indego * a frica
2016 ANNUAL &
SOCIAL IMPACT
R E P O R T





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A NOTE ON METHODOLOGY

(more details on page 23)

We added four additional Rwandan cooperatives to our Social Impact Assessment this year—Umutima, AJ, Ibanga and Korebu—for a total of 300 participants in the survey. Two of these cooperatives, Ibanga and Korebu, are new Indego Africa partners (added in 2015) and we have isolated their metrics where relevant to demonstrate the differences between them and our longer-term partners, who have had more time to benefit from economic and educational opportunities.







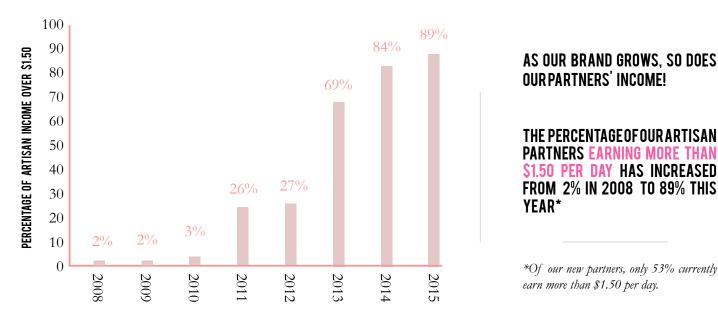




ECONOMIC EMPOWERMENT

Our economic empowerment program provides opportunities for artisans in Africa to earn sustainable income by bringing their handmade products to the international market. We partner with women in Rwanda (and now in Ghana!) to sell products that are designed in New York City and handmade in Africa, combining traditional techniques, local materials and amazing artisanal skill.





CONSISTENT, FAIR & TRANSPARENT PAY

92% of our artisan partners reported that their income increased this year.

→ We provide our partners with fair, steady wages that honor the time and skill that go into making each and every product by hand, with heart. We communicate openly and transparently with our partners about payment and encourage them to negotiate pricing with us on an ongoing basis.

PRICING WITH INDEGO
AFRICA DOES NOT
CHANGE, AND THAT IT IS
ALWAYS FAIR.

- Beatha, Korebu Cooperative

LONG-TERM BUSINESS PARTNERSHIPS

91% have been members of their cooperatives for three or more years.

→ We form long-term business relationships with our partners to ensure that we are able to make a sustainable, year-over-year impact in their lives. Most of the artisan cooperatives we work with have very low turnover rates—the same women we began partnering with in 2007, we still partner with today!

MARKET-BASEDSKILLSTRAINING

- **96**% reported that working on Indego Africa orders helped them learn new technical skills.*
 - → Our Production Team provides our partners with expert, on-the-job training to equip them with the technical skills they need to succeed in the global marketplace. Quality control, product measurements, dyeing practices, time management—you name it, our team is on it.

- DERS WE HAVE RECEIVED OVER THE YEARS, I AM NOW ABLE TO CONSISTENTLY PROVIDE FOR MYSELF AND MY FAMILY. BEFORE IT WAS VERY DIFFICULT, AND WE WERE BARELY GETTING BY.
 - Mediatrice, Imirasire Cooperative
- THIS YEAR ILEARNED HOW TO WORK WITH PATTERNS TO SEW DRESSES AND SKIRTS, AND HOW TO CHECK FOR QUALITY CONTROL MYSELF.

Annociata, Abasangiye
 Cooperative



According to the UN Development Program, 39% OF RWANDANS LIVE IN POVERTY, earning less than \$1.25 per day. While this percentage has gone down significantly over the past ten years (in 2006, 57% of the country was living in poverty) there is still more work to be done. Current development challenges include: the lack of formal employment opportunities; a skills gap with respect to business, entrepreneurship, and technology training; and a high (80–90%) dependence on subsistence agriculture. This is why access to market-based opportunities and business education is so important!

