions, in addition to an expanded client base and cross-selling of products present revenue opportunities that can contribute to the sustainability of an MFI. Moving forward, WWB will work with MFIs to provide clients the opportunity and the knowledge to effectively take advantage of remittances.



PRODUCT:

CREDIT

Valuing What Women Do: One Size Does Not Fit All for Loans to Rural Women

Rural women, one of the largest and most underserved segments of the world's poor, face the greatest barriers to entry into the financial system.

Women live and work within cultural constraints that affect their ability to access financial services or grow their businesses. Many existing microcredit products, particularly individual loans based on in-depth credit analysis, have inadvertently excluded women by taking a one-size-fits-all approach. Through research, WWB has identified some of the barriers that impede the inclusion of poor women from the financial sector and is partnering with network members to design loan products that address these barriers to ensure that women have access to appropriate and sustainable loans that meet their needs.

Rural women, one of the largest and most underserved segments of the world's poor, face the greatest barriers to entry into the financial system. They face greater mobility constraints than urban women and tend to be less educated. Income-generating activities

generally split along gender lines in rural households. Men are the authority figures, main financial providers and managers of the family farm while women are the homemakers, caregivers and often serve as a key source of labor for the farm. Rural women tend to engage in supplemental income-generating activities, such as selling extra food crops, milk or eggs; cooking; or making handicrafts. These are typically low-paid activities that are viewed as extensions of women's household activities. This can make the economic contribution of women practically invisible. WWB has found that women often do not identify themselves as important contributors to the household income even in situations where they contribute a significant portion of household income.

WWB debuted a project to adapt credit products for rural women based on a true assessment of all household income. Working with three network members in Latin America—Interfisa Financiera (Paraguay), Caja Municipal de Ahorro y Credito de Arequipa (Peru) and Fundación delamujer Bucaramanga (Colombia)—WWB will identify the challenges and potential



solutions to get loans into the hands of rural women. Our approach is based on:

- Understanding the position of women in rural economies;
- Measuring the value of women's economic contribution to the household;
- Understanding why women are not accessing loans;
- Identifying solutions such as loan products with appropriate tenor, marketing strategies or staff incentives and training; and
- Measuring results.

During 2011, WWB conducted research in Paraguay and found that agricultural activities managed by the husband were overestimated by loan officers while the non-farm income-generating activities managed by the wife were not analyzed correctly and were significantly underestimated. There are several potential

solutions: training loan officers in whole family analysis and adjusting product features to ensure they work for women. The more difficult challenge is changing the way women's work is valued. One proposal is to initiate a major marketing campaign that helps to make women's work visible. WWB has had success with this approach in other markets. In 2006, WWB partnered with Microfund for Women (Jordan) on a similar project that positioned entrepreneurs as ambitious self-sufficient women.

Looking Forward

WWB is committed to finding solutions for rural women to participate in the economic development of the community and to value women's businesses as legitimate economic activities in their own right. This three-year project will continue in 2012 with research and product development at institutions in Peru and Colombia.



RESEARCH DRIVES MARKETING TOOLS

As MFIs move beyond credit to offer a broader range of financial products, marketing is becoming increasingly important. It plays a vital role in driving sustainable growth by helping institutions:

- Develop a deep understanding of customer needs and motivations,
- Meet those needs with products and services that offer a clear value, and
- Develop materials and campaigns that help clients understand their options and plan for their future.

Strong, customer-driven branding and marketing helps institutions grow, by delivering “what the people want, how they want it, when they want it, and where they want it.” In 2011, WWB partnered with network member institutions SEWA Bank (India), Banco ADOPEM (Dominican Republic), and Kashf Microfinance Bank (Pakistan) to offer comprehensive marketing programs to attract new customers, build loyalty and, in some cases, deliver financial education.

Marketing is critical to create real demand for products and often financial education is a key component in the creation and articulation of demand. WWB has been piloting various models of embedding financial education into product design and marketing. For example, WWB worked with Kashf Microfinance Bank (KMB) to create a tool to help clients set savings goals, articulate how much they need to save toward that goal and in what time period, and determine how much they can or want to save each month. This tool was then integrated into sales conversations by KMB frontline staff, getting clients to articulate their own needs, thus increasing the likelihood that they would open and use an account. The materials are visual so clients don't have to be literate to understand them. The institution reinforces this by hosting branch-level savings educational events to build financial literacy and sell its products at the same time. Clients are able to open accounts there and then, so they can act on their knowledge immediately. As WWB is a learning network, this approach is now being integrated into several other projects, through both traditional channels (doorstep service) and innovative social communications.





OUR PROCESS:

