

**ACCION**

# 2023 ANNUAL REPORT





## Contents

<b>Our Global Impact</b>	<b>6</b>
<b>How We Work</b>	
Investment strategies	10
Advisory solutions	14
Thought leadership	18
Center for Financial Inclusion	19
<b>Consolidated Statements of Activities</b>	<b>21</b>
<b>Accion Opportunity Fund</b>	<b>22</b>
<b>Our Board of Directors and Leadership</b>	<b>26</b>

Roselin Vargas and her husband own a small-scale food distribution company in Santa Cruz, Bolivia. Accion's longtime partner BancoSol provides Roselin with the responsible solutions she needs to grow her business, as well as digital support to receive payments and manage her finances via smartphone. Accion has invested in BancoSol's growth and has advised the bank on developing new products. "BancoSol has been a great help to my business and my family," says Roselin.

## Letter from our CEO and Board Chair

With global poverty and inequality on the rise after decades of improvements, today, our work is more urgent than ever. We can – we must – change this.

Dear Friends,

For the owner of a small business in Bolivia, access to financial services can be life changing. With working capital, she can stock her shelves when prices and customer demands change. With digital payments and ordering, she can serve more customers and modernize her bookkeeping. And with insurance, she can prepare her family for future challenges.

At Accion, we know financial services are powerful tools to help reduce poverty and create opportunity. But every day, the global financial system fails nearly 2 billion people. They are low-income small business owners, smallholder farmers, and overwhelmingly women – the people who are most impacted by climate change, economic instability, and conflict.

With global poverty and inequality on the rise after decades of improvements, today, our work is more urgent than ever. We can – we must – change this.

By educating consumers on the benefits of responsible financial services and working with providers to develop customer-focused digital solutions, we are making savings, insurance, credit, and other essential financial services available to millions of people who would otherwise be left out, so they can make informed decisions and invest in their futures.

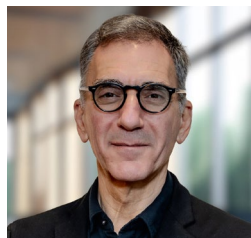
To achieve our mission, we focus on innovations that have the most potential to create lasting change: embedded finance, agritech finance, and solutions for the future of work. We are addressing the needs of rural farmers and urban gig workers. And we are forming new partnerships to integrate financial services into platforms where microentrepreneurs are already doing business, creating solutions that are customer-friendly, useful, and responsible.

None of our work is possible without your support. Thanks to partners who share our vision and passion for social change, we are helping to create a fair and inclusive economy for future generations.

With gratitude,

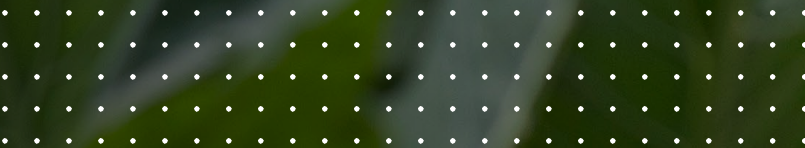
**Michael Schlein**  
President & CEO

**Diana Taylor**  
Board Chair



## Innovation for Inclusion

Nearly 2 billion people globally lack access to financial services, or are poorly served, limiting their ability to grow a business, send their children to school, prepare for emergencies, and build a brighter future. At Accion, we work with innovative local partners to develop and scale responsible digital financial solutions for underserved people globally, so they can make informed decisions and improve their lives.





In collaboration with HSBC India, Accion Advisory is working with local financial service providers in rural India to promote digital payment adoption among low-income women. Building on our research, we are designing a program where rural women can build their knowledge and skills so they can use digital financial tools to improve their livelihoods.

# Our Global Impact

Since 1961,  
we have  
helped build

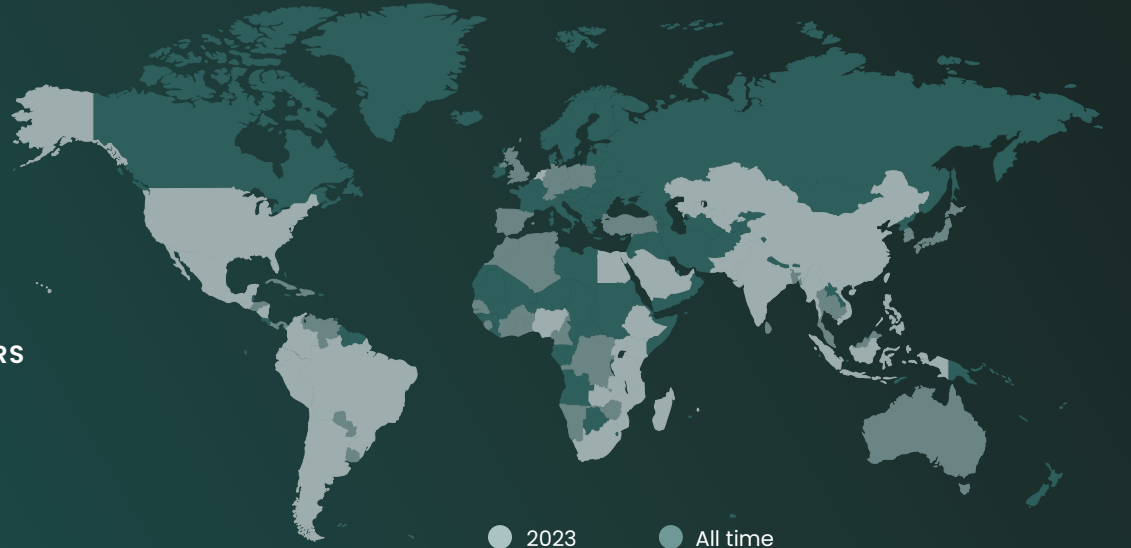
# 267

FINANCIAL  
SERVICE PROVIDERS

ACROSS

# 75

COUNTRIES



● 2023

● All time

In 2023, Accion worked across **34** countries.

