



Empowering Global Citizens to Create **Global Change**

Our First Five Years
of Social Impact

 **MPOWER** Financing
A Social Benefit Corporation

*“Education is the most powerful weapon which
you can use to change the world”*

- Nelson Mandela

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A MESSAGE

from Manu Smadja, MPOWER CEO



Dear shareholders, partners, clients, and friends of MPOWER,

This report is a wonderful celebration of just how far we've come since Mike Davis and I founded this company in 2014 — but also a reminder of how far there is yet to go.

In 2014, we were two former international students with an ugly PowerPoint deck and a dream: to help remove the financial obstacles that we had faced when accessing American higher education.

In our early years, we were so focused on building the business that we didn't always have time to measure our social impacts. We knew we were having them, since our core product—an education loan for international and DACA (Deferred Action for Childhood Arrivals) students in the U.S. and Canada that requires no co-signer, no collateral, and no U.S. or Canadian credit score—was designed with our mission in mind. We also knew anecdotally that we were having an impact on students, but we just didn't have *data*.

Now, thanks in part to a generous grant from Gray Matters Capital, we're able to quantify many of our impacts. As this report highlights, we serve one of the most socioeconomically and geographically diverse customer bases on the planet. Our borrowers are citizens of the world, and they are founding companies, running for office, and making scientific discoveries.

I hope you'll enjoy reading about the impact we're having on our borrowers, their universities, and their communities. Most of all, I hope you're inspired by our students' stories—and that you're inspired to join us on this journey.



A Message from Erika Norwood

Gray Matters Capital CEO

When the Gray Matters Charitable Foundation (GMCF) awarded a Spark Program Grant to MPOWER Financing in April 2018, we hoped that it would catalyze the design and implementation of a truly innovative social impact strategy. We have not been disappointed.

The insights MPOWER has gathered from borrowers through surveys, case studies, video contests, and focus groups have clearly advanced MPOWER's data-driven decision-making and understanding of the customer journey.

I would like to particularly commend MPOWER for your work to illuminate the barriers facing women in emerging markets. The data you have gathered is sobering. But as GMC persists in its mission to support an education leading to a more purposeful life for 100 million women by 2036, we appreciate this clear-eyed assessment of the numerous obstacles facing women in the higher education pipeline.

Given that MPOWER focuses on the tail end of this education pipeline, some of these challenges cannot be easily addressed by MPOWER. GMCF, however, intends to use these insights to inform its work with women and girls in India and around the globe, and I hope other partners do as well.

For the pool of women in emerging markets who do possess the academic and professional qualifications to pursue higher ed in the U.S. or Canada, however, MPOWER is doing an extraordinary job of removing financial barriers for them.

We are honored to have been partners in this journey.

MPOWER would also like to
thank its other investors:




Executive Summary


At MPOWER, we believe that now, more than ever, we need scientists, engineers, medical professionals, and business and government leaders who are multilingual and cross-cultural; who bring a fresh perspective to a wide range of global problems and who are equipped to solve them in a culturally appropriate way; and who are sensitive to the needs of—or even themselves members of—often marginalized groups.


This report highlights just how we’re trying to bring this about. It also highlights how diverse and bright our students are—and how their diversity, talent, and tenacity are already at work solving global problems ranging from poor water quality in Pakistan to antibiotic-resistant infections in Africa.


SUMMARY OF RESULTS, BY OBJECTIVE


Removing Financial Barriers for Diverse, High-Potential International and DACA Students


 **>2,000** loans made


 **45%** female

 **4% DACA**


85% couldn't have financed a degree without MPOWER 


 **53%** have family incomes < \$15,000

120 countries of citizenship 


76% of borrowers from emerging markets 


Enabling Tomorrow's Scientists, Entrepreneurs, Innovators, and Leaders to Realize Their Full Potential

 **45%** of graduates work in STEM


 **3** have founded a company


Building Borrower's Credit and Enhancing Financial Inclusion and Financial Health

 **75%** of MPOWER borrowers who had no FICO score at the time of loan attained a prime credit score after making 12 consecutive on-time payments

50% of borrowers were approved for a credit card 

Helping Universities Meet Their Diversity Goals and Strengthen Their Bottom Line

Since our inception, our students have paid over **\$100 million** in tuition and fees to **148** universities. 

 While over half of international students in the U.S. in 2018 were from India or China (IIE Open Doors Report), less than a quarter of MPOWER's borrowers were from these two countries.



We're Proud of the Recognition and Awards We've Received Highlighting This Impact:

AMERICAN BANKER

BEST FINTECHS TO WORK FOR | **2018 & 2019**



Best Lender for International Students



PLATINUM ★★★★★

Our impact work supports the following U.N. Social and Development Goals

4 QUALITY EDUCATION



5 GENDER EQUALITY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



Our Mission

Enable high-promise global citizens to further their academic and financial aspirations and make socioeconomic mobility borderless.

OUR VALUES

- Boldness
- Compassion
- Excellence
- Inclusion
- Data-driven Decision-Making
- Unwavering Integrity



Our Social Impact Strategy and Objectives

We support our borrowers at every stage in their customer journey, with the ultimate goal of making socioeconomic mobility borderless.

At each critical juncture in our borrowers' journey, we've identified social impact objectives to keep us focused and accountable. We then developed metrics to track our progress towards achieving these objectives.

Read on to find out how well we've done to date!



MPOWER builds borrowers' credit and puts borrowers on a path to financial inclusion and financial health



MPOWER removes financial barriers for diverse, high-potential international and DACA students through no-cosigner loans and scholarships



MPOWER assists U.S. and Canadian universities in meeting diversity goals while keeping their underlying financial positions strong



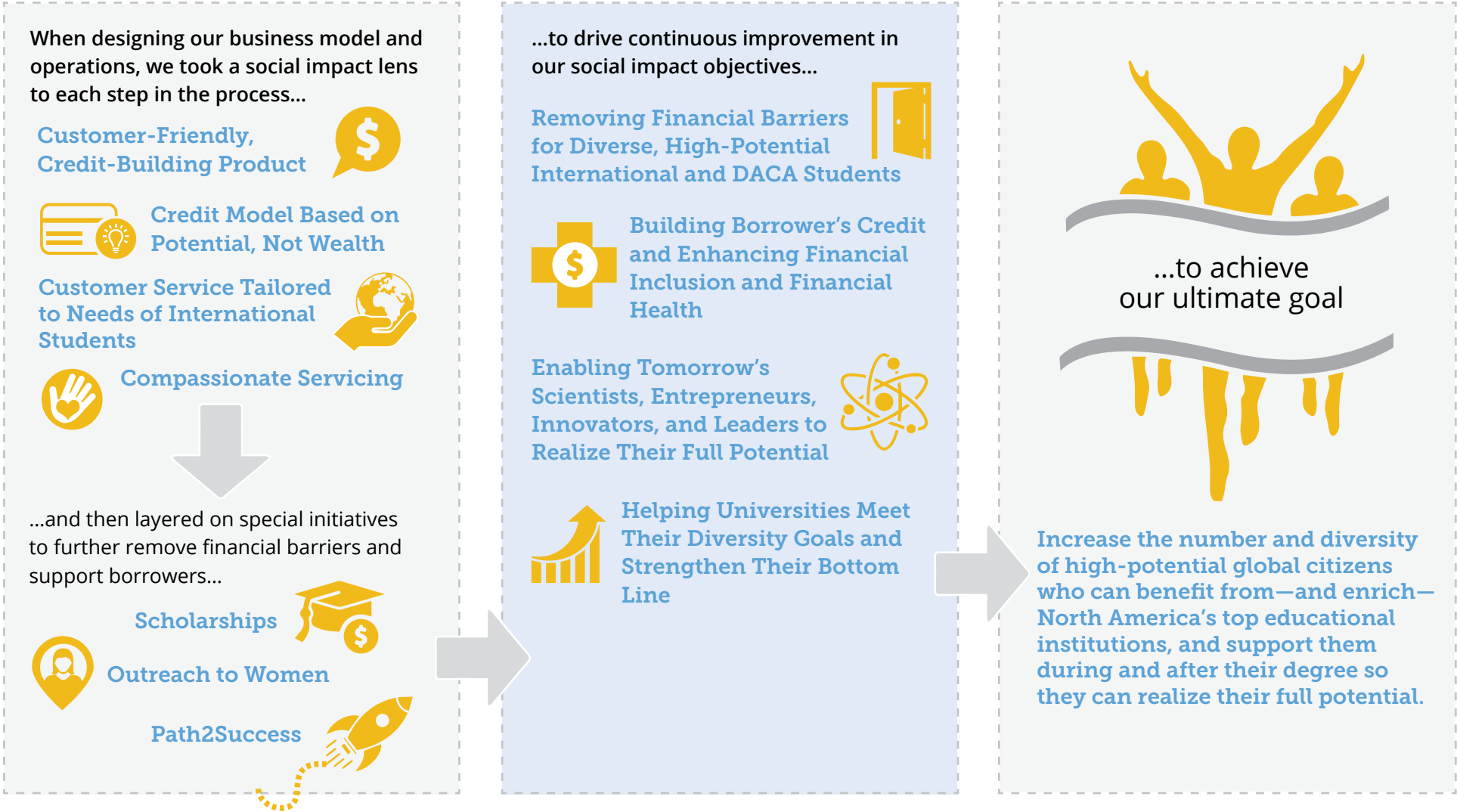
MPOWER enables tomorrow's scientists, entrepreneurs, innovators, and leaders to realize their full potential and change the world



Socioeconomic Mobility is Borderless

Our Social Impact Philosophy and Approach

SOCIAL IMPACT ISN'T JUST A PILLAR OF MPOWER FINANCING'S BUSINESS—IT'S THE CORE OF OUR BUSINESS.



