OUR MISSION

We work with enterprising people in the developing world to build competitive farms, businesses and industries.
Our mission is to work with enterprising people in the developing world to build competitive farms, businesses and industries. We consistently measure our direct impact in terms of financial benefits—new sources of income that help families improve their lives. This impact can jumpstart self-sustaining economic growth that creates opportunities for future generations. And it provides the basis for TechnoServe and others to replicate and scale our successes.

In this Annual Report, we’re proud to share our new system for measuring the direct results and impact of our work. Measurement has always been a key focus for TechnoServe. It speaks to our core values of integrity and results. As we have grown rapidly in recent years, we have seen the need for a more consistent, systematic way to measure our impact across programs. We want to hold ourselves accountable for achieving our mission and creating impact.

While it is still a work in progress, our new system builds and improves on what we have done in the past. We are focusing on indicators that closely reflect our mission:

- **Participants**: Who is better off because of our work?
- **Financial benefits**: How much have farm and business revenues increased? How many new jobs and wages have been created?
- **Sustainability**: Are these benefits lasting? We use finance mobilized—loans to or investment in the farms, businesses and industries we support—as a key indicator of sustainability. Third-party financing shows that the market players we support are building competitive enterprises and developing relationships that will outlive TechnoServe’s involvement.
- **Efficiency**: How much economic impact does each dollar we spend generate in the communities where we work? We use this measure at the program level to facilitate learning and drive decision-making across the organization.

The new system will help us measure our reach and the economic impact that our work sets in motion. By measuring progress against our mission more precisely, we believe we can move closer to realizing our vision of being the most effective catalyst and partner for transformative, on-the-ground, market-based solutions to poverty.

These improvements come at a time when governments, businesses, donors and nonprofits all are examining and refining how they measure socioeconomic impact. We want to contribute to the discussion and ensure that we are delivering value for our donors’ money.

As we strive to increase our impact, we aim to reinforce the culture of learning within TechnoServe. We designed the measurement system so that the information would be practical and simple to collect and report. Measuring against objectives allows us to course-correct and improve our programs for greater impact. And the standardized results will help stimulate discussion and learning across different countries and continents.

Our emphasis on rigorous and consistent reporting shows that we value results—and thus are more likely to achieve them. These initial improvements can spark a cycle of development that transforms lives on a large scale. By focusing on measurement, we enhance our ability to create business solutions to poverty.
2012 AUDITED FINANCIAL HIGHLIGHTS

ACCOUNTABILITY
We spend each dollar raised as follows:

- 86.1%: Our work on the ground
- 11.8%: Organizational effectiveness
- 2.1%: Stakeholder relations and fundraising

<table>
<thead>
<tr>
<th>In thousands</th>
<th>2012</th>
<th>2011</th>
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<tbody>
<tr>
<td>Program investment</td>
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<tr>
<td>Program services</td>
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<td>Support services</td>
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<td>TOTAL PROGRAM INVESTMENT</td>
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<td>Fundraising</td>
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<td>TOTAL PROGRAM INVESTMENT AND FUNDRAISING</td>
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<td>Support and revenue</td>
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<td>Private funding</td>
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<td>Individuals</td>
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<td>Foundations/Corporations</td>
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<td>Governments and multilateral organizations</td>
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<td>Contributed services</td>
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<td>Other</td>
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<td>TOTAL SUPPORT AND REVENUE</td>
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<td>Asset, liability and net asset summary</td>
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<td>Cash and cash equivalents</td>
<td>$2,295</td>
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<tr>
<td>Cash and cash equivalents subject to donor restrictions</td>
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<td>Other assets</td>
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<td>Liabilities, deferred revenue and restricted net assets</td>
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<td>FUND BALANCE</td>
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<td>$3,055</td>
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See our full financial statement at technoserve.org/2012financials

GOVERNANCE AND LEADERSHIP*

INTERNATIONAL BOARD
CHAIRMAN
Paul E. Tierney, Jr.
Partner
Development Capital
Partners LLC and
Aperture Venture
Partners LLC
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Bruce McNamer
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Suzanne Nora Johnson
Former Vice Chairman
Goldman Sachs Group
Inc.
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Jennifer Bullard Broggini
Managing Director
Studio Broggini SA