Since our founding,  
our work has reached

# 440M

PEOPLE





## 2023 by the Numbers

 **168.3M**

PEOPLE REACHED

When one person uses financial services, their entire family can benefit. In 2023, our work reached more than 168 million people.

 **6.1M**

INSURED

6.1 million people accessed insurance products through our partners.

 **8.6M**

BORROWERS

8.6 million people accessed credit through our partners.

 **4.5M**

WOMEN  
ACCESSED CREDIT

4.5 million women entrepreneurs accessed credit through our partners.

 **\$7.8B**

LOANS DISBURSED

Our partners disbursed \$7.8 billion in loans to small businesses and families.

 **2.2M**

SAVERS

2.2 million people saved money through our partners.

 **1.3M**

CLIENTS BUILDING FINANCIAL HEALTH

1.3 million people accessed products specifically designed to build their credit history and financial literacy.

More information on our impact, including our impact framework and methodology, is available in our 2023 Impact Report.

Amelia, a client of Accion Venture Lab portfolio company Fairbanc in Indonesia.

# How We Work

We focus our efforts on supporting the groups that are most vulnerable to worsening economic and environmental threats.

In 2023, we worked with local partners to develop and scale responsible digital financial solutions for underserved people globally.

Through investment strategies, advisory solutions, and thought leadership we seek to drive change in local communities and global systems and create a fair and inclusive economy.

Our global strategy focuses on accelerating innovations across three areas: embedded finance for small businesses, agritech finance, and financial solutions for the future of work. As digital technology continues to rapidly reshape job markets, supply chains, and business networks, we believe these innovations have great potential to meet the unique needs of underserved groups. We focus our efforts on supporting the groups that are most vulnerable to worsening economic and environmental threats: small business owners, smallholder farmers, and women.

## Our approach allows us to sustainably maximize impact for vulnerable communities globally:

### TEST →

Supporting risk-taking innovators working to reimagine financial services for low-income people globally.

### LEARN →

Through research and engagement, quickly understanding what is working to advance needed change.

### SCALE →

Responsibly growing the most effective innovations and business models to provide responsible choices for millions of people.

### REPLICATE →

Sharing learnings across geographies and applying proven methods to deliver systems-level change in communities around the world.



## ACCION

### INVESTMENT STRATEGIES

#### Accion Emerge

Using Accion's balance sheet to invest in financial service providers in emerging markets that embrace innovation and explore new sectors.

#### Accion Venture Lab

A leading early-stage investor providing seed-first capital and strategic support to innovative startups meeting the financial needs of underserved people.

#### Accion Transformation Capital

Growth capital and strategic support for banks and finance companies connecting micro and small businesses to capital and the digital economy.

MANAGED BY ACCION IMPACT MANAGEMENT

### ADVISORY SOLUTIONS

#### Accion Advisory

Helping financial companies and other service providers operate more effectively and building and scaling digital solutions for low-income people globally, to strengthen their financial health and economic well-being.

### THOUGHT LEADERSHIP

#### The Center for Financial Inclusion

CENTER for  
FINANCIAL  
INCLUSION ACCION

An independent think tank housed at Accion focused on creating an inclusive financial system. CFI conducts rigorous research and hosts industry-leading convenings including the Responsible Finance Forum and Financial Inclusion Week.

#### Accion's Leaders

Our leaders across advisory solutions and investment strategies actively engage the industry and share their insights. Accion also convenes the annual Harvard Business School-Accion Program on Strategic Leadership in Inclusive Finance.

### QUONA CAPITAL

## QUONA

One of the world's first investment firms focused on financial inclusion, founded with support from Accion.

### ACCION OPPORTUNITY FUND

ACCION  
OPPORTUNITY  
FUND 

A leading nonprofit small business lender in the United States formed by the 2020 merger of Accion U.S. Network and Opportunity Fund.



Bonaventure Havugimana,  
client of Accion's partner  
UGAFODE in Uganda.

## Investment Strategies

We find and help build innovative companies with the potential to reach large numbers of underserved people and invest in their growth.

**Through our investment strategies, we find and support local innovators who are dedicated to supporting low-income and underserved customers with the financial tools they need. We make equity and quasi-equity investments from early to growth-stage, prioritizing companies located in South and Southeast Asia, Latin America, sub-Saharan Africa, and the United States.**

### Accion Emerge

Accion Emerge uses Accion's balance sheet to invest in growth-stage companies embracing innovation in embedded finance, agritech, and the future of work to unlock opportunities for underserved people. We support financial service providers in emerging markets working to meet the needs of financially underserved communities, and we build demonstration models that may become new investment strategies, leveraging third-party capital. Accion Emerge has invested in more than 40 companies to date, all innovating to deliver cheaper, more accessible, and customer-friendly solutions for underserved people globally. Active portfolio companies today reach more than 6 million clients. In Uganda, for example, portfolio company UGAFODE provides loans, savings products, and financial literacy training to refugees, women, and other underserved groups. In 2023, Accion Emerge connected UGAFODE with needed resources and provided board governance to ensure the bank could continue to grow and support clients in a challenging market.

### Accion Impact Management

Accion Impact Management is our platform for impact investments in financial inclusion leveraging third-party capital. Accion Venture Lab and Accion Transformation Capital are managed by Accion Impact Management.

