



GROWING OPPORTUNITY

2015 ANNUAL REPORT



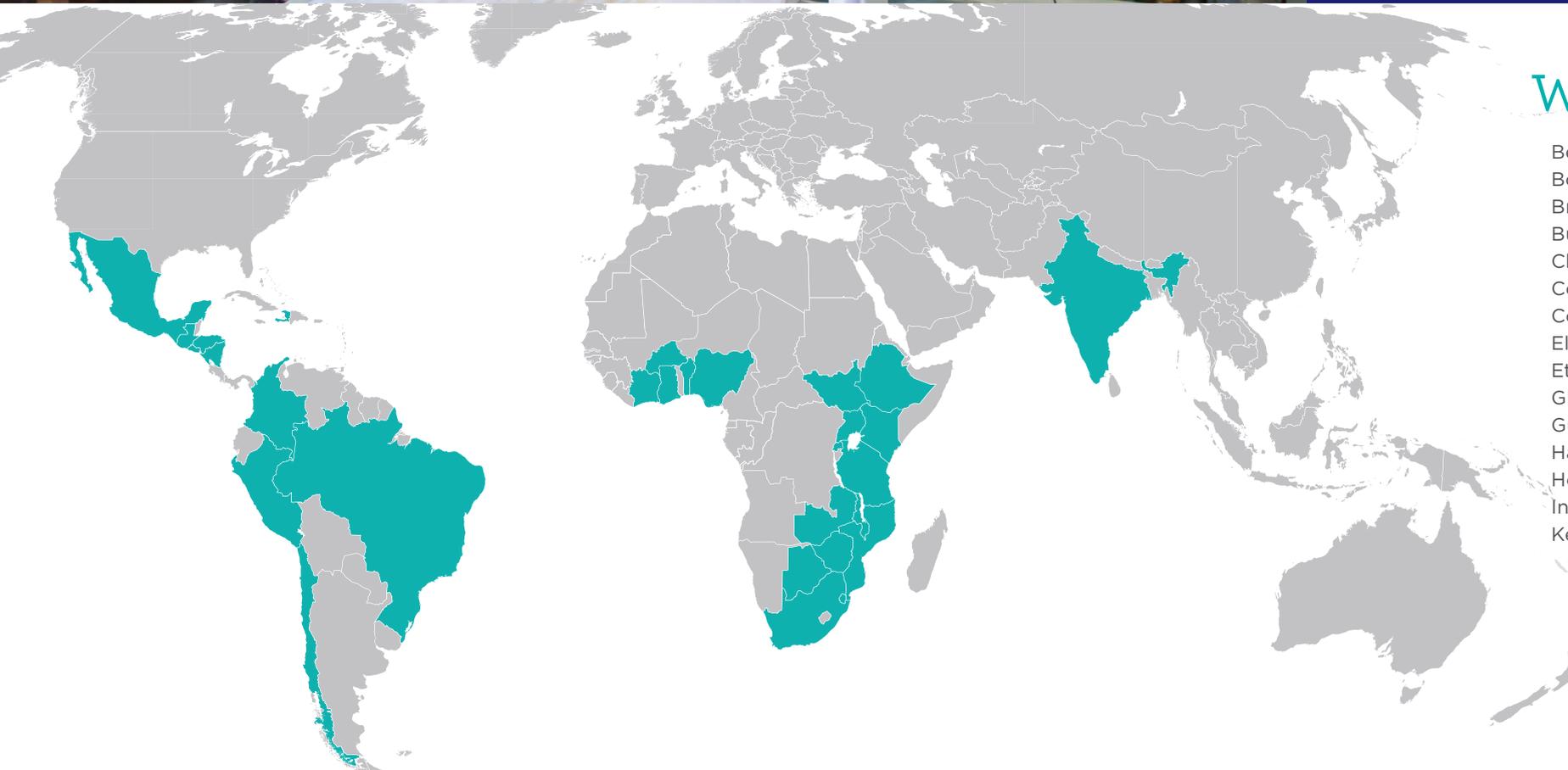
TECHNOSERVE
BUSINESS SOLUTIONS TO POVERTY



OUR MISSION

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 nearly five decades of proven results, we believe in the power of private enterprise to transform lives.