INCUBATE

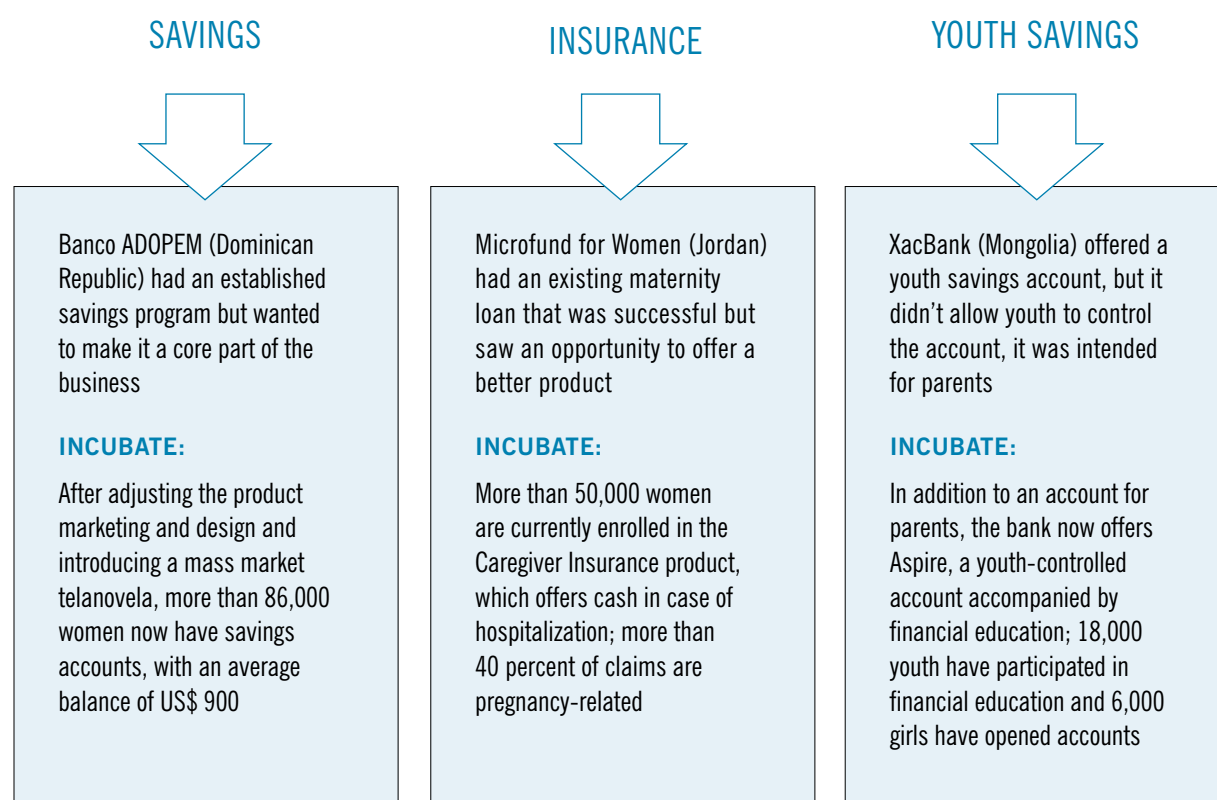


Testing Innovations

Introducing new products requires an institutional commitment to innovation. WWB's pilot partners are bold institutions willing to make an investment in research, new systems and staff in order to be sustainable and provide financial services that women value. These institutions are not only successful in their core business, but willing to take risks to help women build assets. They see a gap and an opportunity. Innovation is at the core of what they do. And they are confident that banking on women makes good business sense.

During 2011 the product development process formed the majority of our work, primarily helping institutions offer savings products along with financial education.

WWB PRODUCT DEVELOPMENT PROCESS



SERVICE:

FINANCIAL EDUCATION

Embedding Education in the Client Experience

SEWA and WWB are testing ways to systematically embed financial education into existing interactions with the bank, including SEWA's hallmark doorstep banking.

Most microfinance providers in India are not allowed to collect savings. There is one quite notable exception—SEWA Bank, founded in 1974 when a group of self-employed women formed a cooperative to serve mostly poor women working in the informal sector.

“We may be poor,” they said, “but we are so many.”

More than 4,000 women contributed 10 rupees each to establish the bank. Today it serves more than 350,000 women providing savings, loans and access to insurance and pension products. Customers with savings accounts outnumber borrowers by almost three times, and the bank has set the ambitious target of serving one million savers by 2015. Project Samruddhi is a two-year collaboration between Women's World Banking and SEWA Bank to help increase the number of women who have savings accounts and the frequency with which they save, through financial education and marketing.

As part of the project, SEWA is testing ways to systematically embed financial education into existing interactions with the bank. It is bringing financial education to the neighborhoods in small group settings

during which clients create savings goals and plans.

One of SEWA's hallmarks is its doorstep banking—run by women from the community, known as *saathis*, who act as credit and savings collection officers.

Customer research showed that strong, personalized *saathi*-customer relationships can be very powerful, for both the customer and SEWA. In these relationships customers almost unconditionally trust their *saathis*, open the accounts that are recommended to them and follow instructions to qualify for loans if so desired. Customers rely on *saathis* for account details such as balances, interest information and maturity dates. A *saathi* may visit up to 50 clients a day, and if she can reinforce the concrete, relevant, actionable financial education messages that customers receive in classes with every day interactions, there is potential to help women set and meet long-term savings goals. The *saathi* follows up on the savings plan the client creates and reinforces financial education at each interaction. Additionally, a small number of bank *saathis* are equipped with an iPod Touch that provides real-time account information.

Looking Forward

WWB is working with SEWA to maximize the potential of the mobile devices, including developing financial education videos that can be shown to customers.



PRODUCT:

SOCIAL COMMUNICATIONS

A New Frontier

A new social communications approach shows tremendous promise in changing perceptions of women's status.

Can a soap opera change the way people think about money? A new social communications approach shows tremendous promise in changing perceptions of women's status. In the fall of 2011 WWB launched its newest initiative to encourage women of the Dominican Republic to become better money managers, to build savings and to create a more secure future for themselves and their families. The groundbreaking socially-minded soap opera, "Contracorriente," produced by and in partnership with Puntos de Encuentro, explores the ways in which media can positively influence financial behavior. The series exposes low-income women to intimate and complex topics such as money management and dealing with household financial dynamics embedded in the traditional story lines of a soap opera. During its first run the show reached an average of 184,000 weekly viewers across the Dominican Republic. Banco ADOPEM staff have monitored the opening of new savings accounts and deposit-making by current account holders by asking if clients have seen the show—43 percent have.