### Accion Venture Lab

Accion Venture Lab is a leading early-stage investor in inclusive fintech, providing seed-first capital and strategic support to innovative startups that are meeting the financial needs of underserved people globally.

In 2023, fintech startups faced a slowdown in funding, rising inflation, and volatile currency markets, all of which made it harder to focus on serving low-income clients. Accion Venture Lab actively supported portfolio companies in this challenging environment, helping them prioritize cash management and success metrics to grow their businesses sustainably. Accion Venture Lab made investments in eight new companies harnessing innovation for inclusion, and made follow-on investments in two companies. The team also hosted its first Regional Investor Day in Singapore, bringing together 11 portfolio companies across South and Southeast Asia, as well as the Middle East, connecting them to 21 early-stage investors in the region.



Accion Venture Lab portfolio company Semaai is exploring the use of drones to provide farms with organic fertilizer in Indonesia.

### Building an inclusive agricultural supply chain in Indonesia

Nearly one third of Indonesia's 275 million people make a living in agriculture, providing their communities with food and their families with stable livelihoods. Local retailers called *toko tanis* provide farmers with seeds, fertilizer, and other inputs, but these farmers struggle with opaque pricing and a widening mismatch between supply and demand of agricultural produce. In 2023, Accion Venture Lab invested in Semaai, a fintech startup building a digital platform to address these supply chain disruptions affecting *toko tanis* and the farmers they serve. Semaai's digital marketplace is expanding easy and transparent access to seeds and fertilizer, produce markets, and agronomic advice to strengthen local farming practices. Accion's support will allow Semaai to expand digital advisory services for their clients, and create a new app to enable farmers to access agricultural inputs that are affordable and conveniently located.

## Catalyzing growth for small construction businesses in Latin America

In Latin America, small and medium-sized companies face significant challenges securing contracts for larger construction projects due to opaque processes and more established competitors. In 2023, Accion Venture Lab invested in Licify, a digital platform based in Colombia that is working to level the playing field for these hardworking entrepreneurs across Latin America. Through Licify's platform, contractors can bid on projects tendered by construction companies and access high-quality work opportunities. Once a project is granted, Licify uses the data from both the project and the contractor to advance payments. With this access to capital, a contractor's cash in hand is no longer a barrier to undertaking a project, allowing them to focus on delivering the work — and growing their business.

### CLIENT STORY

## From playing strings to coding things

Ana María Garófalo is an accomplished cellist based in Buenos Aires, Argentina. But due to the country's challenging job market, she struggled to find a job that would help her realize her personal and career ambitions. To chart a new path for herself, she turned to Accion Venture Lab portfolio company Henry.

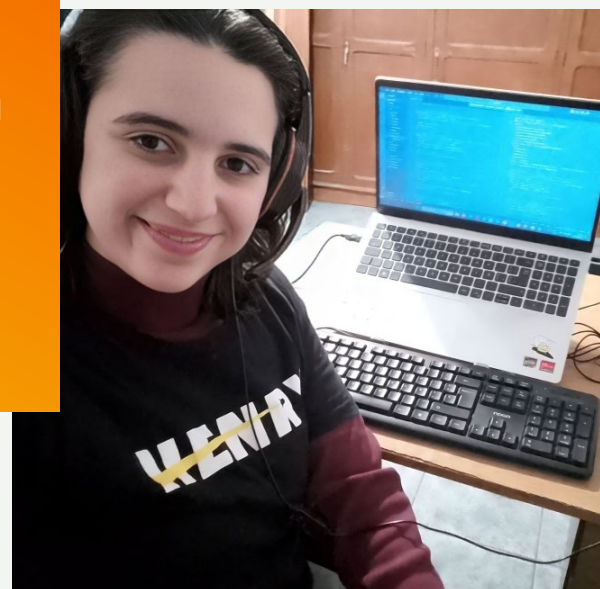
Henry is broadening access to high-quality technical education across Latin America, where communities are facing the twin challenge of a shortage of skilled workers and high unemployment. Henry offers virtual coding courses to students like Ana, which they pay for with a percentage of their future income. This innovative approach is making a career in coding available to many people who could otherwise never afford the cost of the training.

After several months of studying and a lot of coding, Ana graduated from Henry as a trained web developer. And thanks to Henry's career network, she secured an internship at the startup Blipconnection, which creates tracking technology for pet owners. At the conclusion of her internship, Ana was hired full-time as a back-end developer at the company.

"I remembered that I liked programming at school, and I started studying on my own," Ana said about her career journey. "Then I looked for several courses or bootcamps, but I ultimately chose Henry because of the payment methodology, and the number of hours of the bootcamp."

Accion Venture Lab supported Henry with investment capital and strategic guidance to help the company responsibly expand its operations beyond its home base in Argentina to support aspiring tech professionals across Latin America.

Today, Ana can count both coding and the cello among her skills, and she is continuing to build her career as a web developer. Reflecting on the innovative path that Henry helped open for her, she said: "The experience itself was incredible."



I remembered that I liked programming at school, and I started studying on my own. Then I looked for several courses or bootcamps, but I ultimately chose Henry because of the payment methodology, and the number of hours of the bootcamp."

## Accion Transformation Capital

Accion Transformation Capital provides growth capital and strategic support for the digital transformation of financial institutions, building the next generation of responsible service providers for underserved people and catalyzing the industry.