Where We Work

- | | |
|---------------|--------------|
| Benin | Malawi |
| Botswana | Mexico |
| Brazil | Mozambique |
| Burkina Faso | Nicaragua |
| Chile | Nigeria |
| Colombia | Peru |
| Côte d'Ivoire | Rwanda |
| El Salvador | South Africa |
| Ethiopia | South Sudan |
| Ghana | Swaziland |
| Guatemala | Tanzania |
| Haiti | Uganda |
| Honduras | Zambia |
| India | Zimbabwe |
| Kenya | |

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View our full digital Annual Report at technoserve.org/annualreport.

Letter from Our Chairman and CEO

WE ARE PROUD TO SHARE RESULTS AND HIGHLIGHTS FROM 2015 — the most impactful year in TechnoServe's history — and the stories of the enterprising people who inspire us with their hard work and their vision for a better future.

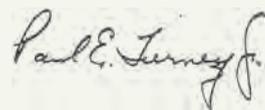
For nearly fifty years, TechnoServe has been a catalyst and partner for transformative market-based solutions to poverty. We work with a range of partners — from smallholder farmers and entrepreneurs to governments and multinational corporations — in order to drive lasting change not just for individuals and families, but across whole value chains at a national scale.

Our innovative corporate partnerships are creating shared value around the globe. Working with Nespresso, we are rebuilding South Sudan's coffee industry from the ground up — training farmers to improve their agricultural practices, establishing the country's first coffee farmer cooperatives to process high-quality coffee, and laying the foundation for a vibrant industry. This led to the first international sale of South Sudanese coffee in Europe late last year. Nespresso sold out of the coffee in just two weeks and plans to expand the project.

2015 also saw the launch of an innovative new corporate partnership helping the Kellogg Company integrate more women farmers into its supply chain. In December, TechnoServe successfully completed two large projects in partnership with The Coca-Cola Company, increasing the fruit incomes of more than 75,000 smallholder farmers in Haiti, Kenya and Uganda and developing sustainable exit strategies to ensure continued benefits for all stakeholders.

We made strides across our portfolio in 2015. In Benin, we started a large five-year project funded by the U.S. Department of Agriculture to strengthen the country's entire cashew value chain. In Peru, our work with farmer groups and other public- and private-sector partners has increased the competitiveness of the cocoa sector and improved the livelihoods of thousands of people. In East Africa, we launched an expanded partnership with the MasterCard Foundation to create economic opportunities for more than 48,000 rural youth. And President Obama praised our work with Partners in Food Solutions in Ethiopia when he visited Faffa Foods — one of 600 African food processors the partnership is supporting to promote food security and drive economic growth.

TechnoServe is grateful for the support of our donors, partners and allies. Working together, we have helped farmers, businesses and employees generate tens of millions of dollars in new revenue. We look forward to growing our impact in the years ahead, and helping more families and communities build a brighter future.



Paul E. Tierney, Jr.
Chairman of the Board



William Warshauer
President and CEO



2015 BY THE NUMBERS



\$75,300,000

Additional revenue and wages for TechnoServe beneficiaries



319,000

Farmers, businesses and employees benefiting directly from TechnoServe's work, 34 percent of whom were women



\$36,500,000

Private sector investment in farms and businesses, as an indication of long-term growth

Our work improved the lives of

1.6 MILLION PEOPLE

based on five people per household

TIMELINE

From President Obama's visit in Ethiopia to the launch of the first coffee exported from South Sudan, here are some of TechnoServe's biggest stories in 2015.



JANUARY

TechnoServe and Kellogg Company team up to train farmers in India and South Africa on climate-smart agriculture and **integrate more women into Kellogg's supply chain.**

MARCH

TechnoServe's flagship youth program - exceeds its target of **15,000 young men and women trained**, paving the way for an expanded second phase.

TechnoServe and J.P. Morgan partner to **improve workforce readiness** among youth in India.

MAY

McDonald's promotes its sustainable coffee partnership with TechnoServe through posters displayed in McCafé locations around the U.S.

The Kraft Heinz Company and TechnoServe partner on a **new coffee project in Honduras.**

JUNE

TechnoServe adopts a gender policy defining how **we will advance gender equality** at the programmatic and organizational levels.