Our Unique Product is Credit-Building and Customer-Friendly



Consumer-Friendly Features of our Core Product

- Can be used at any one of our 350+ partner schools
- Funds are disbursed directly to school
- Can be used to fund graduate school or junior or senior year of undergraduate studies
- No co-signer required
- No collateral required
- No credit score required
- Fixed interest rates
- Flexible loan amounts from \$2,001 to \$50,000
- Interest-only payments in school and six months after graduation
- Assists in building borrower credit
- No pre-payment penalties
- Generous forbearance policy

Our Data-Driven Credit Model is Based on Borrowers' POTENTIAL, Not Wealth.

The idea behind MPOWER is simple yet audacious: credit decisions for international and DACA students should be forward-looking and based on the student's extraordinary potential.

How do we put this into practice?

Rather than looking at family income or assets, our proprietary algorithm uses each student's test scores, the caliber of their university, their degree program, and a myriad of other factors to estimate the student's future earnings—and their ability to service debt.

As a result, we're proud to serve the planet's highest-potential individuals, regardless of income, family background, or gender.

Our Borrowers Have a Wealth of Potential...

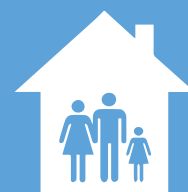


61% of our MBA students scored in the top 10th percentile on the Graduate Management Admission Test (GMAT)

...but not necessarily monetary wealth



17%
of our borrowers are from families with annual incomes < \$2,500



53%
of our borrowers are from families with annual incomes < \$15,000



85%
of our borrowers say they couldn't have financed their degree without MPOWER



Sumei X., MPOWER Borrower From Au Pair to Software Engineer

Originally from Jiangsu, China, Sumei came to Shanghai to attend college. She studied computer science and worked diligently to improve her English, but says she was "extremely shy" and lacked confidence.

After college, she took a job as a technical support specialist for Citibank, but she found herself restless for an opportunity to "see the world." When she learned about the au pair program, she jumped at the opportunity, believing it would help her improve her English, learn about American culture, and gain self-confidence.

Sumei was surprised by some of the challenges she encountered as an au pair. "I thought my English was pretty good," she said, "and it was—by Chinese standards. But while I could read and write it fairly well, speaking was a real challenge. Beyond the language itself, there's also a big difference in communication styles. Chinese people tend to be more indirect, while Americans are more straightforward. It took me a while to adjust."

Working as an au pair also gave her a taste of the American educational system. "I was so impressed by the projects that the children I worked with did at school. Unlike in China, their schooling focused on critical thinking, not rote memorization."

That experience inspired Sumei to continue her education in the U.S. When she received the news that she had been accepted to the Master of Computer Science program at Boston University, Sumei was elated. However, she soon realized her savings were woefully inadequate. She considered applying for a loan from a Chinese bank, but there were no Chinese banks willing to lend without a mortgage on her parents' house. She was also reluctant to ask her parents for help.

Fortunately, her online research quickly led her to MPOWER and, as a result, she was able to cover her funding shortfall. Sumei doesn't know just what the future will bring, but it's already looking bright. She has a great software engineering internship lined up this summer, and she's hopeful this will turn into a full-time job offer.

"Unlike in China, [the American kids'] schooling focused on critical thinking, not rote memorization."



STUDENT SPOTLIGHT

Our Customer Service Experience is Tailored to the Needs of International and DACA Students

MPOWER's Customer Success Team serves as the customer's guide and partner throughout the application process. MPOWER representatives are available to answer questions on a wide range of topics, from applying for our scholarships, to requesting a visa support letter from MPOWER, to uploading the right supporting documents for a loan application. Our representatives also keep customers updated on the status of their applications and collect real-time customer feedback.

We use this customer feedback to continuously improve our processes and loan platform. Just a few examples from the past year include:

- Improving self-service options for uploading the required supporting documentation;
- Launching a Frequently Asked Questions feature;
- Creating a customer welcome video and financial literacy quiz to ensure borrowers fully understand the terms of their MPOWER loan; and
- Creating a Customer Welcome Team to proactively reach out to customers who fail to progress from one stage of the loan approval process to the next in a reasonable amount of time. We have found that this is often due to issues related to identifying and uploading the correct documentation, so rather than wait for a customer to reach out to us, we call them!



What Our Borrowers Have to Say About Our Customer Service

"[I had a] very good experience. I have got hope out of my hopeless situation of being withdrawn from the Master's degree in Global Health Policy and Management. So, I commend MPOWER Financing for the good work."

"[I] really appreciate your great heart to humanity by lifting the burden of education funding [and] enhancing education privileges to the less privileged. Your prompt response to mails is second to none."

"Ms. Thomas was absolutely amazing! She helped me from day one all the way. She talked me through all the challenges and made what was a very stressful process much more bearable and doable. I am eternally grateful for her stellar service. She really was amazing!"

"Wow! Gizem is [a] very professional, quick responder and knowledgeable staff [member]. She is [an] excellent problem-solver. She responds to customers' concerns and is able to resolve them to make customers satisfied."



"I love helping international students like myself achieve their education goals every single day."



STAFF SPOTLIGHT

Gizem Girgim MPOWER Senior Customer Success Analyst From Struggling International Student to Customer Service Guru

Growing up in Izmir, Turkey, Gizem acquired the nickname "American girl" because she spoke English better than all of her classmates—better, even, than her English teacher. But she still found she faced a language barrier when she came to U.S. in 2010 to pursue a Master of Finance at Florida International University. "There are a lot of words and phrases used daily in the U.S. that come from social media, movies, songs, and the culture itself, and I just wasn't familiar with those," she recalls. "So I made friends with people who were raised in the U.S. and asked them to explain these phrases to me."

Gizem's English quickly improved, she received excellent grades, and she was even asked to serve as a teaching assistant. But even so, she found that it was difficult to secure a finance job post-graduation without permanent residency, so she ended up in retail—but then found she loved the sales side of it. Eventually, she landed a job as a financial advisor for Edward Jones. She enjoyed that role, but still jumped at the chance to work for MPOWER—and help international students work through some of the same challenges she had faced.

"I love helping international students like myself achieve their education goals every single day," she says.

That passion shines through in Gizem's work—and in the results. In recognition of her excellence in customer service, MPOWER's CEO asked her to stand up the Customer Welcome Team.

"Gizem is motivated by seeing others succeed," says her manager, Kristin, "and this is apparent in the way she interacts with students. She checks in on applicants to see how their visa interviews or school exams went. She shares her experiences as an international student in hopes it that it will make someone else's journey easier. She thrives on the relationships she builds with each student. We're extremely lucky to have her as part of the MPOWER family."

We Bring the Service—and Compassion—to Servicing

MPOWER aims to treat every customer like a VIP at every stage in the process, including servicing. We know that our borrowers face unique challenges, so we've designed a compassionate, borrower-driven servicing process to assist in overcoming these challenges.

CHALLENGE: International Transfer Fees

Some of our borrowers return to their home countries after graduation, which means they no longer have access to U.S. dollar-denominated accounts—and face bank fees of up to 13 percent to transfer money internationally.

OUR SOLUTION

We partner with Flywire, a secure global payment platform that allows students to seamlessly pay MPOWER from **over 200** countries and territories. Our borrowers can make a payment in their local currency at a very competitive exchange rate, by mobile phone, without any hidden fees.

CHALLENGE: Employment Barriers

Some of our borrowers run into short-term financial difficulties, often as a result of circumstances that disproportionately affect international and DACA students, such as work authorization issues.

OUR SOLUTION

We tailor our assistance to each borrower's unique circumstances:

- For borrowers still in school, we offer a special credit building payment option that temporarily reduces a borrower's monthly payment to \$25. MPOWER reports the loan as "paid current" to the credit bureaus. This option allows the borrower to continue building a good U.S. credit history while in school, without the pressure of supporting larger loan payments.
- For borrowers facing difficulties in obtaining a job or internship, we provide referrals to MPOWER's suite of free Path2Success services.