^{*}does not include IBABA cooperative, which works exclusively with handembroidery

MARKET ACCESS: BEHIND THE SCENES

Providing artisans with opportunities to earn steady, sustainable income is a key element of our market-based impact model. But, in order to make this happen, we have to generate consistent orders for our artisan partners' products. Over the years, we have worked hard to build our brand and grow our product lines—with a focus on beautiful design and artistry—craft strategic brand partnerships and collaborations; build out our infrastructure in Rwanda (and now in Ghana); and hone an efficient and productive supply chain from Africa to NYC.

OUR SUPPLY CHAIN: FROM A TO Z

PLACING ORDERS

- → Our Creative Director designs products in NYC that combine the traditional artisanal techniques of Rwanda and Ghana with modern design aesthetics.
- → She then places orders for the products through our on-the-ground Production Teams in Rwanda and Ghana.

PRODUCTION & PAYMENT

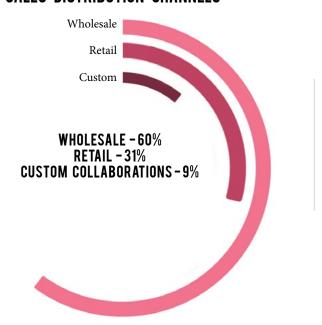
- → Our Production Teams deliver the purchase orders to each artisan group in-person, reviewing design, color, quantity, price per unit and deadlines.
- → The purchase order is then signed by both parties, and Indego pays the cooperative 50% upfront.
- → When the products are ready, our Production Teams return to the cooperatives to conduct quality control. They then pay the co-ops the remaining 50% of the order and bring the products back to our offices where... **THEY ARE SHIPPEDTO NYC!**

THE U.S. MARKET

- → When the boxes arrive, we unpack the products, ship out what is reserved for clients, and add the rest to inventory.
- → We then work to sell these products, investing time, energy and creativity into developing look-books, marketing materials and accompanying social impact stories, which we share with customers, clients, and supporters.

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SALES DISTRIBUTION CHANNELS

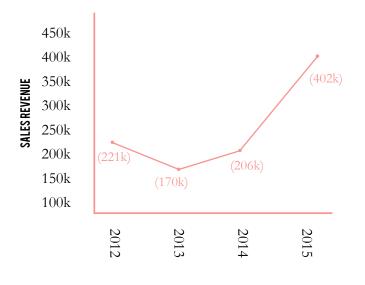


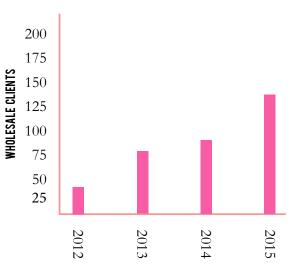
BEING EMPOWERED TO ME MEANS HAVING CONFIDENCE IN MYSELF AND KNOWING THAT I AMABLE TO WORK AND CARE FOR MY FAMILY WITHOUT ALWAYS WAITING FOR MY HUSBAND TO DO SO.

- Pelagie, Ibaba Cooperative

SALES GROWTH

Since 2013, our sales revenues have increased year after year, providing more life-changing incomeearning opportunities for our artisan partners. Wholesale orders make up the largest percentage of annual sales, and our number of wholesale clients has risen each and every year!





JULY 2016 YEAR-TO-DATE: \$225K

JULY 2016 YEAR-TO-DATE: 119 CLIENTS



Relative to average income, public transportation is exorbitantly expensive in many African countries, and Rwanda and Ghana are no exception. If our partners were to bring finished products from their cooperatives to our offices in Kigali and Kumasi, respectively, it would cost them a significant portion of their income. We save our partners much-needed money and working hours by having our production team travel to the cooperatives themselves to place orders and pick up products.



AM PROUD THAT I
AM BECOMING A SELFSUFFICIENT WOMAN. IAM
CHANGING THE LIFE OF MY
FAMILY AND COMMUNITY. I
AM SO HAPPY TO BE ABLE
TO DO THAT.