TechnoServe and Unilever launch the Sunlight Water Center program to develop an innovative, **women-focused solution to critical water challenges** in Nigeria.

JULY

President Obama visits Faffa Food plant, a business supported by TechnoServe and Partners in Food Solutions in Ethiopia.

SEPTEMBER

The Economist highlights TechnoServe's **coffee work in East Africa.**

The launch of Crece Tu Empresa (Grow Your Business) in El Salvador and Guatemala marks TechnoServe's **first youth-focused project in Latin America.**

OCTOBER

Nespresso launches Suluja ti South Sudan, the **first coffee exported from the world's youngest country**, marking a significant milestone in TechnoServe's partnership with Nespresso to revitalize South Sudan's coffee industry.

TechnoServe and ExxonMobil Foundation launch Women Business Connect to promote **financial inclusion for women entrepreneurs** in Tanzania and Mozambique through mobile technology.

DECEMBER

Several large flagship projects — including **Haiti Hope Project, Project Nurture and the Coffee Initiative** — come to a successful close.

TechnoServe receives a **4-star rating from Charity Navigator** for the 10th consecutive year.

Catalyzing \$75.3 million in financial benefits, TechnoServe closes the year with **stronger impact than ever before.**

See more of TechnoServe's 2015 highlights at technoserve.org/annualreport.

STORIES

Meet some of the enterprising women and men who are working with TechnoServe to build a brighter and more prosperous future.

Finding Hope after Horror



WHEN CHRISTINE ACAN was just a child, she was abducted by Joseph Kony's rebels. She was subjected to horrific psychological torture and was even forced to participate in the killing of her family members. Christine eventually managed to escape her captors and, like millions of others across northern Uganda, looked for a way to rebuild her life. But she had few economic opportunities.

Seeking a better future, she enrolled in TechnoServe's Strengthening Rural Youth Development through Enterprise (STRYDE) program, which gives young people in East Africa's rural communities training on life skills, business and a trade, so that they can start their own businesses or find paying jobs.

In its first phase, which ended in July 2015, the project helped 15,000 youth increase their income by an average of 133 percent.

"STRYDE changed my thinking about life and opened my eyes to be a more enterprising person."

The project's second phase aims to help an additional 48,000 young people.

Christine used her training — and a \$6 investment — to start a bakery. Now, the 25-year-old earns \$15 per day from the business. With her new income, she has been able to pay for her children's school fees, invest in a rock quarry and even purchase her own land, where she plans to start commercial farming. "STRYDE changed my thinking about life and opened my eyes to be a more enterprising person," she said.

PARTNER
The MasterCard Foundation

Plowing for Profits



ABU ADAM, owner of Damba Farms in northern Ghana, never pictured agriculture as a source of income for his family. He mainly farmed just to produce enough food for his family, selling the occasional surplus to add to his monthly salary. That was until TechnoServe and John Deere's Mobile Training Unit offered a training in his community. The program uses a truck outfitted with audio and visual equipment to reach extremely rural communities.

Using what he learned from the training session, Abu's yield at the end of the next harvest year increased significantly, convincing him that he could make money from farming. After Abu attended an entrepreneurship training program, TechnoServe helped him access a loan for a tractor.

He then began providing tractor services for 420 small farmers, as well as loans for inputs for other farmers, who in turn sell their harvest to Abu to pay back the loans. This business model now includes nearly 2,000 farmers from neighboring towns. Abu's business has grown so much that in 2015, Damba Farms produced 400 tons of rice and 230 tons of maize, netting a \$46,000 profit.

The Mobile Training Unit helped farmers in Ghana and Kenya generate \$5.3 million in revenue in 2015.

Abu Adam has received awards recognizing his service to the local farmers and serves as a role model encouraging others to take up farming as a business. Altogether, the Mobile Training Unit helped farmers in Ghana and Kenya generate \$5.3 million in revenue in 2015.

PARTNER
John Deere

Digital Breakthroughs on the Farm



EVERY MORNING AT FIRST LIGHT, Loise Wanjiru Waweru milks the cows on the dairy farm she runs with her husband. As members of Ndumberi Dairy Cooperative, they deliver most of their daily milk to a local collection point in Kiambu, Kenya. But until recently, Loise wasn't seeing the results of their labor until she received payment at the end of the month. She had no way of reconciling the monthly receipt with the daily deliveries, and suspected that some of the milk was being stolen by farm workers or the collection center staff.