(See page 26 for details.)

CHALLENGE: Lack of Familiarity with U.S. Banking Practices

Some of our borrowers are unfamiliar with common practices in the U.S. banking system, such as automatic payments, and are reluctant to use these options.

OUR SOLUTION

We proactively reach out to borrowers to educate them about the importance of making on-time payments, as well as options to make this as easy as possible. As an incentive, we offer interest-rate discounts of 0.5 percentage points for each of the following:

- Signing up for automatic payments;
- Making 6 consecutive, on-time auto debit payments;
- Graduating and obtaining full-time employment.

A SERVICING SUCCESS STORY!

With the financial assistance provided by MPOWER, Mirjeta* was able to complete her Master of International Business at Tufts University. But she struggled to find employment after graduation because she didn't know how to represent herself in her résumé and in interviews. Her loan became severely delinquent and she stopped communicating with MPOWER.

As the loan approached default, MPOWER's Servicing Team was finally able to get in touch. Using the forbearance option, the team was able to not only bring her past due payments back up to date and stop the loan from defaulting, but also put a couple of her upcoming payments on hold as well to give her some breathing room. While her loan was paused with forbearance, Servicing connected her with our Path2Success team, which revamped her résumé, tapped into their networks to get Mirjeta interviews at three top consulting firms, and improved her interview skills through mock interviews.

As a result of MPOWER's assistance—plus Mirjeta's own stellar credentials—she obtained a consulting position and is now back on track with her payments!

*Name has been changed to protect borrower's privacy



"I am passionate about helping borrowers find the best solution for them."



STAFF SPOTLIGHT

Tania Salazar Citizen of the World and MPOWER Customer Success Analyst

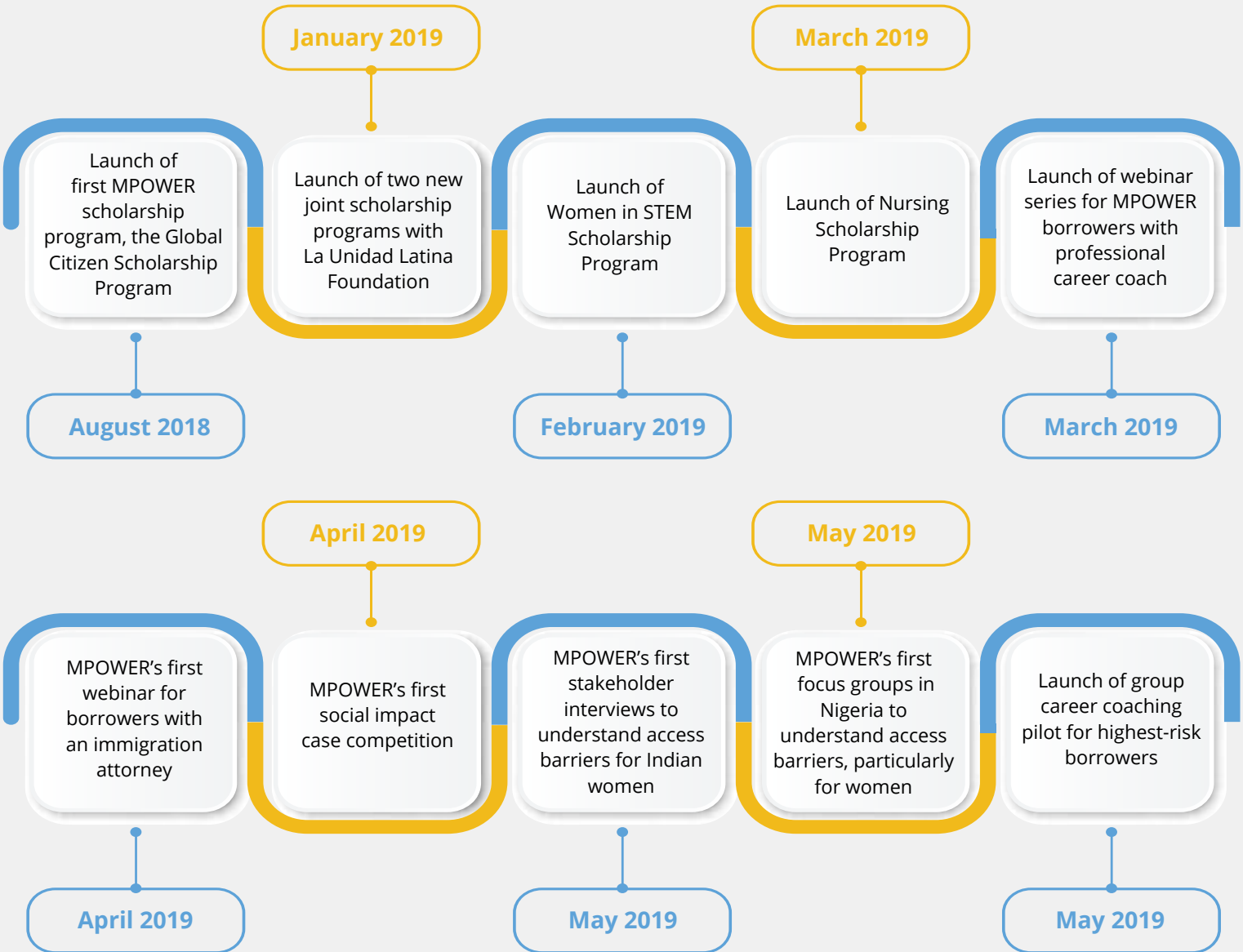
Tania's manager, Kortney, describes her as "totally dedicated to doing whatever she can to help the borrower, throughout the life of the loan. Whether it's onboarding a new borrower or brainstorming options to bring a delinquent account current, she takes the time that is needed with every borrower to ensure all of their worries are eased."

When counseling students, Tania draws on her experience as a former financial advisor for Merrill Lynch. She often reviews borrowers' personal finances and suggests budget-stretching tips and tricks. She also works to address the root cause of their financial difficulties, working in tandem with MPOWER's Path2Success team to address immigration and employment issues.

Part of what makes Tania so passionate about assisting borrowers is her own experience as a former international student—and a true global citizen. Born in Brazil to Colombian parents, Tania spent her formative years in Brazil, the U.S., and Quebec, Canada, becoming fluent in English, Spanish, Portuguese, and French. She completed her undergraduate studies at Temple University and the Sorbonne, and then received her MBA from McKenzie University in Sao Paulo, Brazil, before working as a strategist for start-ups in Brazil.

"I am passionate about helping borrowers find the best solution for them," Tania says, "and I enjoy educating them about the importance of personal financial responsibility in credit building. I love it when I'm on a call with a borrower and the lightbulb finally goes off. Then I can tell the borrower really understands their loan payment schedule, how any pre-payments or late payments will affect the total amount they pay—and how this loan, and the credit it builds, will affect their long-term financial goals."

Our Initiatives: How We're Driving Progress Against Our Social Impact Objectives



Eliminating Financial Barriers Through Scholarships

Loans are just one way that MPOWER achieves our mission of ensuring socioeconomic mobility is borderless. Scholarships are an increasingly important part of the way we achieve this mission and remove financial barriers for international and DACA students.

In 2018, MPOWER awarded \$20,000 in scholarships to international and DACA students. In 2019, MPOWER will increase this to over \$65,000.

MPOWER Global Citizen Scholarship Program

Our signature scholarship program awards scholarships to international students at schools we support. We've intentionally designed this scholarship program to be as broad as possible to match the broad, diverse experiences of international and DACA students.

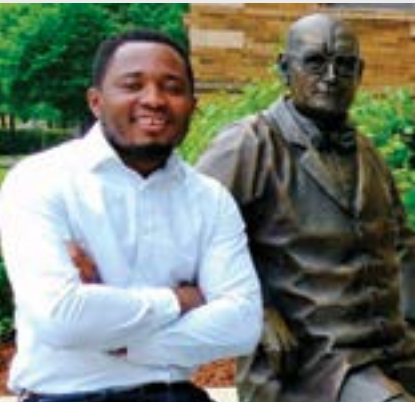


OTHER WINNERS:

Vaqar Syed, Pakistan,
University of California, Los Angeles

Zainab Ilumoka, Nigeria,
Northeastern University Law School

Tabitha Wacuka Kiiru, Kenya,
Iowa State University



FEATURED WINNER

CHIDOZIE D. OJOBOR, NIGERIAN
ANTIBIOTIC RESISTANCE RESEARCHER
AT THE UNIVERSITY OF TORONTO

Like so many of our winners, Ojobor's personal experiences provided the inspiration for his career choice. "One of the greatest breakthroughs of medicine was the discovery of antibiotics," he wrote in his essay. "However, over the years, there has

been an uprising of antibiotic-resistant bacteria which have posed a great threat to human existence. Antibiotic-resistant bacteria, if left unchecked, would cause 10 million deaths yearly by 2050 worldwide, according to a CDC report. Coming from Nigeria, I have firsthand experience with persons infected with bacteria which are unresponsive to drugs."