- Seraphine, Ibanga Cooperative

FINANCIAL INCLUSION

Financial inclusion is a key ingredient for economic development, entrepreneurship, and poverty reduction in developing countries around the world. People need access to inclusive, accessible, and affordable financial services in order to fully engage with the economy, amass capital, and start new businesses. Rwanda has set an ambitious goal of achieving 90% financial inclusion by 2020. Our artisan partners are helping their country get there.

92%

OF OUR ARTISAN PARTNERS HAVE A BANK ACCOUNT VS. ONLY 25% IN 2008.*

According to the Cherie Blair Foundation, only 35% of women in Rwanda have a formal bank account, and 55% of the world's unbanked population is female. Our artisan partners' access to consistent sources of income, as well as financial literacy training, has enabled them to open and maintain bank accounts at a rate far higher than the national average in Rwanda.

59%

OF OUR ARTISAN PARTNERS USE MOBILE MONEY.

17% of Rwandans are active mobile money users, meaning that the percentage of our artisan partners who use this service is over **THREE TIMES HIGHER** than that of the overall population! Mobile money is transforming the landscape of financial inclusion across Africa by helping to make financial services available to those who are often excluded from the formal financial sector, including women, youth, and rural populations.

39%

OF OUR PARTNERS TOOK OUT A LOAN.

This year, our partners used loans to: start and expand new businesses; invest in livestock; develop land for commercial agricultural use and more. However, some of our partners also took out loans to cover everyday expenses, like medical insurance and school fees for children. It is our goal to ensure that all of our partners earn enough income to provide for themselves and their families without taking out loans.

* 64% of our new partners have a bank account.



Rwanda's going cashless! The Rwandan government, in partnership with MasterCard, is seeking to develop new digital payment solutions to help move the country towards a cashless economy. What does this entail? Digitizing school fees and healthcare payments, for starters, as well as developing a common mobile banking platform. Ultimately, the Rwandan government hopes this will help fast-track its 2020 financial inclusion goals.

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EDUCATION

Our education programs are designed to equip artisans with the knowledge and skills they need to better manage and grow their own businesses, become entrepreneurs, and achieve financial independence. This year, we deepened and expanded our education programs, doubling down on the successes of pre-existing programs—like Basic Business Training and the Leadership Academy—and launching new, youth-focused programming including skills-based Vocational Education and Technology Training for the Workplace.

BASIC BUSINESS TRAINING

Our Basic Business Training (BBT) program is a six-month course that provides artisans with the foundational business skills they need to better manage their cooperatives. This year, two cooperatives participated in our BBT program: Ibanga (40 artisans) and AJ (14 artisans)!

SYLLABUS SNAPSHOT

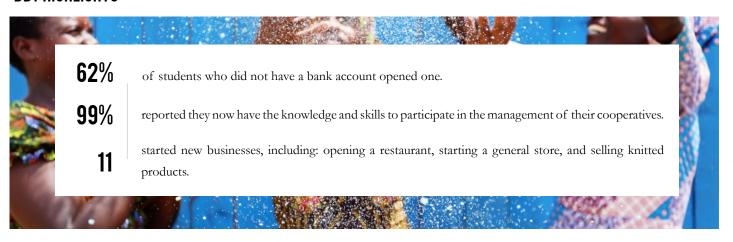
Week 1	Organizational Governance
Week 4	Invoicing
Week 8	Budgeting
Week 12	Bookkeeping
Week 16	Profit & Loss
Week 20	Quality Control
Week 24	Bank Account Management

I WAS VERY SHY BEFORE BUT I
ALWAYS WANTED TO BE MORE
ASSERTIVE. PARTICIPATING
IN BBT AND HAVING TO TALK
IN CLASS REGULARLY HAS
INCREASED MY CONFIDENCE IN
BEING ABLE TO SHARE MY IDEAS

– Domitiene, AJ Cooperative

AND THOUGHTS WITH OTHERS.