In parallel, Banco ADOPEM initiated a national marketing campaign to encourage women to save. Commercials for the series showcasing the benefits of savings have reached more than 191,000 people on

five television networks. Radio advertisements geared toward women have aired on 13 radio stations across the country using themes and messages similar to the TV commercials. Advertisements are also currently featured on buses in the capital city of Santo Domingo and on billboards in five additional regions outside of the capital city.

A critical component of the project is financial education. WWB, in partnership with Reach Global and Puntos de Encuentro, has created a detailed financial education curriculum and trainer's guide leveraging clips and messages from the television series. Trainers will teach the curriculum to current Banco ADOPEM clients; in addition representatives from 16 training institutions within the development sector have been trained to teach the curriculum to their clients.

WWB and Banco ADOPEM are also working closely with the International Center for Research on Women to conduct an evaluation of the combined impact of the series and the marketing campaign on women's attitudes, perceptions and knowledge, household financial management, financial communication, and savings.

Looking Forward

Based on the project in the Dominican Republic, WWB has identified key success factors including the importance of developing material with local partners and the need to link all media to clearly articulated ways to take action, ideally the use of a financial product. WWB has identified new markets for which this innovative marketing tool might be appropriate. Upcoming engagements include a radio novela in Paraguay and serialized television dramas in Kenya and Mexico.



PRODUCT:

SAVINGS

Helping Women Save Bit by Bit

Offering a savings product requires a fundamental shift in perception by both clients and institutions.

One of the most important products we can offer women is access to a safe place to save. WWB knows from its research that poor women, those living on less than US\$ 2 a day, are inherent savers but are forced to save informally in unreliable ways: in a tin can or buying excess stock for their business because they don't have access to savings accounts. While their financial lives are complicated: juggling subsistence needs, emergency expenses and school fees with an unpredictable income, they still manage to save on average 10 to 15 percent of their income.

Based on years of research, WWB has developed a sound understanding of what women want in a savings account:

- *Security:* Knowledge that their money is safe.
- *Confidentiality:* Women want to control whether husbands, children or in-laws know how much they have or that they are even saving.
- *Convenience:* Women need a way to make small, frequent deposits without taking time away from their domestic responsibilities or from running their business. We know that for poor families, if money is in the house it gets spent on immediate needs. Supporting women to deposit regularly can really

help them save. WWB is testing ways to use local merchants to accept deposits through point-of-sale terminals, and to use mobile phone banking as a real tool for savings.

- *No fees or penalties:* In many countries where WWB has done research on savings, low-income customers tend to distrust banks because of fees that erode their savings and are poorly understood. Network members, including Banco WWB in Colombia, are working to develop simple and accessible savings products that can be understood by customers who are not accustomed to saving at a bank while building trust in the process. To make this approach sustainable, however, institutions must invest in cost-effective approaches to managing savings. Alternative delivery channels, such as mobile banking, are one way to reduce costs and at the same time, bring the service closer to customers.

While it is clear what clients want, the real challenge is in creating a product that is sustainable for MFIs. WWB spent much of 2010 and 2011 helping institutions build the internal capacity to support deposit taking. Offering a savings product requires a fundamental shift in perception by both clients and institutions. Leaders need to align the institution's staff around this new vision and strategy. WWB network members, as leading microfinance institutions, have high recognition among their target customers. When they expand



to offering savings, they need to reposition themselves as a safe place to save, in addition to being a loan provider. They also want to increase awareness among new customers such as low-wage salary earners. To address this challenge, WWB is working with Banco ADOPEM (Dominican Republic) to develop the capabilities of its marketing department, which in 2011 developed a number of successful savings campaigns.

Looking Forward

WWB knows through research that developing goal-based products is good for both clients and institutions. Research shows that many clients have goals but have difficulty creating a plan to achieve them. WWB is working with network members to help customers articulate their goal and offer a simple way to achieve it.

Building a Sales Force Focused on Savings

The program taught employees to analyze how to best market their products while building trust, especially in communities where potential customers have other options from which to choose.

With more than 580,000 clients in urban and rural areas, network member Kenya Women Finance Trust (KWFT-DTM) is the only financial institution in Kenya to focus exclusively on serving women clients.

After obtaining a banking license in April 2010 that allowed the bank to offer savings, KWFT-DTM has made remarkable progress in attracting women savers. After only a few months of operation, KWFT-DTM has more than 600,000 active savings accounts and a total savings portfolio of US\$ 90 million.

KWFT-DTM has placed a high priority on ensuring that loan officers and field staff are properly trained as the suite of product offerings increases. Recognizing the need to further solidify the relationship between clients and the bank, WWB partnered with KWFT-DTM to offer comprehensive sales force training to staff members geared towards eliciting four critical outcomes: understanding customer needs, building product knowledge, developing competitor awareness, and alignment with the company vision throughout the organization.

When an MFI begins offering savings it may mean that loan officers need to change their communication style and develop listening skills to offer the right solution from a wider range of options. For all staff, it requires greater product knowledge and capacity to manage the new range of products. Chosen from around the country, 35 sales employees completed an intensive three day training-of-trainers course to prepare for the future responsibility of educating more than 2,000 staff at branches nationwide.

Focused on offering promotional techniques for selling savings products to clients, the curriculum was designed to help the sales team effectively address the unique needs of women clients at different stages of their lives. It included modules such as: customer segmentation, customer satisfaction, relationship marketing, understanding the competitive landscape and adapting sales techniques. The program taught employees to analyze how to best market their products while building trust, especially in communities where potential customers have other options from which to choose.