Now a Ph.D. student in Molecular Genetics at the University of Toronto, Ojobor's contributions to the field greatly impressed our judges. "In the last three years of my Ph.D. in Canada," he wrote in his essay, "I have identified novel bacteria-killing entities, called tailocins, which I have successfully used to kill antibiotic-resistant bacteria in the laboratory. Interestingly, in any case that the bacteria then develop resistance, I can genetically engineer the tailocins to overpower the resistant superbugs. My work has the potential to help the world in overcoming diseases caused by antibiotic-resistant bacteria."

"I feel immensely honored to be a winner of the prestigious MPOWER Global Citizenship Scholarship," Ojobor said. "For me, this recognition revitalizes my drive toward my education, and because this scholarship is monetarily applied to funding my schooling, it is truly freeing and 'empowering.'"

MPOWER Women in STEM Scholarship Program

On February 11th, the United Nation’s International Day of Women and Girls in Science, MPOWER launched its Women in STEM Scholarship Program. This scholarship program focuses on women who will use their Science, Technology, Engineering, or Math (STEM) degree to benefit society and the planet and who have the potential to serve as role models and advocates for women in STEM.



FEATURED WINNER
ARUNIMA SEN, NYU ENGINEERING STUDENT AND RECIPIENT OF INDIA’S TOP CIVILIAN HONOR FOR CHILDREN
At just 17, Sen is the youngest recipient ever of an MPOWER scholarship—but that’s not the only distinction this young woman holds. She is also one of just six individuals—and the only female—to receive the Pradhan Mantri Rashtriya Bal Puraskar (National Child Award for Exceptional Achievement), the highest civilian honor for Indians under the age of 18.

Sen was also selected to participate in the prestigious New York Academy of Sciences’ Junior Academy, a selective online research program for high school students interested in STEM. Within the program, she developed an energy-efficient solar hybrid bus and a smart green building with zero- carbon footprint. She presented these projects for two consecutive years in New York and Florida to global leaders in STEM, including Nobel Laureates and CEOs of Fortune 500 companies.

Sen will use her scholarship to pursue an undergraduate degree in Electric and Computer Engineering at New York University (NYU). “I feel extremely honored to have been chosen for this award,” Sen says.

OTHER WINNER:
Iris Braunstein, Canada, Harvard Medical School

MPOWER Nursing Scholarship Program

In March, MPOWER celebrated our expansion to support 25 of the top nursing schools in the U.S.—and its continued support for 188 North American universities with top-notch nursing degree programs—by launching the MPOWER Nursing Scholarship Program. MPOWER designed this scholarship program to focus on students with the greatest potential to effect positive social change through nursing, especially by improving nursing services to underserved and vulnerable populations.



FEATURED WINNER
IREBAMIDALE REINACE ODUFISAN, NIGERIAN RN AND MIDWIFE STUDYING TO BE A FAMILY NURSE PRACTITIONER AT UVA
Odufisan is a registered nurse and midwife who graduated third in her class from her Nigerian nursing school. She co-organized a week-long community health clinic in Ogun State, Nigeria, and spent a year in the National Youth Service Corps working with patients with HIV, cancer, kidney disease, and other life-threatening illnesses.

“In the long-term,” she says, “I aspire to become an advocate for positive health policy formation. As a family nurse practitioner, I would have the clinical experience and the educational proficiency to be directly involved with health care issues in the community. I also look forward to educating others in and out of the clinical setting.”

“I was at a loss for words when I received an email notifying me that I had been selected as the first-place winner!” Odufisan says. “This scholarship [will] help toward my tuition, allowing me to focus entirely on my education.”

OTHER WINNERS:
Yixi Dong, China, Shenandoah University
Jenniffer Pascual, Philippines, California State University Long Beach



“Our partnership with MPOWER Financing has been a great way to magnify our impact on the DACA community. LULF has long stood with the DACA community, awarding scholarships since 2015. Funding the education of high-potential, low-income students is how we reinforce pathways of success for the Latino community and strengthen our country.”
– Julio Casado, Chairman
La Unidad Latina Foundation (LULF)

OTHER WINNERS:
Madelyne*, Montclair State University
Paola*, Stanford University

MPOWER SCHOLARSHIP PROGRAMS IN PARTNERSHIP WITH LA UNIDAD LATINA FOUNDATION

In January, MPOWER launched a partnership with La Unidad Latina Foundation (LULF), which propels students dedicated to advancing the Latino community from high school to college graduation and beyond. As part of this partnership, MPOWER and LULF launched two jointly funded and administered scholarship programs: one exclusively for DACA (Deferred Action for Childhood Arrivals) students, and the other for students from Latin America and the Caribbean.

La Unidad Latina/MPOWERing DACA Students Scholarship Program

This scholarship program was designed exclusively for DACA students who demonstrate the highest potential to advocate for and empower the DACA/DREAMER community.



FEATURED WINNER
MONETTE*, GEORGETOWN MED STUDENT SERVING THE UNDOCUMENTED
Monette received (DACA) status in 2012, but she kept her status a secret from everyone except for a handful of close friends and mentors. She persisted, though, in her dream of becoming a physician, spending three years working as a medical scribe and project manager for ScribeAmerica—and getting an eye-opening window into the disparities between the insured and uninsured. “This [experience] sparked my interest in advocating for the medical needs of the DREAMer (undocumented) community,” she says.

“As a first-year medical student at Georgetown University School of Medicine,” she wrote in her essay, “I have finally decided that it is time to stop hiding in the shadows and to serve as a voice for the undocumented population. I want everyone, regardless of status, to have access to affordable care.”

Monette is already working towards this goal. She volunteers at Georgetown’s free clinic, co-organized the screening of a documentary on health disparities for undocumented migrants, and mentors two pre-med DACA undergraduates. “This award will help me reach my goal of becoming a physician,” she says, “and providing medical care to all regardless of status.”

**Note: Because of their DACA status, recipients have asked that their last names not be used.*

La Unidad Latina/MPOWERing Estudiantes Latinoamericanos Scholarship Program

This scholarship program was designed to support students who demonstrate the highest potential to advocate for and empower marginalized communities in their home country or within the U.S. Latino community.



FEATURED WINNER

DIEGO SIERRA, FULBRIGHT SCHOLAR STENGTHENING DEMOCRACY AND EQUALITY THROUGH TECHNOLOGY

Sierra stood out to our judges as a scholarship applicant who had already empowered marginalized communities through his work designing technologies to close knowledge and wealth gaps in Latin America.

Sierra was born in Colombia which, he points out, is among the top 10 most unequal countries in the world and one of the countries with the lowest chance of intergenerational mobility. “Some of the contemporary issues contributing to this ‘broken elevator’ are the fracture of democracy, the decreased learning opportunities caused by parents’ education level, and the vulnerability of growing up in conflict zones,” he says.

Sierra has already developed and implemented numerous digital tools to combat these challenges. In partnership with the Stanford History Education Group and the Government of Colombia, he developed a curriculum to teach students in Latin America to critically evaluate fake news and social media in political campaigns. He also developed a digital tool to help students develop effective study habits, which received the Technology for Equity in Learning Opportunity award from Stanford University, and partnered with United Nations Development Programme and community of Buenaventura, Colombia, to design digital tools to restore social capital.

After graduating, he aspires to return to Colombia and advocate for sustainable and equitable development. He will use this award to augment his Fulbright scholarship, which only pays a small monthly stipend and a portion of his tuition at the Stanford University Graduate School of Education. “I am honored and grateful to be the recipient of this award,” he says. “I believe we can build a future where every learner in Latin America develops their unique potential and thrives regardless of the fragility of their environment. This award strengthens my commitment to working towards this goal.”



“DACA students face a lot of hurdles. They can’t access federally-subsidized loans, and their parents typically have limited access to bank loans because they lack the income or

assets to qualify for a loan. We’ve assisted DACA students through our core lending product, which does not require collateral or a co-signer, and our existing scholarship programs, but we wanted to create a unique scholarship program just for them in partnership with LULF.”