BBT HIGHLIGHTS



12

AND CREATIVE AS A COOPERATIVE.
I WANT US TO START MAKING NEW
DESIGNS OF PRODUCTS THAT CAN
HELP DIFFERENTIATE US FROM
OTHER CO-OPS.

- Therese, AJ Cooperative

FROM THE WORK PLACE TO THE HOUSEHOLD

The skills our artisan partners learn in BBT empower them not only to better manage their cooperatives, but also to better manage their personal finances. Many of our partners report that, before BBT, they did not save money or create household budgets. Since completing the program, many now carefully manage their families' spending to ensure they are able to save money for the future.

THE LEADERSHIP ACADEMY

The Indego Africa Leadership Academy is a six-month advanced business education program dedicated to building the next generation of powerful businesswomen, leaders, and entrepreneurs in Rwanda. Founded in October 2014, the Academy trains women whose proven leadership and entrepreneurial capabilities position them well to improve the management of their cooperatives, take greater ownership of the supply chain, and create more income-generating opportunities for all of our artisan partners.

SYLLABUS SNAPSHOT

Week 4 Buyer Communication Week 8 Market & Customer Analysis Week 12 Product Pricing Week 16 Accounting Week 20 Financing Strategies	Week 1	Inventory Management
Week 12 Product Pricing Week 16 Accounting Week 20 Financing Strategies	Week 4	Buyer Communication
Week 16 Accounting Week 20 Financing Strategies	Week 8	Market & Customer Analysis
Week 20 Financing Strategies	Week 12	Product Pricing
	Week 16	Accounting
D 1 . I	Week 20	Financing Strategies
Week 24 Product Innovation	Week 24	Product Innovation

THE LEADERSHIP ACADEMY 101

- \rightarrow 25 students
- \rightarrow 6 month semesters
- \rightarrow 2 full days per week
- \rightarrow 3 classes graduated since 2014

ENTREPRENEURSHIP

This year, 98% of our Leadership Academy students reported that they developed the skills needed to start a new business.

AMONG OUR SECOND GRADUATING CLASS...





I AM A ROLE MODEL IN MY VILLAGE AND AT MY COOPERATIVE.

I AM GLAD THAT I CAN MOTIVATE AND ENCOURAGE OTHER PEOPLE TO DEVELOP THEMSELVES AND NOT WANT TO ACCEPT LIFE AS IT IS BUT LOOK FOR OTHER OPPORTUNITIES.

– Donatha, Imirasire Cooperative

COOPERATIVE GROWTH

100% of students used the skills they learned to upgrade the management of their cooperatives. Example improvements include:

"

- → new inventory management system at Imirasire
- → business cards for marketing at Covanya
- → new savings and growth plan at Twiyubake
 - ... and many, many more!

CONFIDENCE IN COMMUNICATION

100% of students reported that the Leadership Academy helped them improve their communication skills. Before participating, many of our partners reported feeling nervous to speak in public. At the Academy, students answer questions, give presentations, and practice public speaking during each class, helping them build the confidence they need to become skilled communicators.

TECHNOLOGY TRAINING

Our Leadership Academy curriculum integrates the use of technology throughout to equip our partners with the skills they need to compete in today's business world. In class, students track revenues and expenses on Excel; type documents on Microsoft Word; conduct market research on the internet; and communicate with clients by email. These students would like to be able to use laptops at their cooperatives for bookkeeping, marketing, professional communication and more. With additional support, we are committed to helping our partners modernize their workplaces.

YOUTH EMPOWERMENT

In Rwanda, only 8% of young adults go to college. Many of Rwanda's youth go straight from high school and into workforce. Some go even earlier. When they do, they find themselves without job skills, searching for employment in an economy with few wage-earning jobs on the market. Where does this all lead? A debilitating 63% youth underemployment rate throughout the country.