OUR PROCESS:

SCALE

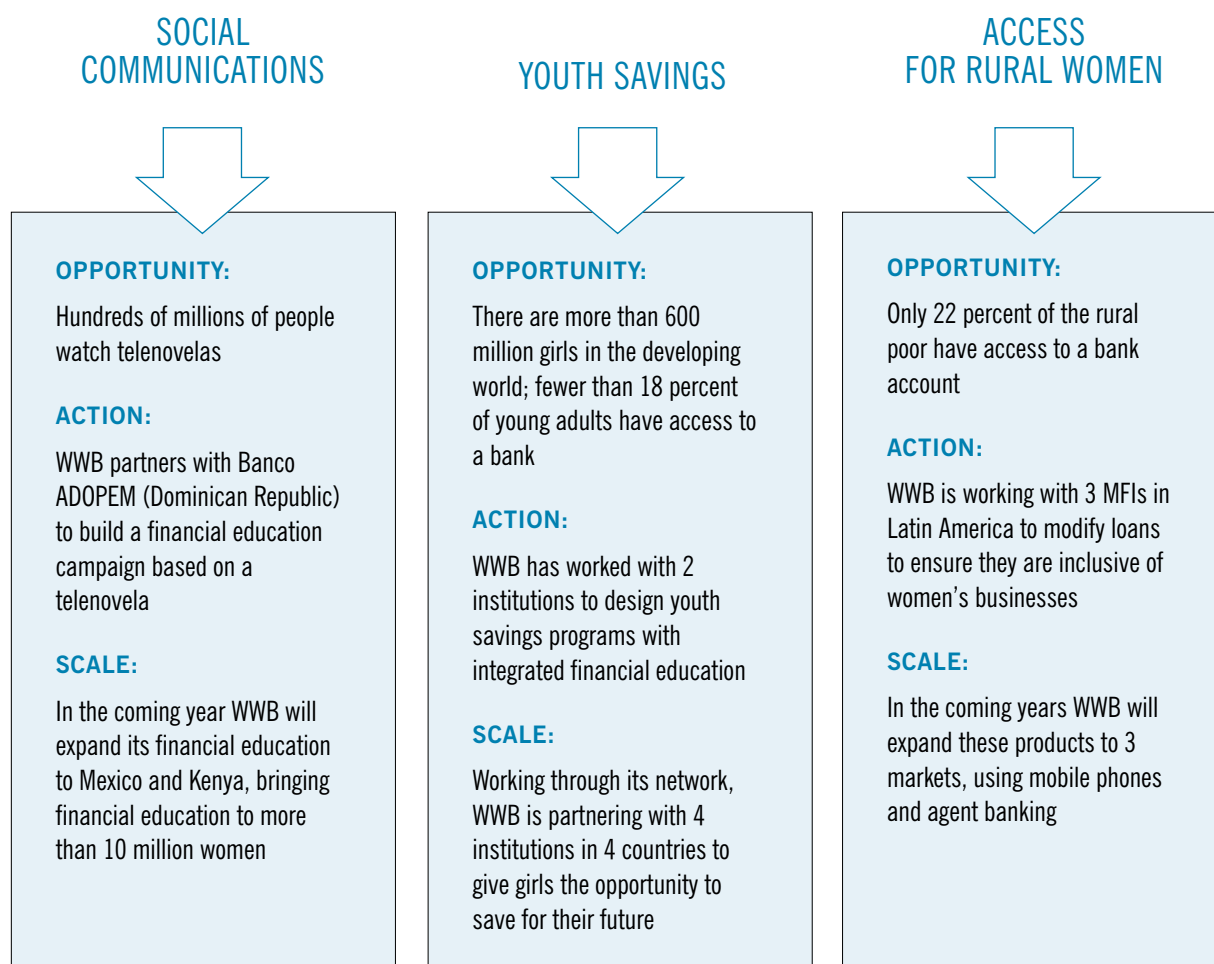


Maximizing Outreach to Women

In the last three decades microfinance has made great progress, serving more than 190 million borrowers as an industry; however, there is still a significant access gap and closing this gap is going to require innovation and reach. Given that the majority of the unbanked are women, it is imperative that we scale these innovations in a way that directly reaches women.

There is a tremendous opportunity to use advances in technology to reach more clients by expanding beyond branch banking. The emergence of the cell phone as a low-cost means to conduct financial transactions represents a significant break-through in democratizing access to financial services. Similarly, the increasing use of mass media, such a soap operas, to teach financial education is an opportunity that could make significant inroads toward financial inclusion.

BUILDING ON EXPERIENCE



PRODUCT:

YOUTH SAVINGS

Unlocking the Potential of Adolescent Girls

WWB has assisted XacBank (Mongolia) and Banco ADOPEM (Dominican Republic) to become the first financial institutions in their markets to treat girls as genuine bank customers.

Research suggests that by serving a girl at the vulnerable crossroads of adolescence, development programs can have the greatest impact not only on that girl, but can empower her to be a catalyst for change in her family and community. Girls face systemic disadvantages in health, education, nutrition and the burden of household tasks. Many poor girls are forced to marry at very young ages and are subject to sexual violence and physical exploitation. Girls are often seen as unworthy of investment or protection by their families. As they move into early marriage and childbearing, the cycle continues. Once that window of adolescence closes, the opportunity to impact a generation is lost. The total global population of girls ages 10 to 24 is expected to peak in the next decade. According to market research conducted by WWB, girls as young as 10 years old regularly accumulate money, actively manage it and want a safe place to save it. However, financial institutions are traditionally oriented towards adults as customers and do not see youth as a viable target market.