Manu Smadja, MPOWER CEO

OTHER WINNERS:

Ana Cristina Sedas Ruiz, Mexico, Harvard Medical School

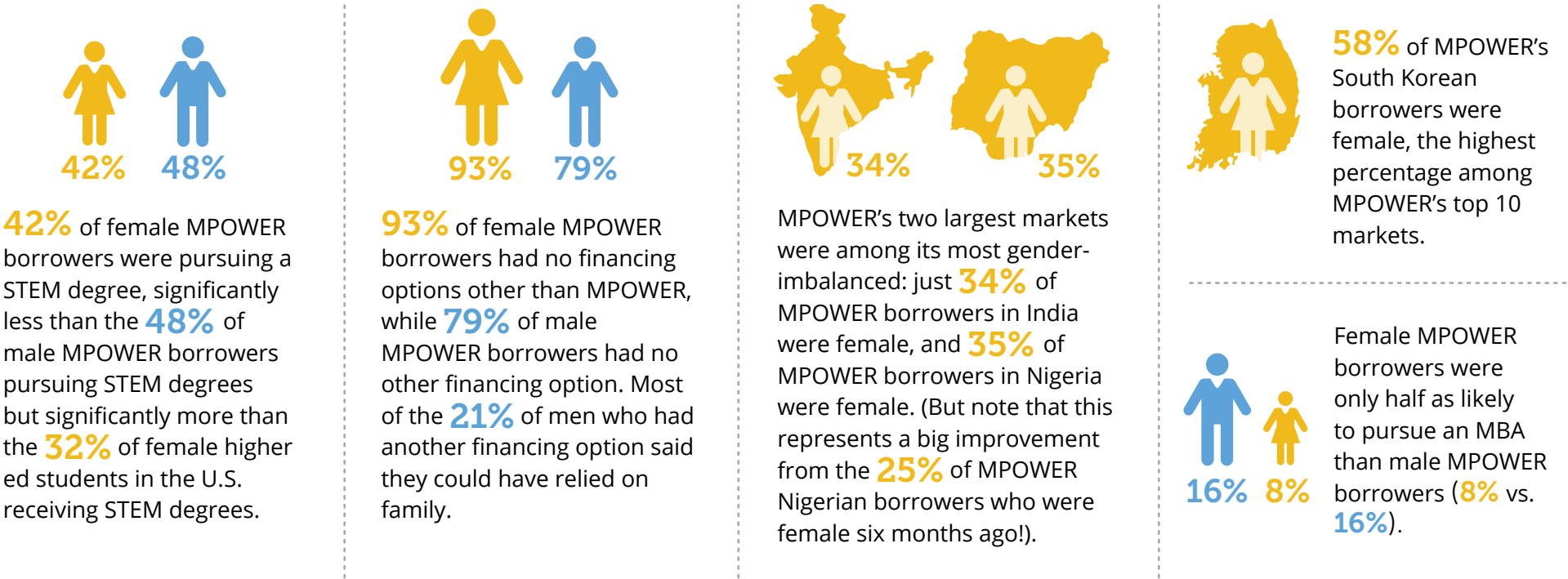
Ana Gabriela Loayza Nolasco, Peru, Harvard Graduate School of Design

Understanding and Eliminating Barriers for Women

What We’ve Learned About Our Female Borrowers and Their Customer Journey

Over the past year, we have conducted an in-depth analysis of our female borrowers, gleaning insights from our customer database and our first-ever borrower survey. We also gathered insights about women in our target demographic whom we are not currently serving through surveys, interviews, and focus groups.

This analysis yielded important insights about our female customers—or potential customers—and their journey.



Not surprisingly, MPOWER’s two most gender-imbalanced markets are also those in which significant barriers exist for women to access higher education abroad. Key factors identified in both India and Nigeria include:

- **Limited opportunities for women to obtain the educational and (for graduate school) professional qualifications necessary to be competitive for admission to U.S. and Canadian universities.** For example, India has one of the world’s lowest female labor participation rates—27 percent in 2018 (World Bank data). Women in India and Nigeria are also less likely to earn undergraduate degrees than men.

• **The large share of women in MPOWER’s target age group (25-30) who are married—or being pressured to marry.** Women frequently cited this issue in focus groups and stakeholder interviews. United Nations statistics show that the age of first marriage for women in South Asia and Sub-Saharan Africa are the lowest in the world (21 and 22 years, respectively).

• **Lack of family support—financial and otherwise.** A survey of female Princeton Review clients found that in India 52 percent indicated their parents were the primary decision makers regarding their education, and 48 percent indicated substantial parental involvement in their decision.

WHY MPOWER IS UNIQUELY POSITIONED TO REMOVE THESE BARRIERS—AND HOW WE’RE DOING JUST THAT

As the above analysis indicates, part of the problem is a pipeline issue: cultural factors are removing women from the higher education pipeline at every step in the process—and we see this reflected in lower rates of primary and secondary school completion, early age of first marriage, lower rates of college enrollment and graduation, and lower labor force participation rates.

But the second big factor—unmet financial need, often as result of families prioritizing sons’ educations—is one that MPOWER can directly affect. Our no-cosigner loans are perfect for women whose families

can’t—or won’t—lend them the money or co-sign an education loan.

This year, we’ve already taken steps to increase our focus on female borrowers, including:

- Conducting outreach to a wide range of women-serving organizations;
- Launching a new MPOWER Women in STEM Scholarship Program; and
- Expanding the schools we serve to include 25 nursing schools (where approximately 90 percent of students are female) and launching the MPOWER Nursing Scholarship Program.

In the coming year, we plan to leverage these insights to improve our outreach and marketing to women in emerging markets.



Supporting Women Isn’t Just the Right Thing to Do—It’s Good for Our Bottom Line as Well

Here’s a classic example of how doing good results in doing well: **women who start our loan application process have a 29 percent higher customer conversion rate than men!**

That means that when we increase the share of borrowers who are female, we decrease our customer cost of acquisition and improve our bottom line!

**The Family Factor:
Gender Differences in the
Nigerian Market**
Baobab Consulting



MPOWER partnered with Baobab Consulting, a strategic communications firm focused on Africa, to conduct focus groups and one-on-one interviews with Nigerians in MPOWER’s target demographic. By design, two-thirds of participants were women to ensure MPOWER garnered additional insights into the key concerns and barriers facing Nigerian women.

Baobab’s focus groups highlighted some intriguing differences between men and women regarding the role family plays in their decision to study abroad. Female focus group participants said they primarily consider the impact on their family—both positive and negative. Male focus group participants focused on whether studying abroad would make their families proud.

Men also expressed a higher tolerance for financial risk and greater confidence in their ability to repay their loans.



Putting Our Borrowers on the Path To Success

While our primary focus is on eliminating financial barriers to higher education for international and DACA students, we realize that access to higher education is not the only challenge facing our borrowers.

As graduation approaches, some borrowers struggle to navigate the job market, whether in the U.S., Canada, or in their home country. Those wishing to return to their home country often find that their university's career services office is not equipped to support international job seekers. Those wishing to remain in the U.S. or Canada often find that they face work authorization hurdles, or that they lack the skills and confidence to navigate a job market with very different norms and expectations from the job market in their home country.

MPOWER's innovative Path2Success ("P2S") program seeks to remove these obstacles through:

- Free résumé reviews.
- Free immigration webinars and free 30-minute consultations with an immigration attorney.
- Free career coaching webinars with professional career coach Jason Levin. This year's four-part webinar series included sessions on American-style networking, interview skills, LinkedIn profiles, and identifying employers.
- Free quarterly webinars to help borrowers identify scholarships for international and DACA students, and to boost their chances of winning.
- A monthly borrower newsletter, and frequent blog posts, packed with tips to help students adapt to life in the U.S. and Canada on and off campus.
- A LinkedIn group exclusively for borrowers, with internship opportunities for international students posted on a regular basis.

In Spring 2019, MPOWER also launched a pilot program to see if targeted, hands-on career coaching with a professional career coach would assist MPOWER's neediest borrowers in securing employment. Participants meet twice per month with professional career coach Jason Levin to get practical tips to address the challenges in their job search, receive homework, and are paired with an accountability partner. At the conclusion of the pilot, MPOWER will review participants' employment outcomes to determine if the pilot should be expanded.



Jason Levin

is a renowned outplacement, career management, and business

development coach and the founder and CEO of ReadySetLaunch. He has years of experience assisting professionals at various stages in their careers and has been featured in Fortune Magazine and Market Watch and on Bloomberg Radio. As a former marketing professional who has worked in France and Sri Lanka, he brings empathy and understanding to his work with international students.



Art Serratelli

is a Partner at Serratelli Mijal PLLC, a firm specializing in U.S. immigration law. Beginning

with a free consultation, Art works with each client to review all available options and develop a comprehensive immigration plan that addresses his or her current and future needs.



"I remember my mom telling me people can take away your material possessions, but no one can take away your education."



STAFF SPOTLIGHT

Olivia Thomas MPOWER Student Engagement and Communications Specialist

Former International Student Helps MPOWER Borrowers Succeed

At the age of seven, Olivia's family moved to the U.S. from Jamaica so that she could have more educational opportunities and a brighter future—and they succeeded in their mission. In 2016, Olivia graduated from Huston-Tillotson University in Austin, Texas, and then, in 2018, she graduated summa cum laude from Georgetown University, receiving a Master of Public Relations and Corporate Communications.