Our new, Vocational Training program—launched in February 2016—provides unemployed young people in Rwanda with artisan skills training and basic business education to help them gain a career path and build brighter futures.



VOCATIONAL TRAINING 101

- → **45** young people
- → 6 MONTH semesters
- → 2 DAYS of Basic Business Training in Kigali per week
- → 3 DAYS of onsite artisan Vocational

 Training at Indego partner co-ops
- I ALWAYS WANTED TO BECOME AN ENTREPRENEUR AND TO WORK FOR MYSELF. THIS TRAINING HAS NOT ONLY GIVEN ME THE TECHNICAL SKILLS TO START A BUSINESS BUT THE BUSINESS KNOWLEDGE TO BE ABLE TO RUN ONE.
 - Siteriya, Vocational Trainee

WITHINSIX MONTHS...

100%

reported that they had sufficient skills to pursue careers in the artisan sector

93%

of participants were earning income vs. only 11% at the beginning of the program

90%

ranked their business skills as good or excellent vs. 2% at the beginning of the program

PROGRAM OUTCOMES

61% are joining their cooperatives as full-time members.

The remaining 39% are banding together to start two new artisan business of their own! We are providing them with START-UP CAPITAL to secure workspaces and raw materials, and will continue to work with them as Indego Africa partner cooperatives moving forward.

NEW OPPORTUNITIES, NEW HORIZONS

Before participating in our Vocational Training program, many young people felt hopeless about their futures, with no marketable skills or employment opportunities in sight. However, within six months, their horizons changed completely. Equipped with tangible artisanal skills and powerful business knowledge, our trainees now report that they feel confident and secure in their futures.

THROUGH INDEGO AFRICA'S VOCATIONAL
TRAINING PROGRAM I GAINED A CAREER
PATH. I NOW FEEL I CANNOT FAIL TO GET A
JOB. I HAVE SKILLS; HOW CAN I FAIL THEN?
I MAY NOT EARN LOTS OF MONEY BUT I
HAVE SKILLS AND SKILLS LAST A LIFETIME.

- Baraka, Vocational Trainee

WE USED TO THINK BOYS WERE THE ONLY ONES THAT STARTED BUSINESSES, BUT NOW WE HAVE THE KNOWLEDGE AND WE CAN TOO.

- Claudette, Vocational Trainee



"

The MasterCard Foundation recently published a Youth Think Tank Report sharing insights on youth economic opportunities and challenges in East Africa. The report found a substantial disconnect between formal education skills and local employment opportunities for youth in East Africa, stating that the "education system is not practical and does not make [young people] job ready." The report emphasized the importance of vocational and entrepreneurial training for young people in East Africa.

QUALITY OF LIFE

Our artisan partners support an average of 4 dependents each. Through access to income and education, they are improving their families' standard of living and investing in the health, wellbeing, and education of their children. In doing so, they are helping to break the cycle of poverty and create brighter, more hopeful futures for generations to come.

THIS YEAR...



49% HAD ELECTRICITY VS. 11% IN 2008

"With the money I've earned from Indego orders, I was able to get electricity and send my kids to school. Now that we have lights in the evening, my children can finish all their homework." – Odette, Ibyishimo Cooperative



86% NEVER RAN OUT OF FOOD VS. 6% IN 2008

"My energy has definitely increased since working with Indego. Before, I was only able to afford one meal per day and would go through the day hungry and with low morale. Now with the money I make from orders, I am able to afford two meals each day for me and my whole family." – Josephine, Covanya Cooperative



92% SENT ALL OR MOST OF THEIR CHILDREN TO SCHOOL VS. 57% IN 2008

"I work because I want all of my children to go to school. I want them to learn math, geography, physics, computers. Education will bring them bright futures, and that is what I want for them most of all." – Francoise, Umutima Cooperative



96% HAD HEALTH INSURANCE FOR THEIR ENTIRE FAMILIES VS. 81% IN 2012

"Before I had health insurance, when one of my kids fell sick it was a problem because the medical expenses were so high, and we could not afford to pay them. There was always that anxiety knowing that. Today we are all insured and much happier for it."