Early evaluation of girls' savings projects suggests that increased savings is associated with positive outcomes including higher educational aspirations and attainment at both the secondary and tertiary levels. Investing in girls' education creates a ripple effect: an extra year of primary school boosts her eventual wages 10 to 20 percent, she marries later and has fewer children.

During the past three years WWB has partnered with two institutions to incubate youth savings programs that offer access to savings accounts for young women and girls coupled with financial education. WWB has

assisted XacBank (Mongolia) and Banco ADOPEM (Dominican Republic) to become the first financial institutions in their markets to treat girls as genuine bank customers. This commitment is showcased in the design of youth-controlled accounts and tailored marketing materials including brochures, passbooks and piggybanks, and demonstrated by staff communication with parents and girls. Similar to adults, girls want a choice of products, accounts that are easy to open and use and a branch that is accessible. WWB is also working with its partners, including Microfinance Opportunities (MFO) to develop complementary financial education initiatives, including stand-alone classroom sessions and seminars, interactive games, and integrating financial education messages and tools into the marketing of products and everyday operations.

Looking Forward

WWB took the lessons learned from these markets to Ethiopia where it is currently working with PEACE MFI to design and implement the *Leneye* (which means "for tomorrow" in Amharic) youth savings program. The account has a low opening deposit, competitive interest rate, tailored marketing materials and is offered to girls and boys ages 12 to 24. In the first phase, PEACE has piloted *Leneye* in one branch opening more than 300 savings accounts, with plans to roll out the product to additional branches in 2012. The savings program offers a complementary, practical financial education curriculum delivered by branch staff.

PEACE MFI plans to launch a second phase of the *Leneye* youth savings program for married, rural girls in the Amhara region of Ethiopia, which has one of the highest rates of child marriage in the world. In the context of weekly group meetings to discuss financial literacy, sanitation, reproductive health, and gender issues, these girls will have the opportunity to open a *Leneye* youth savings account to begin saving in a secure, confidential, and accessible way.

Carrying On a Savings Tradition

In early 2011, Yessica Tavaréz Castillo opened a savings account at her local Banco ADOPEM branch in order to have a safe place to keep her money. Yessica knows exactly how much money is in the account at all times. She is 10 years old and cannot legally make withdrawals without her mother's presence and consent, but still she feels personal ownership of her savings.

Yessica describes her family as close-knit and honest and one in which women are traditionally the head of the household; her mother, her aunt and her grandmother all derive their income from self-owned businesses in the Dominican Republic and have also raised their children on their own. Her older female relatives are proud that they continually strive for a better future and work hard to accomplish their goals.

This determined girl learned how to save from her mother, who was the first person to explain the importance of creating monetary goals. Yessica has followed the example of her grandmother, her mother, and her aunt, learning to save but also teaching others how to save. She proudly shares that having the example of family members who save has positively influenced her ability to do the same. Regularly sharing her savings success story among those in her peer group, Yessica recognizes that other girls and boys her age could learn how to save if they were motivated in the right way, such as by having someone help them understand how savings can help in case of an emergency and to achieve a better future.



ASSESSING OUTCOMES

WWB launched its youth savings program with Mongolian network member XacBank to expand access to finance for young women and girls. Both organizations hypothesized that providing access to savings accounts and complementary financial education would provide girls with invaluable skills. Learning to actively manage one's own account is empowering—through financial education, girls learn the value of saving, of aspiring towards long-term goals and of financial management and budgeting. These important skills learned early in a girl's development will eventually lead her to be an agent of change for her family and community.

After conducting initial market research and competitor analysis, XacBank and WWB designed a savings product called *Temuulel* (which means “Aspire” in Mongolian) to attract a target market of girls aged 14-17. The product was originally offered only to girls, but XacBank later decided to expand the offer to boys and all youth up to age 24, so that adolescents could keep their account after starting college. XacBank created colorful, aspirational, and age-appropriate passbooks, marketing materials and incentive structures. All branches display *Temuulel* signage that is instantly recognizable to clients, making the branch a more welcoming and friendly destination for youth. XacBank also invested in television, radio and website advertisements; training of student bankers and the sponsoring of

Temuulel days at local schools. Nearly 19,000 youth have participated in financial education programs and 8,500 have opened accounts—79 percent of them girls.

MFO, a pioneer in financial education for microfinance clients, released a report this year highlighting the project's baseline and endline assessments that were conducted to determine the impact of the four year effort to positively influence Mongolian girls. Key findings from MFO's assessments showed that girl participants reported a sense of pride in managing financial affairs and had a greater desire for financial autonomy. They also had a much more positive view of XacBank and many vowed to stay with the institution after they reached adulthood. Girls who participated in the financial education sessions developed valuable social networks and teamwork skills as a result of their participation. Most powerfully, it was found that girls often shared their experiences with peers, family and community, and encouraged their peers to open savings accounts as well.

Moving forward, XacBank has opened negotiations with the Ministry of Education to formalize financial education into school curricula throughout the country. Knowledge and best practice from this program has been incorporated into youth savings programs at three other institutions.



PRODUCT:

INSURANCE

Mitigating financial risk for health emergencies

The Caregiver policy was designed to cover all hospital stays related to pregnancy, a feature critical to improving maternal health outcomes.

Research has shown that healthcare costs exert the most financial pressure on poor families. Moreover, medical problems are compounded by the fact that the poor are less likely to seek treatment early in an illness for fear of losing income by taking time away from their families or businesses. Meeting the costs of an unexpected health emergency is the most common reason women give for having to liquidate or de-capitalize their businesses. These circumstances only serve as a catalyst for moving further into poverty, depriving families of the tools they once had to generate revenue. Microinsurance has tremendous potential to provide security and stability to a poor household.