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Monitor Clipper Partners
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Director
National Deaf Academy
Laura Corb
Director
McKinsey & Company Inc.
Okey Enelamah
CEO
African Capital Alliance
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Former Chairman
& Co-CEO
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Harvey Heller
President
Heller Bros. Packing
Company
Partner
Pacific Tomato Growers
Rachel Hines
Former Managing
Director
J.P. Morgan
Aedhmar Hynes
CEO
Text100 Global
Communications
Charles Moore
Partner
Triant Capital Partners
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Chairman & CEO
Infotech Investment
Group Ltd.
Meghan L. O’Sullivan
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of International Affairs
& Director of the
Geopolitics of Energy
Project
Harvard Kennedy School
Michelle Peluso
CEO
Gilt
Kurt C. Peterson
Partner & Executive
Committee Member
Reed Smith LLP
John R. Phillips
Partner
Phillips & Cohen LLP
Scott Portnoy
Corporate Vice
President
Cargill Inc.
Bonnie E. Raquet
Former Corporate Vice
President, Corporate
Affairs
Cargill Inc.
Jerry A. Riessen
President
O.L.S. Energy

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Hernandez
Founder & Managing
Director
Cadencia Advisors
SECRETARY
Robert Wiltshire
Buying Director
LDH (La Doria) Ltd.

Michael Davies
Former Managing
Director, Africa Division
Cargill Inc.
Henry Tinsley
Former Chairman
Green & Blacks
Pierre Van Hoeylandt
Director
Frontier Investments, CDC
Evelyn A. Windhager
Swanson
Former Director of
Special Projects
Environmental Defense
Fund

*as of June 2013
Small beginnings, big impact.

How TechnoServe’s work benefited 2.9 million people in 2012

In 2012, TechnoServe worked with enterprising people across more than 30 countries to build competitive farms, businesses and industries. These efforts helped generate increases in income that benefited 2.9 million people—sustainable impact for families and future generations.

**SECTOR: FRUITS**

Last year, TechnoServe worked with 48,497 farmers. The 17,927 farmers who adopted our recommended practices for at least one season generated $3.56 million in incremental revenues from mango and passion fruit.

**SECTOR: ENTREPRENEUR DEVELOPMENT**

On the ground: TechnoServe is working with promising small and growing businesses in Chile to achieve their potential. Through Anglo America’s Emerge program, implemented by TechnoServe and the Adolfo Ibañez University, we provided one-on-one consulting to help entrepreneurs develop business plans, build critical skills and access markets and sources of financing. This support is allowing the businesses to thrive and expand. After one year of assistance, the 72 businesses assisted by TechnoServe generated $2.56 million in incremental revenues in 2012. These businesses are creating job opportunities and providing key products and services in communities where Anglo American operates.

**SECTOR: CASHNEWS**

On the ground: TechnoServe is supporting the development of a competitive cashew industry that is revitalizing communities in West Africa. As part of the African Cashew Initiative—a four-year project funded by the Bill & Melinda Gates Foundation and the German Federal Ministry for Economic Cooperation and Development (BMZ), along with a range of private-sector companies—we are helping to establish or expand cashew-processing factories in Ghana, Côte d’Ivoire, Benin and Burkina Faso. These factories are providing market opportunities for farmers and creating thousands of jobs in rural areas. In 2012, we provided intensive support to 18 processors that created 4,498 new jobs—nearly 75 percent of which went to women—and paid $2.32 million in incremental wages to all employees.

**SECTOR: ENTERPRISE DEVELOPMENT**

On the ground: TechnoServe is assisting businesses to thrive and expand. Last year, 48,497 farmers generated $3.56 million in incremental revenues from mango and passion fruit, while 1540 businesses generated $26.66 million in incremental revenues.

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TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries. We are a nonprofit organization that develops business solutions to poverty by linking people to information, capital and markets. Our work is rooted in the idea that given the opportunity, hardworking men and women in even the poorest places can generate income, jobs and wealth for their families and communities. With more than four decades of proven results, we believe in the power of private enterprise to transform lives.