### Advancing digital transformation globally

In 2023, Accion worked with like-minded investment partners to build the Accion Digital Transformation Fund. With a final close of \$152.5 million in early 2024, multiplying Accion's initial commitment tenfold, the fund seeks to unlock groundbreaking support for the digital transformation of banks and financial companies to connect millions of people and small businesses to the digital economy across emerging markets. Initial investments by the fund include Annapurna Finance and IKF Finance, which serve micro, small, and medium enterprises in India. Limited partners in the fund include British International Investment (BII), the UK's development finance institution; the Dutch entrepreneurial development bank FMO; IDB Invest; the International Finance Corporation (IFC); Mastercard; OeEB, the Development Bank of Austria; and Swedfund, Sweden's development finance institution.

## QUONA Our partnership with Quona Capital

Accion supported the founding of venture firm Quona Capital, and together in 2015 we launched one of the world's first global fintech funds focused on underserved consumers, the \$142 million Accion Frontier Inclusion Fund. Since then, Quona and Accion have worked together to mobilize the capital markets to jumpstart fintech companies that are leveraging the power of digital technology to improve the quality and availability of financial services for families and small businesses. Accion has supported Quona's subsequent funds, which closed at \$203 million and \$332 million, to continue driving responsible and scalable financial solutions for underserved people across the globe.

### Re-envisioning supply chain finance for small businesses

Among Quona's new investments made in 2023 is Twinco, a fintech startup founded by two women who left their careers in banking to disrupt the world of supply chain finance for underserved businesses. Twinco is working to shrink the massive global trade financing gap of \$1.7 trillion, which makes it much harder for small and medium-sized businesses to fulfill orders and turn a profit. Twinco partners with large corporations to provide their suppliers — mostly small to medium-sized business in emerging markets — with access to affordable, easy, hassle-free funding, from purchase order to payment. Working with suppliers in Bangladesh, China, Pakistan, and Turkey, Twinco offers access to capital early in the production cycle so these small businesses can flourish and grow.



Twinco founders Sandra Nolasco and Carmen Marín. Photo courtesy of Twinco.



Katherine Arriaza, client of Accion's partner Fundación Génesis Empresarial in Guatemala.

## Advisory Solutions

Our renewed partnership with Mastercard aims to help 5 million microenterprises actively use digital financial services to improve their financial health.

### Accion Advisory

**Accion Advisory combines decades of on-the-ground experience with insights into new technologies to help our partners become more sustainable and scalable. We work with organizations focused on serving the financial needs of low-income people and businesses in emerging markets, from banks to fintechs to B2B supply chain providers, and more. With a presence in Africa, Asia, and the Americas, in 2023 our team provided strategic and operational support to strengthen our partners and maximize their impact for underserved people.**

#### Helping millions of microentrepreneurs go digital

Building on four years of work together to enable digital transformation among small businesses, in 2023, Accion and the Mastercard Center for Inclusive Growth renewed their partnership to improve the financial health of small businesses in emerging economies. The partnership aims to help 5 million microenterprises, including 1 million owned by women, actively use digital financial services to improve their financial health. Supported by the largest grant in Accion's history, \$15.8 million from the Mastercard Impact Fund, services provided under the partnership are expected to reach a total of 10.5 million people over four years. From 2019 to 2022, Accion and Mastercard successfully helped 12.8 million people, including 5.6 million small businesses, access digital services and actively use them to improve financial resilience.

### Opening opportunities for refugee women in Uganda and Ethiopia

Uganda is home to more than 1.5 million refugees who have fled violence and conflict to rebuild their lives. Another 930,000 refugees have settled in Ethiopia. In 2023, Accion Advisory worked to enhance refugee women's livelihoods and self-reliance in Ethiopia and Uganda by opening new income generation opportunities, as well as the financial and other support to capitalize on these opportunities, with support from the Conrad N. Hilton Foundation. Through this partnership, in Uganda, refugee women specializing in textiles and handicrafts can now sell their products on Soko Uganda, an online marketplace for locally made goods. They can also access targeted financial services through Accion's longtime partner, microfinance institution UGAFODE.

### Enabling women entrepreneurs to go digital in Central Asia

Accion Advisory is working with KMF, a leading microfinance institution in Kazakhstan, to digitize parts of the agricultural value chain for producers and merchants. We are also supporting MayaSoft, a payment fintech in Uzbekistan, to develop its merchant payment platform to improve digital payment acceptance. Both projects are specifically designed to build women business owners' trust and familiarity with digital platforms and business solutions, with support from Strive Community and additional subgrants for local partners. During the two-year program, we aim to raise awareness about the benefits of digitalization among 800,000 micro and small enterprises, with a focus on those owned and managed by women, to facilitate adoption of these services by 47,000 enterprises. In doing so, we seek to improve their business productivity, increase their income, and open pathways to prosperity for their families and communities.



Thanks to a loan she secured through Accion's partner UGAFODE in Uganda, Furhiya Abdullahi was able to open a small restaurant to provide for her six children. In 2008, she fled conflict in neighboring Somalia to start a new life here. "I found peace in Uganda," she said. "I want to create a better life for my children."



Natalya runs a market stall in Almaty, Kazakhstan, where she sells garments and fabrics. As she started to use digital tools, she joined a WhatsApp group of nearby store owners to discuss pricing, buying, and selling, which helps her make more informed decisions to support her business.

### Building inclusive digital public infrastructure in India

India's digital public infrastructure is connecting millions of people and small businesses to digital IDs and essential financial tools. However, the data ecosystem that supports this infrastructure is still skewed toward people with higher incomes. To expand access to the financial system and economic opportunities for underserved groups, Accion Advisory is working to make data exchanges between clients and financial service providers more inclusive of low-income people, with support from the Bill & Melinda Gates Foundation.