Loise's fears were well-founded. Fraud was causing the loss of 20 percent of the daily milk supplied to Ndumberi, resulting in a significant drop for member farmers and their families. TechnoServe and our partners on the Connected Farmer Alliance developed a service to address these issues.

Now Loise receives an SMS receipt on her phone every day showing the exact amount of milk delivered. Daily receipts are just one of the services offered through the Connected Farmer platform, which uses mobile technology to improve how farmers work with agribusinesses. The solution allows businesses to register farmers, provide farming advice, make payments and extend farmer loans.

The service enabled Ndumberi to cut operating costs by 40 percent and increase its milk supply. More than 2,000 farmers who supply milk to Ndumberi are tracking their sales and receiving price information along

“Joining the program has made a big difference to us. Our sales have gone up, which has benefited our family.”

with tailored advice right on their phones. “Joining the Connected Farmer program has made a big difference to us,” said Louise's husband, Peter. “Our sales have gone up, which has benefited our family.”

PARTNERS

*U.S. Agency for International Development
Vodafone*

From Coffee to Corn: Feeding the Future



LIKE MOST COFFEE FARMERS in Ethiopia's Jimma region, Aman Aboali also grows maize. In fact, maize stalks occupy nearly as much space on his hilly farm as the coffee trees do. But the yield and income from both crops were inadequate. “The farm did not produce enough to feed me from the proceeds,” he said.

In 2012, Aman became one of more than 70,000 Ethiopian coffee farmers to receive training through TechnoServe's Coffee Initiative. He learned how to make his coffee trees more productive, and by weeding, pruning and stumping them, he doubled their yields in three years. His coffee income increased by 64 percent.

Through the Coffee Initiative, which concluded its second phase in December 2015, Aman also learned how to make his maize crops more productive, but buying improved seed and the right fertilizer represented a major expense. Fortunately, Aman could now afford it: “Income from coffee helped with maize inputs,” he said. Like Aman, more than three-quarters of the farmers trained on maize production adopted new and improved techniques.

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By 2015, Aman was growing 80 percent more maize — just in time to feed a growing family. He has big dreams for his infant son: “I want him to be an engineer,” he said, smiling.

PARTNER

Bill & Melinda Gates Foundation

Smallholders Stand Up to Climate Change



ORBELINA VÁSQUEZ had long faced falling production from the coffee trees on her small farm in Honduras. Several years ago, she also witnessed drought and coffee leaf rust — a crop disease that has swept across Central America, decimating coffee trees, and is likely spurred on by climate change. For Orbelina, the timing could not have been worse: with one son in university and another hoping to follow in his footsteps, the single mother urgently needed to earn more money.

She was determined to improve her farm, so in 2014, she signed up to participate in TechnoServe's Sustainable Agricultural Improvement program, which has benefited 26,500 coffee and bean farmers in Honduras. Coffee farmers like Orbelina have learned techniques to rejuvenate their coffee trees,

making them more productive and resistant to leaf rust and other effects of climate change. The project has also facilitated direct sales to coffee exporters — so farmers can earn higher prices — and access to financing for inputs that help make the coffee plants stronger. As a result, average yields have increased by 30 percent and revenues have increased by 60 percent.

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Orbelina's farm is now doing better than ever. In just one year, her production doubled and the price that exporters pay for her coffee rose 50 percent above what she used to get from middlemen. With her income tripled, Orbelina can now look to the future with optimism.

PARTNER
U.S. Department of Agriculture

Self-made Spinach King



LUFEFE NOMNJANA noticed his neighbor's unhealthy lifestyles every day. "Everything was unhealthy; the food eaten by the people, drugs, gangsterism, even the water people drank," he said of his home in Khayelitsha township in South Africa. This inspired young Lufefe to launch his bakery, Espinaca Innovations, which sells bread, muffins and sandwiches baked with a special ingredient: spinach.