In 2010, Women's World Banking helped its network member Microfund for Women (Jordan) launch the Caregiver policy ("Ri'aya" in Arabic), a unique micro-health insurance product that provides a cash benefit after hospitalization to help with costs associated with loss of business, medical expenses and transportation. Clients can use their coverage on anything from household needs, transportation to a hospital or replacement of lost revenue while their businesses have been closed.

Unlike the majority of insurance products available that are typically gender neutral, the Caregiver policy was designed to cover all hospital stays related to pregnancy, a feature critical to improving maternal health outcomes. Since the launch of the product,

approximately 40 percent of claims have been for pregnancy-related health issues.

Through WWB's experience with the Caregiver policy, it was discovered that not only did Microfund for Women's clients need health insurance coverage, but that their family members did as well. WWB learned that while compensation for time away from a woman's business was important, healthcare costs for family members were still exerting a significant economic burden on low-income women. To respond to this need, WWB and Microfund for Women worked with Jordan Insurance Company during 2011 to develop a family policy that is affordable and provides meaningful coverage. The recently-launched product pilot will cover all members of a client's family. WWB believes that this new product will encourage poor women and their families to seek medical treatment when necessary and will ease the financial burden health care emergencies present.

Looking Forward

WWB will apply knowledge gained through the Caregiver engagement to develop a microinsurance product with network member Caja Municipal de Ahorro y Crédito de Arequipa in Peru.

OUR PROCESS:

LEADERSHIP



Building Capacity to Support Innovation

The microfinance industry continues to change rapidly—both in expanding its definition of financial inclusion and in the diversity of actors in the industry. As products and institutions become more complex, effective leadership is emerging as the determinant of whether an institution can keep pace. Visionary leaders who are committed to their MFI's mission are critical to sustainable and responsible growth within the microfinance industry. Without strong leaders at the helm, microfinance institutions risk losing sight of how to best serve their clients in an increasingly complex environment.

WWB's Center for Microfinance Leadership is unique in that it explores leadership development capability with an explicit focus on building principled, diverse leaders committed to the double bottom line of financial returns and social progress. The Center offers executive leadership programs for senior managers of microfinance institutions, often in conjunction with the Wharton School and Creative Metier Limited. WWB's executive education has two objectives: educating current leaders to articulate the mission of their organization and ensure that message is integrated from the board to the front line staff; and identifying and preparing the next generation of leaders, both women and men.

Women have consistently been a driving force of the microfinance industry. Most of the sector's early founders were women, and for years women made up the majority of borrowers. The WWB network includes some of the most celebrated leaders in the industry, both women and men, representing a global commitment to responsive, sustainable microfinance. WWB is committed to ensuring that diverse, principled and highly-skilled leaders continue to set the vision, the principles and the innovative practices of the industry. The Center's programs reinforce WWB's core belief that by addressing leadership and management capacity in the sector, MFIs will be better equipped to achieve their dual objectives of financial stability and poverty alleviation while serving women.



“I was very impressed [by these women leaders] and now I better understand gender politics. I had an idea [of the role of gender in microfinance] when I was at Wharton and now I better understand the gender diversity impact at Al Amana. Forty eight percent of our personnel are women, and we hope to continue in this direction.”

Youssef Bencheqroun, Association Al Amana's General Director on the participants from The Center's Women in Leadership Exchange

KWFT-DTM Wins the 2011 Excellence in Leadership Award for Its Continued Commitment to Gender Diversity

WWB's Excellence in Leadership Award, presented in partnership with The MasterCard Foundation, recognizes a microfinance institution within the WWB network that demonstrates a commitment to gender diversity, principled leadership and excellence in financial and social performance, three institutional priorities that are core to the WWB network. Each institution's gender diversity initiative or strategy was evaluated against criteria that included senior leadership commitment and results of the initiative. By designing and promoting the Excellence in Leadership Award, WWB hopes to inspire transformation in the microfinance industry, shifting the perception of gender diversity from an elective initiative to a fundamental requirement for sustainable institutions.

The 2011 winner Kenya Women Finance Trust (KWFT-DTM) is living its mission by incorporating an explicit workforce diversity program highly focused on gender-related initiatives. They see themselves as filling a differentiated niche in the market, and are committed to ensuring that within their own leadership women are represented at all levels. This has given the bank an advantage in recruiting and retaining top female talent. KWFT-DTM is committed

to building women leaders, and has made considerable efforts to create leadership training programs that increase female staff's interest in seeking promotions. They also regularly monitor gender metrics related to hiring, promotion and attrition to ensure the constant presence of women.

KWFT was founded in 1981 by a group of women lawyers, bankers and entrepreneurs, as an MFI that would be both woman-serving and woman-led. Their success is based on the recognition that women are a key market that has significantly lower levels of access to financial services than the rest of the general population. The MFI has created a wide array of products that meet the needs of all women, especially the entrepreneurs that make up the majority of their more than 580,000 clients in both rural and urban areas.

"This is only the beginning of a long journey for us," said Mwangi Githaiga, Managing Director of KWFT-DTM. He continued, "We have received this award as a challenge to be able to go to bed in the evening and know that we have done something for women—not only our clients but even to give women an opportunity to grow within our offices."



Gender Diversity Assessments

Microfinance institutions targeting women customers will be more successful at understanding and responding to customers' needs if they mirror their market.