### Fueling green asset financing for women dairy farmers in Kenya and India

In dairy businesses in India and Kenya, women have primary responsibility for milking and looking after the cows. Despite their outsized contributions, women dairy farmers lack access to land, livestock, financial resources, and technology, which hinders their productivity and ability to grow their businesses. Accion Advisory is creating affordable financing options to enable women dairy farmers to own productive assets, such as biodigesters, with support from the Bill & Melinda Gates Foundation. Biodigesters break down farm waste and convert it into biogas, which can be used for cooking fuel and other by-products such as organic fertilizer. As more women successfully leverage asset financing to use biodigesters, Accion will apply lessons and strategies to unlock additional economic opportunities.



“With biogas, I can easily manage it myself, and I don’t have to worry about running out.”

Yasodaben, a dairy farmer in Gujarat, India, installed a biodigester powered by her cows' waste, thanks to asset financing unlocked by Accion and local partners Sistema.bio and Pahal Financial Services. "Before, I used to worry about running out of gas, and I needed my husband's help to connect the gas line to the stove," she said. "Now, with biogas, I can easily manage it myself, and I don't have to worry about running out."



## CLIENT STORY

### “I have come so far.”

For Madhusmita Patro of Bhubaneswar, India, the journey to business success started at home. As a new mother during the global pandemic, she often found herself home alone with her infant son. With her husband traveling on military service and with lockdowns in effect, she was unable to work or safely buy essential household items.

Existing delivery services were too slow, and their stock was unreliable, pushing Madhusmita to take matters into her own hands. That’s when she had the idea to start FreshXpress, her grocery delivery business.

But women entrepreneurs like Madhusmita struggle to access the financial services they need to start, manage, and grow their businesses. Traditional providers may believe that these customers are too hard to reach or too unprofitable to serve. In India, only a small number of businesses are owned by women, and female entrepreneurs receive less funding than men.

Accion’s longtime partner Annapurna Finance is working to change that. Of Annapurna’s more than 2 million clients, 84 percent operate in rural areas, and 98 percent are women. The small loan Madhusmita received from Annapurna helped her pay rent and order inventory. She also has access to Annapurna’s financial and technical support to help her build the skills she needs to succeed in the digital economy.

Accion has supported Annapurna with the capital and advice the company needs to continue making a difference for clients like Madhusmita. Accion Advisory has worked with Annapurna to develop digital financial solutions that are responsible and useful, and that promote financial health.

Today, when a new mother orders groceries from FreshXpress, she gets them delivered within 90 minutes. After a long day of fulfilling orders, Madhusmita manages the business’s finances and operations from her desktop computer, often with her son on her knee. As her business grows, she wants to hire her five part-time employees full-time.

“I started from nothing. It’s good that I have come so far,” she said proudly. “I don’t want to stop here. I want to keep going.”



“I started from nothing. It’s good that I have come so far. I don’t want to stop here. I want to keep going.”





Dilara Ismayilova, Head of International Financial Institutions at Bank Respublika in Azerbaijan, participating in the 2023 HBS-Accion Program.

# Thought Leadership

The 2023 HBS-Accion Program brought 61 professionals from 30 countries to the Harvard Business School campus for a week of shared learning through exploring case studies in financial inclusion.

**Accion is home to experts in inclusive digital innovation with decades of experience understanding the financial needs of people living in or near poverty. We conduct in-depth research, hold industry-leading convenings, and share our learnings to advance responsible financial solutions and systems globally.**

## Preparing leaders to accelerate inclusion

More than ever, leaders in inclusive finance need strong peer connections and strategic insights as they work to deliver responsible financial solutions for low-income people. The 2023 Harvard Business School-Accion Program on Strategic Leadership in Inclusive Finance brought 61 professionals from fintech startups, microfinance institutions, central banks, ecommerce companies, development financial institutions, and more, from 30 countries to the Harvard Business School (HBS) campus in Boston for a week of networking and shared learning through exploring case studies in financial inclusion. Led by renowned HBS faculty and leveraging the HBS executive education learning model, the program guides participants through an intensive experience that builds new understanding of critical developments that are shaping the way financial services are delivered to low-income clients.



Mehrechane Nayel, Head of Financial Inclusion Strategy, Central Bank of Egypt, 2023 HBS-Accion Program participant

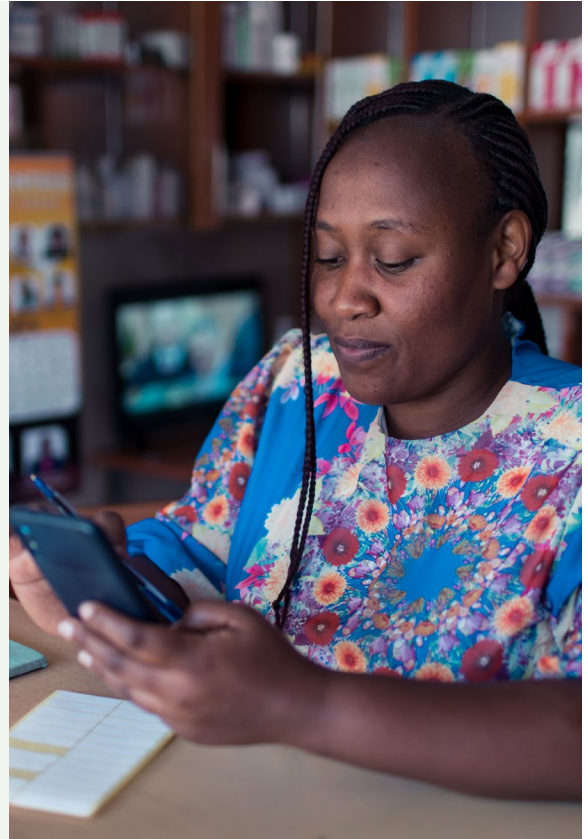
“On both a professional and personal level, the knowledge sharing during the program was quite meaningful.”