"Education and access to education have always been extremely important to me," Olivia says. "I remember my mom telling me people can take away your material possessions, but no one can take away your education."

Olivia has lived in diverse communities in eight U.S. states. "I noticed that no matter the demographic or socioeconomic situation, education could empower a major change and serve as an equalizer. But getting an education doesn't just affect the individual; it also has a ripple effect on that individual's family and community. That's why I'm very passionate about providing educational access to all."

Olivia's passion for educational access shows as she provides MPOWER's borrowers with opportunities to continue to educate themselves on topics such as immigration, networking, and career preparedness. Olivia organizes and spearheads various webinars, events, and one-on-one sessions to help MPOWER borrowers succeed after graduation. "As a former international student, Olivia has first-hand experience with the challenges that our customers face," says Lutz Braum, MPOWER's Vice President of Marketing. "Thus she is well-equipped to connect with borrowers and identify new career preparation programs and services that will help borrowers succeed professionally."

Lenses on Social Impact

An MPOWER Financing Event

Nurturing the Fintech and Social Enterprise Ecosystems and Shifting Lending Paradigms

In the past year, we've become increasingly focused on serving as a thought leader and convener for the fintech and social enterprise community.



Social Impact Conference

We hosted a “Lenses on Social Impact” conference at the Harvard Club in New York City, which brought together global leaders in the areas of social impact investing and entrepreneurship. Panel experts included Thomas C. Barry, President and CEO, Zephyr Management; Chris Cozzone, Senior Vice President, Bain Capital Double Impact; Tahira Dosani, Managing Director, Acción Venture Lab; Rachna Saxena, Associate Partner, Dalberg Global Development; and Kapil Sharma, Vice President for Government and Public Affairs, North America, Wipro. The roundtable was moderated by Mike Davis, Chief Investment Officer and Co-Founder of MPOWER Financing.



Fintech Networking Events

MPOWER and Deloitte continued to co-host quarterly Fintech Happy Hours, which serve as an informal and fun way to connect members of the burgeoning D.C. fintech community. Attendees come from a wide range of backgrounds and include entrepreneurs, investors, consultants, lawyers, policymakers, journalists, and students.

First Social Impact Case Competition

MPOWER hosted our first-ever case competition for D.C.-area MBA students! In keeping with CEO Manu Smadja's focus on achieving gender parity, the case focused on one of MPOWER's key challenges: increasing the proportion of our Indian customer base who are female.

MPOWER asked case competition entrants to develop a strategy for a marketing campaign that would not only expand MPOWER's market share among Indian women already planning to study in the U.S. or Canada, but also expand the market for North American higher education among Indian women—and expand lower- and middle-class women's economic and educational opportunities as a result.





First place: Smith School of Business (University of Maryland) students Thu Tran, Yichen Tian, Lingxiu Fan, and Qitong Li



Second place: McDonough School of Business (Georgetown University) students Adam Malyala, Bennett Haynes, Pramit Singh, and Wei Zhang

The first-place team impressed the judges with a digital media campaign, #livecolorfully, that emphasized a young woman’s need to pursue her dreams and follow her own path. The second- and third-place teams focused on the role of parents in an Indian woman’s decision-making process. The judges were particularly impressed by the second-place team’s initiative in partnering with The Princeton Review in India to administer a survey to their female clients. The third-place team wowed the judges with its use of personas to describe both the types of female students to be targeted by this marketing campaign as well as their parents. The team provided examples of how parent testimonials and return-on-investment data could be used to effectively assuage parents’ concerns.

MPOWER is already hard at work implementing several of these suggestions!

The judges for the competition were Nuria Aliño, Principal Digital Finance Specialist at the International Finance Corporation; Caitlin Rosser, Senior Officer for Impact and Communications at Calvert Impact Capital; Liz Sessler, Vice President of Product at CapShift, a turnkey impact investing solution for donor-advised funds; and Ozan Cakmak, then a senior manager at Devex, the world’s largest media platform for the global development community and now an advisor on refugees and other displaced persons for the International Finance Corporation.

Third place: Smith School of Business (University of Maryland) students Deepika Yadav, Augustine Chatterjee, Rachel Pulley, and Alethia Maciel



Promoting Diversity, Equity, and Inclusion Internally

One of MPOWER’s core values is inclusion, which MPOWER defines broadly to include seeking out and embracing diverse viewpoints, as well as supporting and celebrating diversity—in terms of race, gender, age, socioeconomic status, religion, national origin, physical ability, and sexual orientation—across our employees, borrowers, investors, advisors, Board members, and partners.

Promoting Diversity Among Employees, Investors, Advisors, Board Members, and Partners

As a global company with a global borrower base, MPOWER knows that it must tap into a global talent pool that is able to effectively communicate with, and serve, borrowers around the world.

Our employees hail from 15 countries and speak 18 languages. We employ Christians, Muslims, and Hindus; U.S. citizens, permanent residents, H-1B visa holders, and DACA recipients; and employees who range in age from their early-20s to mid-60s. In our Bengaluru office, we have employees from all over India, of different castes and religions. Our investors, advisors, Board members, and partners similarly span the globe and provided varied perspectives:

- Investors: We are proud to count Breega (Belgium), VARIV (Mexico), and Zephyr (India) among our investors.
- Board members: Our Board includes two individuals of color.
- Partners: We partnered with La Unidad Latina Foundation to launch two new scholarship programs for Latin American and DACA students. We also have partnerships with companies in India, Brazil, Nigeria, and the U.K.

Countries we hail from

- | | |
|-----------|-----------|
| Australia | Indonesia |
| Brazil | Iran |
| Canada | Jamaica |
| China | Mexico |
| France | Nigeria |
| Germany | Turkey |
| India | Ukraine |
| | U.S. |

Languages we speak:

- | | |
|-----------|------------|
| Bahasa | Mandarin |
| Indonesia | Portuguese |
| Bengali | Russian |
| Dutch | Spanish |
| Farsi | Tamil |
| French | Telugu |
| German | Turkish |
| Hindi | Urdu |
| Italian | |
| Kannada | |
| Malayalam | |



Special Focus Area:
Achieving Gender Parity

Over the past year, MPOWER has taken numerous concrete steps to increase gender balance within the company. With the addition of Nicole West to our board in October 2018, female representation among MPOWER’s external Board members increased to 50 percent. Two-thirds of MPOWER’s social impact advisory board members are female.

MPOWER also continues to attract high-quality female candidates, and a remarkable 50 percent of employees are female. Perhaps more remarkably for a tech company, 44 percent of employees at the director level or above are women.

However, because of some of the challenges MPOWER has had recruiting women generally, and for technology roles in particular, we have redoubled our commitment to creating our own internal talent pipeline and promoting from within. In the last semiannual promotion cycle, seven of our 38 employees were promoted—and five of these were women.

Special Focus Area: Promoting Family-Friendly, Pro-Employee Benefits

At MPOWER, we believe our benefits package both reflects our values and shapes the types of employees we attract and retain. Our “cafeteria plan” flexible benefits package allows employees to customize how benefit dollars are spent on their behalf. We’ve long prided ourselves on our work-life balance—no one is required to check email in the evenings or on weekends!—and MPOWER has a paid parental leave benefit. MPOWER also expanded our new telework policy to allow new parents to work from home three days a week.

In addition, MPOWER recently introduced a new benefit to allow employees up to five days per year of paid time off for volunteering.

Promoting Inclusion and Diverse Viewpoints through a Non-Hierarchical Feedback Culture

MPOWER has a culture that strongly encourages employees to share feedback across departments and levels.

- All employees have monthly, two-way feedback sessions with their managers, as well as quarterly skip-level, two-way feedback sessions with their manager’s boss. MPOWER’s CEO also meets one-on-one with each employee on a quarterly basis.
- MPOWER employees take turns serving on the Employee Action Team, which is responsible for leading monthly town hall sessions; planning company-wide events, like holiday parties and baby showers; and spearheading initiatives in response to employee suggestions.
- MPOWER administers a monthly Employee Barometer, intended as a “pulse check” to gauge employee satisfaction and engagement and to identify areas in need of improvement.
- MPOWER recently implemented Aha! to crowdsource suggestions for technology or business process improvements from employees. In just a few months, 100 suggestions have been made, and MPOWER expects to implement 40 percent of these by the end of 2019.