Lufefe's vision is to offer the people of his township a healthy alternative to the unhealthy food that is more readily available. In order to achieve this vision Espinaca Innovations needed to expand and grow. TechnoServe and Citi Foundation's AWESAM program has provided Lufefe with the personalized business development support needed to get his bread into supermarket chains to increase his distribution.

The program has supported 83 youth- and women-led businesses in South Africa to expand and grow past the early stage. Altogether in 2015, TechnoServe and Citi Foundation worked with more than 300 entrepreneurs across four African countries.

For Lufefe this support has allowed him to expand his shop, which bakes 120 loaves a day and now employs five people. As a result of the project's support, the bakery's revenues

"My dream is to impact the community and improve people's lives through healthy eating and a healthy lifestyle."

increased by 56 percent. Lufefe was also able to put in place an accounting system, which will help him access additional funding as he continues to grow. "My dream is to impact the community and improve people's lives through healthy eating and a healthy lifestyle," said Lufefe. "I was so thrilled and honored to get this kind of assistance."

PARTNER
Citi Foundation

Fair Prices for Farmers' Crops



SHAKILA KHATUN used to be dependent on an unorganized network of maize traders to sell her grain, resulting in a low price. These traders mostly determine maize quality by sight and feel, and the product was weighed manually.

Without direct access to markets and large quantities to sell, Shakila and the small farmers of Purnia district in India's Bihar State were unable to negotiate better prices. TechnoServe worked with businesses including AAPCL — an all-women's maize producer company of which Shakila is a member — to facilitate sales over an electronic trading platform and aggregate harvests so that the women had larger quantities to sell.

Member farmers were trained on improved post-harvest practices, including using electronic weighing machines and digital

moisture meters to ensure transparency during collection and sales.

"This is the first time in my life I've seen someone procure maize from a farmer's door step with such transparent procedure," said Shakila. Within three days of each sale, payment would be credited directly to Shakila's account, ensuring her timely access to the proceeds of her harvest.

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As a result of the nine-month pilot project, AAPCL was able to procure and sell over 1,000 metric tons of maize and the women farmers received an 11.5 percent increase in price for their maize. For Shakila and her associates, the success of the project has built a sense of ownership and pride in their work.

PARTNER
Bill & Melinda Gates Foundation

Cultivating Lasting Impact



IN 2013, Haitian mango farmer Marie-Carme Fils-Aime joined a farmer group named Leve Kanpay, Creole for "Rise Up" — and that is exactly what she did. With training provided by the Haiti Hope Project, she and her husband were able to grow more mangoes and profitably sell them on the export market to Whole Foods with USDA Organic and Fair Trade certification. Between 2011 and 2015, more than 25,000 farmers like Marie-Carme participated in the project, selling roughly \$7.5 million of fruit.

"We're selling more than ever before, both in our own communities and around the world," said Marie-Carme. "And we're organized to sell directly to the international market."

Marie-Carme also rose up through the ranks of her farmer group: when the Haiti Hope Project ended in 2015, she was appointed by Leve Kanpay to continue training members on good farming techniques.

"We're selling more than ever before, both in our own communities and around the world."

This is just one sign that the changes brought by the Haiti Hope project will continue long after its completion. Farmers who participated in Haiti Hope have planted more than 63,000 new mango trees, promising a future source of fruit and income. And TechnoServe has built the capacity of Haiti's public and private sector to support and develop the mango value chain for years to come.

PARTNERS
The Coca-Cola Company
U.S. Agency for International Development
Inter-American Development Bank



PARTNERS

Public and private partners are a key component of TechnoServe's success. In addition to critical financial support, many of our partners provide market opportunities for our program participants, as well as world-class business and industry expertise that we can leverage to help build a thriving private sector in the countries where we work.

Some of our major partners are listed below. To learn more, visit technoserve.org/partners.



BOARD OF DIRECTORS

TechnoServe is overseen by a talented group of leaders. Our board ensures that the organization faithfully pursues its mission and has the resources and direction it needs to be successful.

International Board

CHAIRMAN

Paul E. Tierney, Jr.
Partner
Development Capital Partners LLC and Aperture Venture Partners LLC

VICE CHAIRMAN

Peter A. Flaherty
Managing Director
Arcon Partners LLC

TREASURER

Suzanne Nora Johnson
Former Vice Chairman
Goldman Sachs Group Inc.