CENTER for  
FINANCIAL  
INCLUSION | ACCION

### The Center for Financial Inclusion

The Center for Financial Inclusion (CFI) is an independent think tank housed at Accion focused on advancing an inclusive and responsible financial system for the nearly 2 billion people who are excluded today. CFI conducts rigorous research, pilots innovative solutions, and convenes the inclusive finance sector to spark evidence-based change.

In 2023, CFI focused on understanding and responding to seismic shifts in the contemporary financial inclusion landscape — including the rise of artificial intelligence (AI) and the worsening effects of climate change — and illuminating how responsible financial solutions can help low-income communities around the world build a more resilient and prosperous future.



### Envisioning equitable AI and privacy for underserved consumers

AI is improving efficiency and cost-savings for financial service providers around the world, but at the same time, algorithms threaten to entrench economic divides and worsen discrimination against those with limited data footprints, especially women. Supported by USAID's Equitable AI Challenge, CFI developed the Equitable AI for Inclusive Finance guide and brief to provide a practical tool to help impact investors understand the use of AI among their investee companies and account for potential gender biases. The resources provide detailed use cases of AI in inclusive finance and best practices for identifying and mitigating bias in AI systems.

As digital financial tools rely on ever-growing volumes of personal data, protecting the privacy of vulnerable and underserved consumers is increasingly challenging and important. With support from PayPal, in 2023, CFI launched a first-of-its-kind resource for the inclusive finance sector that applies the principles of 'privacy by design' to financial inclusion practices. The Privacy as Product Playbook and accompanying brief provide comprehensive strategies to integrate privacy and responsible data practices into the product design process, and explore key challenges and outstanding questions for the sector to tackle.

### Bringing leaders together to chart a responsible future

Under CFI's leadership, **Financial Inclusion Week** has become a leading industry event on inclusive finance. The four-day annual virtual convening brings together global stakeholders from the public, private, and nonprofit sectors to exchange ideas, research, and perspectives on advancing a more inclusive future. In 2023, we welcomed 2,860 registered attendees and 360 speakers who participated across 30 global live sessions, 9 regional live sessions, and more than 80 on-demand sessions. To kick off the week, Accion CEO Michael Schlein sat down with World Bank President Ajay Banga to explore Banga's vision of eradicating poverty on a livable planet and how inclusive finance can help build resilience to global challenges.

## THOUGHT LEADERSHIP

In July 2023, CFI hosted the first in-person **Responsible Finance Forum** global convening since assuming the convening role from the IFC in 2022. The 2023 convening took place in the Indian tech hub of Bengaluru adjacent to the G20, and attracted 160 leaders from the private, public, and nonprofit sectors, representing more than 20 countries. Sessions centered around “shaping a responsible digital finance ecosystem,” as innovation creates a new world of opportunities and risks for underserved groups. Over two days, participants discussed evidence-based best practices and strategized how to create a more responsible future for inclusive finance by preparing for new and unforeseen risks.



Accion CEO Michael Schlein speaks with World Bank President Ajay Banga during Financial Inclusion Week 2023.



Shweta Pereira, Senior Director of Customer Strategy for Accion Advisory, participates in a field visit to the Reserve Bank Innovation Hub in Bengaluru, India, on day one of the 2023 Responsible Finance Forum.

### Driving women’s economic inclusion

Around the world, more women are using digital tools to manage their financial lives, yet they continue to face societal, economic, and cultural barriers that limit their ability to fully participate in the economy. CFI’s research focuses on three systemic barriers contributing to gender inequality: social norms, the digital divide, and data gaps. In 2023, CFI partnered with the World Food Programme (WFP) to study how to improve the design and delivery of digital cash transfers for low-income women. CFI and WFP’s findings revealed that providing cash transfers directly to women does not increase intimate partner violence against women recipients. The report resulted in WFP changing its internal cash transfer policy to prioritize putting household transfers into women’s hands — a monumental step for supporting women’s financial inclusion.

### Building resilience to worsening climate threats

As climate change continues to accelerate, inclusive financial services will play a vital role in helping vulnerable populations respond to disasters, adapt their livelihoods, and build resilience for the future. In 2023, CFI published its Green Inclusive Finance Framework that offers a new way to understand how low-income communities are using financial services across four pathways: mitigation, resilience, adaptation, and transition. For example, the framework explores how small loans and insurance help India’s smallholder farmers respond to extreme heat, which can exceed 120 degrees Fahrenheit in the summer months and make it nearly impossible to work their fields. CFI is working on identifying and piloting solutions that help people prepare for and respond to climate change while improving green outcomes.