Our Social Impact Team and Advisors



Maureen Klovers
MPOWER Director of Social Impact

Maureen has 12 years of experience in financial inclusion, higher education, and consulting. Prior to joining MPOWER, she designed or launched several large government grant and lending programs, including the U.S. Department of Treasury’s \$1.5 billion State Small Business Credit Initiative. She subsequently founded a boutique consulting company focused on helping government agencies and universities become more efficient, effective, and outcomes-oriented. She holds an MBA and Master’s of Public Policy from Georgetown University.

The MPOWER Social Impact Advisory Board



Elena Cebollero Frale
Chairman, Basil Capital SICAV
Madrid, Spain



Sara Agarwal
Technology & business development consultant
Washington, D.C.



Warren LaFleur
Tech entrepreneur and former Microsoft Education Manager for Africa
Johannesburg, South Africa



Amisha Shahra
Special Projects Lead, The Global Education & Leadership Foundation
New Delhi, India



Ayan Halder
MBA student at University of Rochester; MPOWER borrower from Calcutta, India



Amy Veramay
Assistant Director for Student Services, UC Berkeley International Office; Berkeley, CA



Janell Mora
Senior Manager, Campus Recruitment, Cognizant; Phoenix, AZ



Ozan Cakmak
Advisor on Refugees and Displaced Persons, IFC
Washington, D.C.



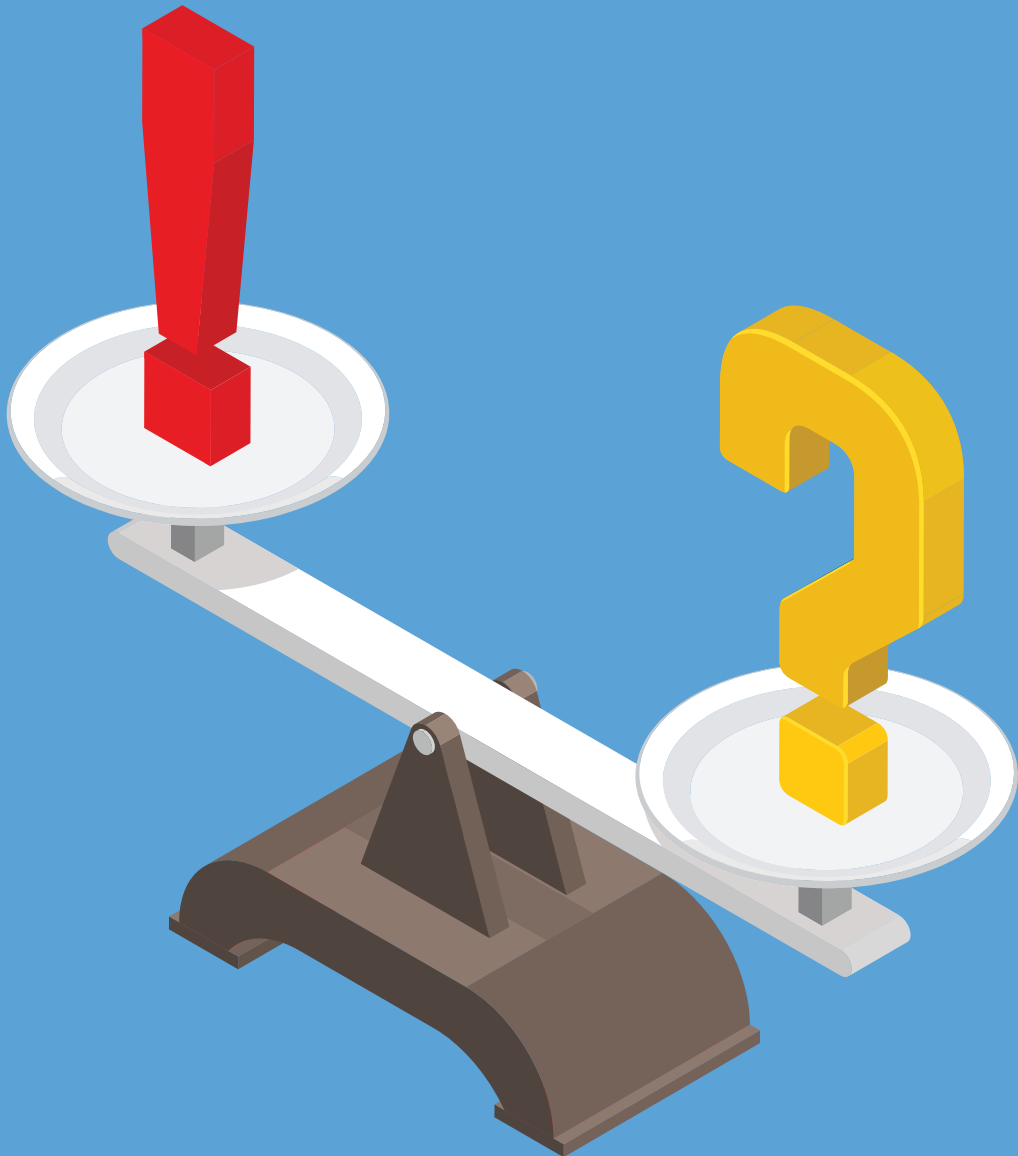
Juliana Correa
Senior Marketing Manager, BT (formerly British Telecom); MPOWER borrower from Colombia



“Having varied viewpoints and backgrounds on the management team has made our growth more stable and our culture more inclusive. We’ve been very deliberate in building the type of workplace where everyone can thrive. We still have a way to go, but our parental leave policies, our focus on diversity in tech recruiting, and our professional development programs all serve to attract top talent who will thrive here.”

--Lana Bronipolsky Lodge
Senior Vice President of Talent and Operations

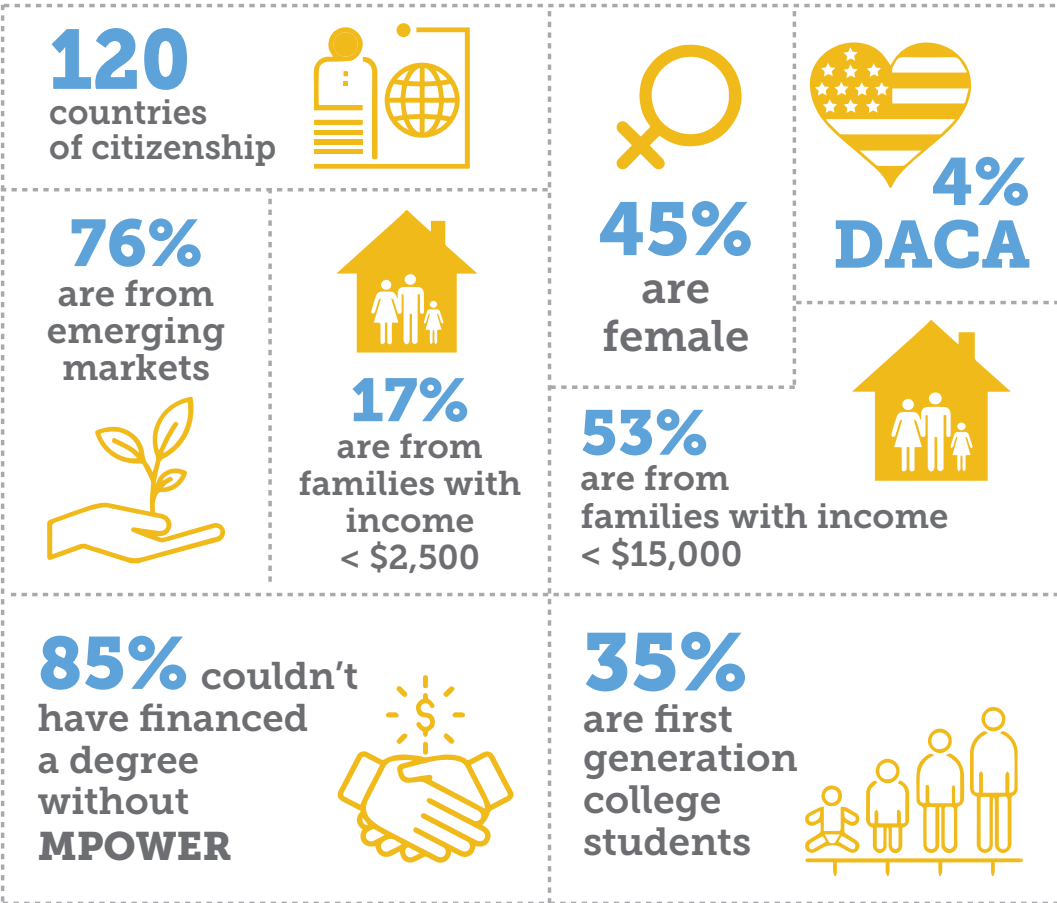
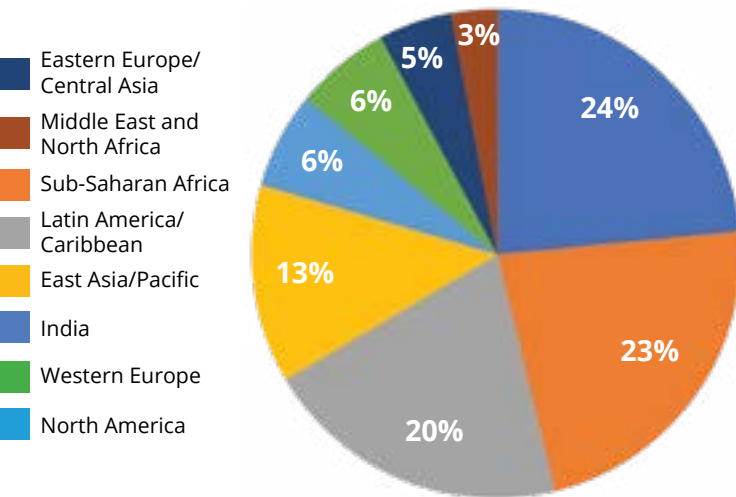
Our Results: How We Measure Up Against Our Social Impact Objectives