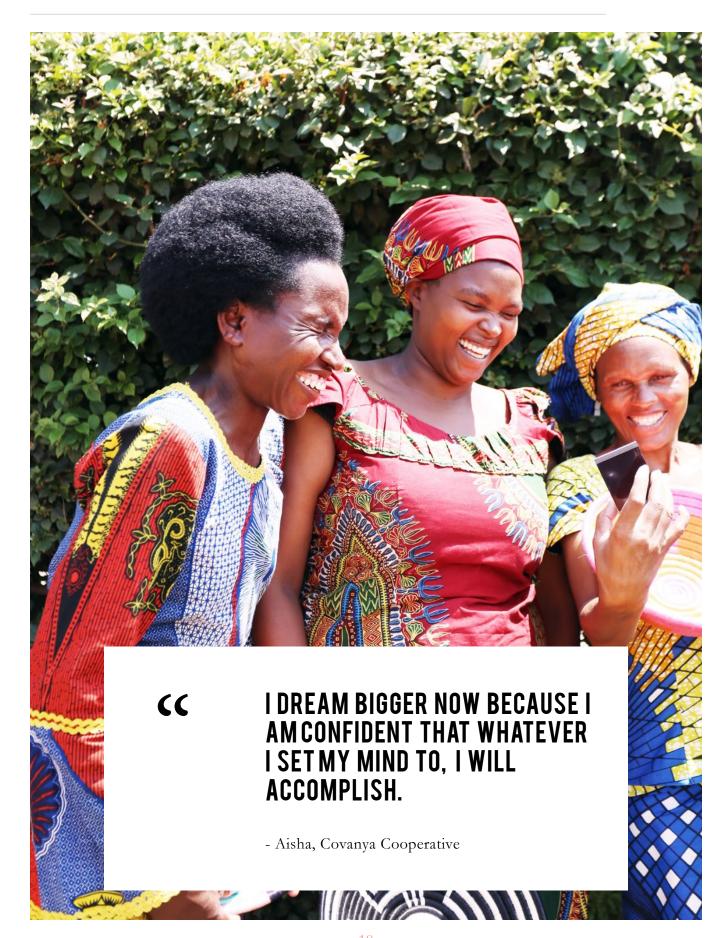
– Euphrasie, Imirasire Cooperative

THE POWER OF COOPERATIVES

For our partners, the experience of working together with other women is not only economically empowering, but also therapeutic. Many describe feeling **HAPPIER** and more **HOPEFUL** now that they are able to share stories, talk through problems, and build meaningful relationships with other women, rather than staying at home.

OTHERS AND CREATE MEANINGFUL
FRIENDSHIPS WITH THEM. BEFORE,
I WAS ALONE AND COULD NOT SHARE
MY PROBLEMS WITH ANYONE. I HAVE
LEARNED THE IMPORTANCE OF OPENING
UP TO OTHERS AND SHARING YOUR
THOUGHTS WITH THEM.

- Valerie, Twiyubake Cooperative



 $^{\prime}$

GHANA IMPACT PREVIEW

This year, we expanded our operations into Ghana, following through on our founding vision of developing a scalable model for economic and educational empowerment across Africa! We began partnerships with eight artisan groups in the Kumasi area and, after only four months on the ground, launched our first semester of Basic Business Training for 50 artisans and young people!



BBT SOCIAL IMPACT SNAPSHOT

The first class of our Ghana Basic Business Training Program graduated on June 28th, 2016! Of the 50 students...