### Fintech for the people

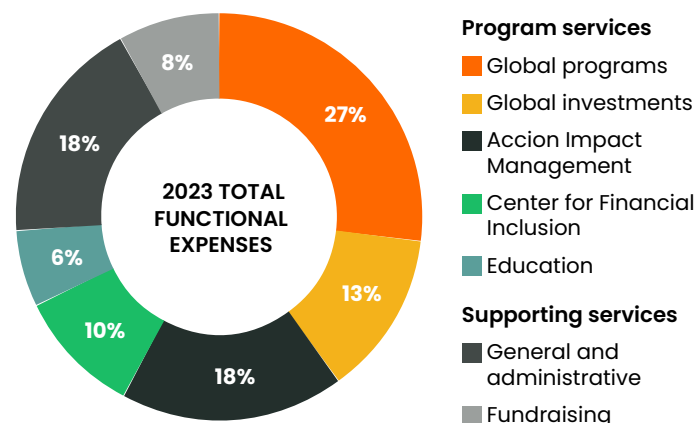
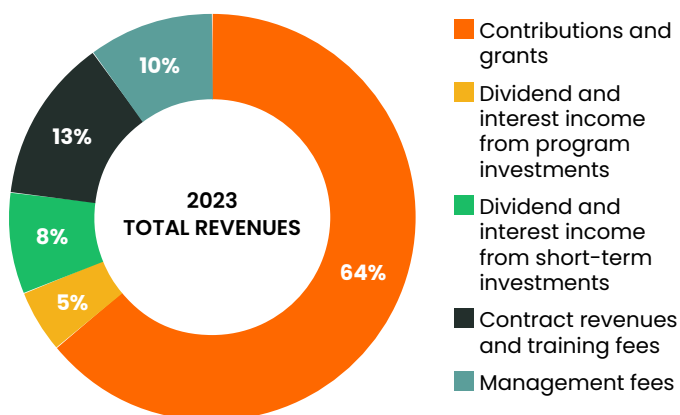
On Accion Venture Lab’s podcast, Fintech for the People, innovative leaders discuss their experiences driving financial solutions that enable underserved customers to grow their businesses, support their families, and build their communities. In 2023, Fintech for the People hosts Rahil Rangwala and Ameer Parbhoo spoke with fintech founders, impact investors, research executives, and other leaders to explore advancements in fintech for climate resilience and preparing workers to gain a solid footing in the world’s rapidly changing labor market.

# Consolidated Statements of Activities

REVENUES	2023	2022
Contributions and grants	23,169,571	6,967,797
Dividend and interest income from program investments	1,850,572	2,697,478
Dividend and interest income from short-term investments	2,973,021	3,347,981
Contract revenues and training fees	4,662,576	4,607,841
Management fees	3,825,248	1,448,141
<b>TOTAL REVENUES</b>	<b>\$36,480,988</b>	<b>\$19,069,238</b>

FUNCTIONAL EXPENSES		
<b>Program services</b>		
Global programs	10,447,735	11,026,497
Global investments	5,048,967	7,287,204
Accion Impact Management	6,820,400	2,893,141
Center for Financial Inclusion	3,784,040	4,296,073
Education	2,487,180	1,992,686
<b>TOTAL PROGRAM SERVICES</b>	<b>\$28,588,322</b>	<b>\$27,495,601</b>
<b>Supporting services</b>		
General and administrative	6,705,048	6,563,069
Fundraising	2,957,425	2,185,863
<b>TOTAL SUPPORTING SERVICES</b>	<b>\$9,662,473</b>	<b>\$8,748,932</b>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$38,250,795</b>	<b>\$36,244,533</b>



This information is unaudited and final amounts may differ. Full audited financial reports and 990s are available at [www.accion.org/about-accion/financials](http://www.accion.org/about-accion/financials)



Kenneth Smith-Mickey, co-founder of Mickey's Popcorn, received business training and advice through Accion Opportunity Fund and the FedEx E-Commerce Learning Lab.

# Accion Opportunity Fund



**AOF has spent more than 30 years investing in diverse entrepreneurs so they can invest in themselves and their communities, while also working to advance racial, gender, and economic justice within the financial system.**

Small business owners in the United States — especially women and people of color — face significant obstacles that make it much harder to succeed. Accion Opportunity Fund (AOF) provides these entrepreneurs with access to the capital, networks, and coaching they need to thrive. Entrepreneurs from restaurants, salons, trucking companies, construction contractors, and beyond turn to AOF for transparent and affordable capital to invest in their own success, as well as free business resources. AOF has spent more than 30 years investing in diverse entrepreneurs so they can invest in themselves and their communities, while also working to advance racial, gender, and economic justice within the financial system. AOF is an independent organization formed in 2020 through the merger of the Accion U.S. Network and Opportunity Fund.


### **Investing in healthy, vibrant communities**

Through the New Markets Tax Credit (NMTC) program, AOF invests in projects with the potential to transform low-income communities. As of June 2023, AOF has invested \$487.5 million in low-income communities, aiding more than 500,000 low-income people annually, through the NMTC program. In 2023, AOF invested \$16 million in Compass Health to support the construction of a new 73,000 square foot behavioral health services facility in Everett, Washington. The new facility will provide health care services for adults living with chronic mental illness who are either homeless, transitioning out of mental health facilities or incarceration, or those who need support to live independently.

### **Driving a better business ecosystem for Black entrepreneurs**

AOF is taking steps to open new career pathways to success for Black workers and entrepreneurs. With support from Truist Foundation, in 2023, AOF created an innovative \$1.5 million down payment assistance fund to enable more women, Latino, and Black truck drivers to become first-time truck owners and entrepreneurs in Maryland and Georgia. The fund builds on AOF's prior work in this area: since 2010, AOF has invested over \$360 million in truck purchases through more than 6,300 loans, including loans to more than 5,700 first-time truck buyers.

## Accion Opportunity Fund's impact in 2023

 **\$75M**

LOANED

We loaned \$75 million to 2,410 small business owners.

 **93%**

DIVERSE BORROWERS

Approximately 93% of small business owners we serve are people of color, women, and/or low-income. In 2023, our clients were 72.5% people of color, 38.6% women, and 67.2% low-income.

 **4,797**

SUPPORTED

We reached 4,797 small business owners through events, signature educational programs, and live webinars.



**2,126**

ADVISED


We provided expert advice to 2,126 entrepreneurs through our coaching program.



**1M+**

LEARNERS

More than 1 million people accessed our digital business educational resources.