SECRETARY

Jennifer Bullard Brogini
Managing Director
Studio Brogini SA

Jonathan Auerbach

SVP, Chief Strategy & Growth Officer
PayPal Inc.

Kanika Bahl

Principal & Managing Director
Results for Development Institute (RAD)

Scott Baker

Partner
Reed Smith

Jerry Baldwin

Former Chairman & CEO
Peet's Coffee & Tea Inc.

Thomas Barry

President & CEO
Zephyr Management LP

Anthony H. Bloom

Chairman
Cineworld Group PLC

Titus Brenninkmeijer

Founder
Solgenix LLC

Michael J. Bush

Managing Member
BIV Investments

Robert B. Calhoun

Founder & Senior Advisor
Monitor Clipper Partners

Alan Cohen

Former CEO & Medical Director
National Deaf Academy

Laura Corb

Director
McKinsey & Company Inc.

Russell Faucett

Managing Director
Gyr Falcon Ltd.

Mike Fernandez

Former Corporate Vice President
Corporate Affairs, Cargill Inc.

Barry Hall

Former President
Morgan Stanley India

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

Timothy Kingston

Managing Director
Goldman Sachs

Robert "Bo" Manly

Former Executive Vice President
Smithfield Foods

Charles Moore

Partner
Trilantic Capital Partners

Michelle Peluso

CEO
Gilt

Kurt C. Peterson

Partner & Executive Committee Member
Reed Smith LLP

William Warshauer

President and CEO
TechnoServe Inc.

European Board

CHAIR

Evelyn A. Windhager Swanson

Former Director of Special Projects
Environmental Defense Fund

Chris Benson

Private Equity Executive
Advent International

Sophie Le Mouel

Advisor
Business Fights Poverty

Pierre Van Hoeylandt

Director
CDC Group PLC

FINANCIALS

Accountability

TechnoServe's efforts to maximize accountability, transparency and efficiency are widely recognized.



For the tenth consecutive year, TechnoServe has earned a 4-star rating from Charity Navigator, America's largest independent evaluator of charities, placing us in the top 1 percent of all rated charities.



As a GuideStar Platinum Early Adopter, TechnoServe was one of the first nonprofit organizations to receive GuideStar's highest level of recognition.



Revenue

2015 **\$88,188,884**

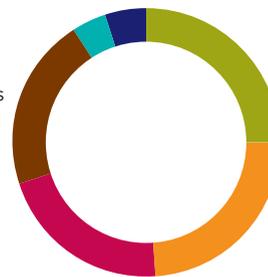


2014 **\$79,589,982**



2015 FUNDING SOURCES

- 25% U.S. Government
- 24% Other Governments and International Organizations
- 21% Foundations
- 21% Corporations
- 4% Individual Donors
- 5% Other



Expenses

2015 **\$88,635,460**

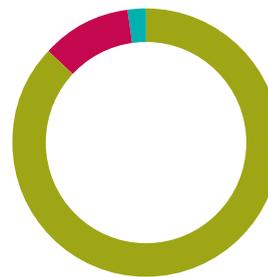


2014 **\$79,246,575**



EFFICIENCY

- 87% Program Services
- 11% Management
- 2% Fundraising



Net Assets

BEGINNING \$9,405,865 **ENDING** \$7,544,794

See our consolidated financial report at technoserve.org/2015financials.

WAYS TO SUPPORT OUR WORK

Your generous support of TechnoServe helps enterprising men and women in the developing world improve their lives and secure a brighter future for their families.

Learn more about how you can support TechnoServe at technoserve.org/ways-to-support.

One-Time Giving

Make a single tax-deductible donation to TechnoServe to empower enterprising people in developing countries.

Recurring Giving

Become a Partner in Prosperity and provide ongoing support to TechnoServe through an automatic monthly tax-deductible contribution.

Planned Giving

Create a lasting legacy by including TechnoServe in your estate plans. Making a planned gift is a meaningful way to contribute to TechnoServe's future while providing financial and tax benefits for yourself and your family.

Stock Contributions

Gifts of stock or other appreciated assets can provide tax advantages for you while yielding profound benefits for the people we work with.

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