WWB has been working with institutions on gender diversity since 2008 both in response to a declining number of women at senior levels in the industry and in recognition of the strong business case for gender diversity. Borrowing a concept from corporate marketing strategy, the business case would hold that microfinance institutions targeting women customers will be more successful at understanding and responding to customers' needs if they mirror their market. This is not to say that men cannot or do not grasp the needs of a female client base, but rather that having women's voices at the tables where decisions are made about which products to offer, and how, will lead to decisions that are more responsive to women clients. Differentiation in the market as a gender diverse organization attracts not only top female talent but can have corresponding benefits in attracting new women clients. These concepts seem even more relevant today as the microfinance industry is being

forced to look inward and explore what it means to focus on customers and re-examine its commitment to the mission of poverty alleviation.

Women's World Banking offers its partners a suite of services to support, design and implement diversity strategies. The Organizational Gender Assessment (OGA) helps MFIs to diagnose the obstacles, challenges and opportunities faced by women staff members and leaders, to eliminate those obstacles and create an inclusive work environment for all. In 2011 WWB conducted its second OGA in Latin America, bringing the methodology to Fundacion delamujer, a WWB network member in Bucaramanga, Colombia. Fundacion delamujer is an organization that is clearly committed to gender diversity and has incorporated staff diversity into their strategic plan.

Looking Forward

The Center will continue to introduce programs to help MFIs develop leaders and track and improve diversity efforts. Gender assessments are planned for Uganda and Tajikistan building on what has been learned from the five previous engagements.

PRACTICAL SOLUTIONS

Women's World Banking conducted three Organizational Gender Assessments from 2008 to 2010 with microfinance institutions in India, Bangladesh and Pakistan. A cross-institutional analysis published in 2011 identifies similarities in the experiences of professional women in microfinance and proposes solutions to achieving greater workforce diversity. Some examples include:

Recruitment: Getting the Right Women in the Door

Problem: Recruiting tactics may inadvertently exclude women.

Sample recommendation: Design recruiting tactics that make use of media most commonly used by women.

Retention: Keeping High Potential Women

Problem: Difficulties of juggling roles as a professional, a wife and a mother.

Sample recommendation: Consider a peer advisor program for women prior to their departure for maternity leave.

Professional Development

Problem: Managers may be influenced by gender bias in promotion decisions.

Sample recommendation: Help managers identify possible biases through a gender awareness training program.

Excerpted from WWB's *What if it Had Been Lehman Brothers & Sisters?: The Importance of Building Gender Diverse Microfinance Institutions*

FUNDING PARTNERS AND SUPPORTERS

WWB is grateful to our supporters who generously provided their philanthropic sponsorship to help WWB continue our work to provide women and girls with access to financial services. While the list below reflects donors who contributed \$5,000 or more in 2011, we are deeply thankful for every gift that WWB receives.

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“Citi is a committed partner in WWB’s work to support access to financial products and services for low-income women. We are particularly proud to be funding WWB’s Gender Performance Initiative, which helps institutions better measure how they serve women. The benefits are clear—MFIs will gain an expanded understanding of their customers; WWB will improve the analysis of how women contribute to the achievement of its mission, including both social and financial goals; Citi will see enhancements to our own investment criteria; and the industry as a whole will move toward more robust client-centered metrics.”

Bob Annibale, *Global Director, Citi Microfinance*

Governments and Development Finance Organizations

Agencia Española de Cooperación Internacional para el Desarrollo (AECID)

Cordaid

Corporación Andina de Fomento (CAF)

Hivos

ICCO

Irish Aid

New Zealand Aid

Government of the Federal Republic of Germany

The Inter-American Development Bank (IDB)

United Nations Capital Development Fund (UNCDF)

In-Kind

During 2011, WWB received pro bono support valued at more than \$900,000 from:

Suzanne Nora Johnson

Sidley Austin, LLP

White & Case LLP

Core Funders

In 2011 WWB welcomed The Government of Australia and The Government of Finland as core funders.

Historically, WWB has relied on core funders, some for decades, to make our operations possible. We are grateful for this support and their commitment to serving women.



Government of Australia (AusAID)



The Ministry for Foreign Affairs of Finland

Government of the Grand Duchy of Luxembourg

Swedish International Development Agency (SIDA)

WWB LEADers

Established in 2008, the LEADers are a donor group that immerse themselves in microfinance through visits to WWB network members and other educational activities.

This year the LEADers travelled to Ghana as the fourth journey to see first-hand the work being done to provide women access to financial services and education. Past visits have included Jordan, Colombia and the Dominican Republic. These trips have provided opportunities for participants to learn more about how WWB's network partners tailor savings and credit services to reach and empower women. These educational trips also give participants the chance to meet women clients and hear how they have been able to change the course of their lives through access to financial services and products.



“WWB remains, in its fourth decade, a dedicated global presence in its advocacy and development of the economic stability and security of women. WWB works with its network of strong, sustainable institutions to advance the reach and accessibility of financial services, knowledge and markets for women.”

Meredith Shin, LEADer

WWB Young Professional Network

WWB established its Young Professionals Network (YPN) this year as a way to involve young women and men in WWB's work and to raise awareness of issues related to women's economic empowerment. YPN members have the opportunity to advocate for WWB through regular social events and to learn more about WWB's work through educational programs with WWB staff and partners.

GOVERNANCE

Stichting to Promote Women's World Banking Board of Trustees

Women's World Banking is governed by a Board of Trustees, whose members are all recognized leaders in banking, finance, business, law, community organizing or women's economic participation. The governance of the WWB network is enhanced by this powerful combination of leaders in various disciplines and microfinance practitioners who ensure that WWB's work is relevant and grounded. Because of this, the SWWB Board is completely unique in the sector—no other network has a board so connected to the lives of low-income women. The SWWB Board has fiduciary responsibility for the organization and is charged with approving WWB's policies, strategies and annual budgets.