 **\$2M**

DISBURSED

We disbursed \$2 million in small business grants to 272 small business owners.



María Palacio, AOF client and co-founder of Progeny Coffee.

## CLIENT STORY

### When entrepreneurial spirits start to pop

For husband-and-wife Penny and Kenneth Smith-Mickey, their business journey began with a big purchase in an uncertain time. In 2020, as the world grappled with the uncertainty of global pandemic, the Memphis, Tennessee couple took a bold step by purchasing a 3-in-1 popcorn popper, tumbler, and caramel cooker.

The two started crafting popcorn in their church's commercial kitchen, and by 2023, they had become a licensed food manufacturer in Tennessee with a 5,000-square-foot commercial production facility. Today, their business Mickey's Popcorn is the world's first and only licensed Tennessee Whiskey Caramel Popcorn, an accomplishment made possible through their partnership with Uncle Nearest, the world's first-known African American master distiller.

To reach these milestones and continue growing, the Smith-Mickeys received business mentorship through FedEx's E-Commerce Learning Lab, a hands-on learning, e-commerce accelerator, and grant program supported by Accion Opportunity Fund and 37 Oaks. The program provided them with the knowledge, tools, and confidence they needed to take their business digital and to the next level.

"The FedEx E-Commerce Learning Lab was the fire that sparked our success," said Penny. "It helped us understand what we needed to be customer-facing, and our back-end support needs, like customer care services and shipping strategies."

The couple also started a work-based learning program for domestic violence survivors and youths with autism. Over the three-month program, participants gain the experience they need to secure job placements in manufacturing, supply chain management, and distribution.

Looking back on their journey, Penny and Kenneth are grateful for the support they received from AOF and the FedEx E-Commerce Learning Lab. Penny said, "It gave us a scalable plan that accelerated our growth into e-commerce and beyond."

**The FedEx E-Commerce Learning Lab was the fire that sparked our success. It helped us understand what we needed to be customer-facing, and our back-end support needs, like customer care services and shipping strategies."**

Penny Smith-Mickey, co-founder of Mickey's Popcorn.







# Together, we can create a fair and inclusive economy.

**At Accion, we know that financial services are powerful tools to help reduce poverty and create opportunity. As low-income people, families, and communities around the world confront worsening economic and environmental threats, we are working to provide them with responsible financial solutions so they can make informed decisions and improve their lives.**

Our work is made possible by the support of people and partners who share our vision and believe in our mission to create a fair and inclusive economy. Together, we can build a better future — where financially excluded or underserved people have quality financial choices and opportunities to improve their economic well-being, and achieve their full potential.

## You can support our work by:

### **DONATING ONLINE, BY PHONE, OR BY MAIL**

You can make a gift on our website at [act.accion.org/AnnualReport2023](https://act.accion.org/AnnualReport2023), by mail, or by calling our office. If mailing your gift, please make your check or money order payable to “Accion International.”

### **GIVING THROUGH DONOR-ADVISED FUNDS AND FAMILY FOUNDATIONS**

Accion accepts donations through donor-advised funds or grants made by family and corporate foundations. Call or email us with questions on giving through these charitable vehicles.

### **BECOMING A MONTHLY DONOR**

The Sustainers Society is a special group of loyal supporters who demonstrate their commitment to financial empowerment by making automatic monthly gifts to Accion, which provide a consistent foundation of support.

### **DONATING STOCK AND SECURITIES**

Make a tax-deductible contribution of appreciated assets without incurring capital gains taxes. Please visit our website for details on how to maximize your impact by making a gift of stock.

### **DONATING CRYPTOCURRENCY**

Donating cryptocurrency is a tax-efficient way to support Accion. It's not subject to capital gains and is tax-deductible.

### **INCLUDING ACCION IN YOUR BEQUEST OR ESTATE PLANS**

The Recife Society honors supporters who have remembered Accion with a bequest that will help sustain and strengthen our mission for years to come. You can make a planned gift to Accion by including language in your will or living trust, leaving a portion of your estate to Accion, or designating Accion as a beneficiary of your retirement account or life insurance policy.

### **GIVING QUALIFIED CHARITABLE DISTRIBUTIONS**

Did you know that you can donate your required minimum distribution from your IRA and reduce your taxable income? If you have a traditional IRA and are of the age 70½, you can donate IRA assets to one or more charities in a given year and receive a tax-break.

### **BECOMING AN INSTITUTIONAL PARTNER**

Your partnership helps millions of people reach their economic potential. To get involved, please visit [act.accion.org/join-us/partner-with-us](https://act.accion.org/join-us/partner-with-us).

## Our Board of Directors and Leadership

as of July 2024

Together, we can build a better future — where financially underserved people have quality financial choices and opportunities to improve their economic well-being.

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Rina Rani Behera uses clay from a riverbank near her village in Odisha, India, to make and sell traditional pottery. With a loan from Accion's partner Annapurna Finance, she rents a tractor to transport clay and boost her production. Accion has supported Annapurna to develop and deploy new digital financial services so Rina and other clients can better manage and grow their businesses.



# ACCION

Accion is a global nonprofit on a mission to create a fair and inclusive economy for the nearly two billion people who are failed by the global financial system. We develop and scale responsible digital financial solutions for small business owners, smallholder farmers, and women, so they can make informed decisions and improve their lives. Through targeted investment strategies, advisory solutions, and expert thought leadership, we work with local partners to develop and scale cheaper, more accessible, and customer-friendly financial solutions. Since 1961, Accion has helped build 267 financial service providers serving low-income clients in 75 countries, reaching 440 million people. More at [accion.org](https://accion.org).

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