20 %	started new businesses
oon/ good compu	said they developed excellent or good computer skills (52% had never used a computer before the class began)
100%	reported that they developed the

skills needed to start a new business

"

I HAVE LEARNED HOW TO INTERACT WITH OTHER PEOPLE AND BE CONFIDENT.

NOW I CAN APPROACH PEOPLE TO SHOW OFF MY DESIGNS. THE GROUP WORK SESSIONS AT THE END OF EVERY CLASS HAVE BEEN REALLY HELPFUL IN BOOSTING MY CONFIDENCE.

- Patricia, Kenodez Batik & Tie-dye

Look out for more impact statistics, stories, and updates from Ghana in our 2017 Social Impact Report!

FINANCIALS

STATEMENT OF ACTIVITIES

for the year ending December 31, 2015

for the year ending December 31, 2015			
REVENUE & SUPPORT			
Gross Product Sales Revenue		401,121	
Gross Income from Fundraisers		14,832	
Contributions		590,895	
Other Income, including FX loss		(2,376)	
TOTAL REVENUE	1,0	004,472	
EXPENSES			
Cost of Goods Sold		328,160	
Functional Expenses			
Program Services	390,206		
Management & General	35,881		
Development	22,426		
Total Functional Expenses		448,513	
TOTAL EXPENSES		776,673	
SURPLUS/DEFICIT	2	227,799	
STATEMENT OF ACTIVITIES			

for the year ending December 31, 2015

252,710

32,192

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Cash and investments

Accounts Receivable

11000 01100 1100011 0010	,
Product Inventory	100,843
Other Current Assets	33,484
Fixed Assets	0
TOTAL ASSETS	419,229
LIABILITIES	
Accounts Payable	0
Other Current Liabilities	49,865
TOTALLIABILITIES	49,865
ACCUMULATED SURPLUS	369,363
TOTAL LIABILITIES AND ACCUMULATED SURPLUS	419,228

Consistent with previous years, Indego Africa engaged an independent accounting firm to perform an outside audit for 2015. As soon as audited financials are complete, we will make them publicly available at indegoafrica.org/financials.

THANK YOU TO OUR SUPPORTERS

We would like to extend a special thank you to Orrick, Herrington & Sutcliffe LLP for its continued sponsorship and support and thank the many supporters who donated online in our Back-to-School Campaign.

\$200,000+

The MasterCard Foundation

\$20,000+

AllPeopleBeHappy Foundation

Dining for Women

Goldman Sachs & Co.

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\$10,000-\$19,999

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\$1,000-\$4,999

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The Ruth and Robert
Satter Charitable Trust

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Tracey Bolger

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\$500-999

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CORPORATE MATCHING

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Peabody Energy

Thank you to the **223**

grassroots supporters that

helped make our work possible this year!

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SOCIAL IMPACT SURVEY METHODOLOGY



I AM A HAPPY PERSON EVERY DAY BECAUSE I KNOW THERE IS ALWAYS HOPE FOR THE FUTURE.

– Jeanette, Ejo Hazaza

THE IMPACT ASSESSMENT

At Indego Africa, we are committed to measuring our impact. Each year we conduct a Social Impact Assessment, gathering quantitative and qualitative information on the ongoing progress of our artisan partners and publishing the results.

Our annual Social Impact Reports allow us to assess the efficacy of our programs, identify areas for improvement, and transparently communicate the results of our work to our supporters around the world. As we grow and scale as an organization, this data serves as a powerful tool to ensure that our programs are fully and successfully serving the needs of our artisan partners.

HOW IT WORKS

Each year, our on-the-ground team in Rwanda travels to our partner co-ops to conduct our social impact survey, which collects data including quantitative metrics and qualitative indicators (such as confidence and self-perception). Our 2016 Report includes the results of comprehensive interviews with 300 women from across 14 of our partner cooperatives!

To request a copy of our 2016 Social Impact Appendix, please send an email to info@indegoafrica.org

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indegoafrica.org