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“Unleashing and unlocking the creativity of women at all levels is the driving force behind my commitment to WWB. Being part of a long-term engagement which places women at the center of the ‘economy’ is another aspect of my involvement with WWB. I believe women can and do matter; we are part of the solution!!”

Roshaneh Zafar, *Kashf Foundation and SWWB Board of Trustees*

Friends of WWB/USA, Inc. Board of Directors

Friends of WWB/USA, Inc. is a 501(c)(3) tax-exempt organization which raises donations from U.S. foundations, corporations and individuals in support of WWB's global mission. Friends of WWB maintains a separate Board of Directors made up of leaders in law, business, marketing, communications, finance and academia who provide critical strategic guidance on WWB's global initiatives and U.S. presence. In addition, the FWWB Board has oversight of WWB's new for-profit venture, the WWB Holding Company.

OFFICERS

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Nicole Gresham Perry
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Kay Madati
Hollis Rafkin-Sax
Michael Useem



“I had the opportunity to witness first-hand in Colombia what happens when organizations enable women’s dreams, hopes and aspirations. Microfinance plants a seed, helping one woman and her family at a time. However, WWB injects the multiplier effect with its involvement, education and training. They enable thousands of women in one swoop to improve their standard of living and make the world a better place for all.”

Hollis Rafkin-Sax, *FWWB Board of Directors*



“Reaching more than twenty million women and their communities worldwide, how could one not be called to serve?”

Michael Useem, *FWWB Board of Directors*

FINANCIAL STATEMENTS

Balance Sheet

ASSETS	2011	2010
Cash and cash equivalents	6,871,502	3,665,784
Loan receivables (note 4)	4,151,717	4,151,717
Loan interest receivable (note 4)	207,211	—
Grants and contributions receivable, net (note 3)	7,011,058	5,300,051
Investments (note 5)	11,497,445	12,918,655
Other assets	193,176	106,519
Interest in net assets of supporting organization (note 11)	582,182	421,000
Furniture, equipment, and leasehold improvements, net of accumulated depreciation and amortization of \$341,216 and \$327,674 in 2011 and 2010, respectively	8,281	19,471
Total assets	30,522,572	26,583,197
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	541,038	564,110
Due to FWWB	113,320	—
Deferred revenue	945,787	595,675
Total liabilities	1,600,145	1,159,785
Net assets:		
Unrestricted	1,068,385	226,088
Temporarily restricted (note 7)	11,917,022	8,602,068
Permanently restricted capital fund (note 7)	15,937,020	16,595,256
Total net assets	28,922,427	25,423,412
Total liabilities and net assets	30,522,572	26,583,197

Statement of Activities

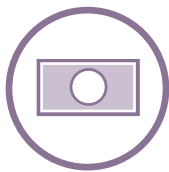
OPERATING ACTIVITIES	Unrestricted	Temporarily restricted	Permanently restricted	Total	
				2011	2010
REVENUE AND SUPPORT					
Grants and contributions (note 2 (i) and 11)	42,900	12,157,315	—	12,200,215	4,835,552
In-kind contributions (note 9)	949,702	—	—	949,702	596,699
Interest and dividends, net of investment expenses	—	—	209,105	209,105	73,005
Net realized and unrealized gains (losses) in fair value of investments	—	—	(867,341)	(867,341)	243,266
Change in interest in supporting organization (note 11)	—	161,182	—	161,182	(771,333)
Foreign currency translation (loss) gain		(402,677)	—	(402,677)	(143,318)
Fee for services	1,198,891	—	—	1,198,891	1,003,591
Other income	163,587	—	—	163,587	144,862
Net assets released from restrictions	8,600,866	(8,600,866)	—	—	—
Total revenue and support	10,955,946	3,314,954	(658,236)	13,612,664	5,982,324
EXPENSES					
Program services:					
Institutional development programs	3,533,300	—	—	3,533,300	4,020,806
Functional products and services	3,565,706	—	—	3,565,706	3,556,930
Total program services	7,099,006	—	—	7,099,006	7,577,736
General and administrative	1,214,822	—	—	1,214,822	1,272,841
Fund-raising	1,033,239	—	—	1,033,239	972,086
Total expenses	9,347,066	—	—	9,347,066	9,822,663
LOSS					
Loss on uncollectible grants receivable	—	—	—	—	234,026
Total expenses and loss	9,347,066	—	—	9,347,066	10,056,689
Increase (decrease) in net assets from operating activities	1,608,880	3,314,954	(658,236)	4,265,598	(4,074,365)
NONOPERATING ACTIVITIES					
Contributions to network members	(766,583)			(766,583)	(2,396,650)
Total nonoperating activities	(766,583)	—	—	(766,583)	(2,396,650)
(Decrease) increase in net assets	842,297	3,314,954	(658,236)	3,499,015	(6,471,015)
Net assets at beginning of year	226,088	8,602,068	16,595,256	25,423,412	31,894,427
Net assets at end of year	1,068,385	11,917,022	15,937,020	28,922,427	25,423,412

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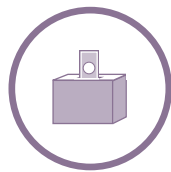
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LOANS



SAVINGS
ACCOUNTS



PENSIONS



INSURANCE

We create innovative, sustainable financial products for women and girls. With our network MFIs we design and deliver products — loans, savings accounts, pensions and health insurance — that allow women to build a secure financial future for themselves and their families.

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“

“I believe across all sectors of life that giving women 3 things can change the world....those things are Confidence, Capabilities and access to Fair Finance. WWB does all three and that’s why I love it!”

Fiona MacLeod, *FWWB Board of Directors*



Find us on:



Women's World Banking

8 West 40th Street

New York, New York 10018

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