Progress Towards Objective #1: Removing Financial Barriers for Diverse, High-Potential International and DACA Students

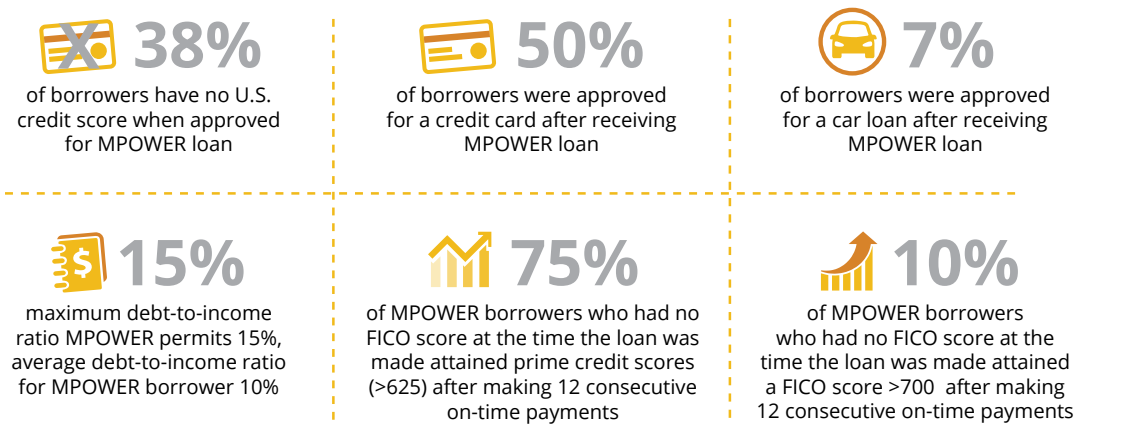
MPOWER serves one of the world’s most geographically and socioeconomically diverse borrower bases. Fully 4 in 5 of our students hail from Asia, Latin America, or Sub-Saharan Africa, and data from our borrower surveys show we are serving both low-income and middle-income students. We have lent to students from 120 countries (which means there are 70 more where we still need to make inroads!). We’re proud of the fact that 45 percent of our borrowers are women; female international students are underrepresented on North American campuses, comprising just 43 percent of international students in the U.S. But we’re also cognizant that there’s much more work to do to achieve gender parity in our borrower base.

MPOWER Students by Region



Progress Towards Objective #2: Building Borrower's Credit and Enhancing Financial Inclusion and Financial Health

MPOWER's core loan product was designed specifically to build our borrowers' credit. During school, borrowers make credit-building interest-only payments, and MPOWER reports these payments to U.S. credit bureaus. If customers face extenuating circumstances that prohibit them from paying the full monthly interest payment, MPOWER allows customers to pay a \$25 minimum fee; in that case, MPOWER continues to report the loan as "current" to credit bureaus, and the customer continues to build credit. As a result, our customers can develop strong credit habits and establish excellent credit histories while in school. They are able to successfully apply for credit cards, car loans, and even home mortgages at prime interest rates by the time they graduate.



Did you know?

The interest-only payments on MPOWER loans ensure that the principal balance does not increase during the repayment period. Some lenders tout loans that require no payments while in school. While that seems like a good deal for the borrowers, it's actually not. The accrued interest is added to the principal amount when the student graduates, increasing the total amount owed. Also, because the borrower has not made interest payments while in school, he or she hasn't built his or her credit history.



"The loan from MPOWER met all of my needs: it has a fixed rate, doesn't require collateral or a co-signer, and will allow me to build a U.S. credit history. MPOWER was willing to loan to me on the basis on my excellent credit history in Mexico, as well as my future repayment ability. I love the flexibility to make payments anywhere in the world, and I have been impressed by the personalized service I've received."

- Carlos Szavozd



STUDENT SPOTLIGHT



"When the borrower succeeds, MPOWER succeeds."



STAFF SPOTLIGHT

Kin Chung MPOWER Vice President of Credit Innovation From International Student Turned Down for a Credit Card—to Head of Credit

Originally from Australia, Kin learned the challenges of establishing credit firsthand when he came to the U.S. to pursue a Ph.D. in Mathematics at Princeton University. "Credit was not widely accepted in Australia at the time," he recalls, "so I had never had a credit card. I soon realized, however, that it was imperative to have one in the U.S. But when I went to apply for a credit card, I was turned down because I had no U.S. credit history and no permanent address."

Then, as his time at Princeton drew to a close, he decided that the life of an academic was not for him. He decided to pursue a career in the financial services industry, but he found his interviewing skills were not up to scratch. "I botched my first interviews," he admits. "I had spent my whole life working on problems that were formulated very precisely with clear assumptions and constraints. The business world is much more ambiguous, and interviews reflect that. Employers are looking for you to take a step back and consider whether the question is really the right question, or to ask them for more information."

Kin then turned to Princeton's Career Services Office for help, so that he was much better prepared for an upcoming interview with Capital One. He landed the job and then went on to other credit-related roles at Fortune 500 companies, gaining expertise in credit-risk modeling, before being drawn to the more "innovative, nimble, and forward-thinking" world of fintech startups.

Working at MPOWER appealed to Kin as an opportunity to leverage the skills he'd built during his financial services career, as well as draw on his experiences as an international student. "Plus," he says, "I really liked the fact that servicing and underwriting were both under the Credit Team. The attitude is 'when the borrower succeeds, MPOWER succeeds' and we're always looking to maximize the number of borrowers who can succeed."


"At MPOWER, we recognize that we play a role in shaping the borrowers' credit trajectory. If they have great credit, we want to help them keep it. If they are having trouble, we want to help get them back on track."

"We underwrite based on potential," he says, "and we see ourselves as partners and cheerleaders in our borrowers' success."


Progress Towards Objective #3: Enabling Tomorrow's Scientists, Entrepreneurs, Innovators, and Leaders to Realize Their Full Potential

While most of our borrowers are still in school, many have graduated and are out making an impact in the U.S., Canada, and emerging market economies.


45%
of graduates
work in
STEM




2 MPOWER
borrowers hold
elective office



2 MPOWER
borrowers
have
received
patents



3
have
founded a
company





Srijan B., MPOWER Borrower: From Kolkata (Calcutta) to Stevens Institute of Technology

"I had some assistance from my parents and my student loan back in India, [...] but the impending semester fees were still keeping me up at night. I was so relieved [when I came across MPOWER's website]. MPOWER was the only company that was willing to provide a loan without collateral, which was so important to me, since I didn't want to rely on family. Now, I've graduated and am a business analyst at MarketAxess. And instead of burdening my parents, my job will enable them to retire early!"

*"My MPOWER loan
solved my financial
troubles, and enabled
me to focus on
my studies."*



STUDENT SPOTLIGHT



Kayleigh R., MPOWER Borrower From Cape Town Student to Cancer Researcher

After earning an honors degree in Bioinformatics from the University of Cape Town, Kayleigh accepted a job in clinical research, but soon realized that her prospects were very limited. "Science just isn't a priority in South Africa," she says.

Kayleigh decided she wanted to get exposure to the cutting-edge bioinformatics research in the U.S. by pursuing an advanced degree here—but when she looked into the cost, she got sticker shock.

"One year of tuition in a U.S. Master's program was more than four times the cost of my entire undergraduate education in South Africa!" she recalls. "I couldn't ask that of my parents, who were about to retire. I received a \$10,000 scholarship from Boston University, which was my top choice due to their strong industry orientation, and that helped. But I still had a big gap, and that's where MPOWER came in. They really helped me through what could have been a very stressful process, even providing the visa support letter I needed."

MPOWER's loan enabled Kayleigh to pursue a Master of Science in Bioinformatics at Boston University—and that education has provided a boost to her career even greater than she imagined. A few months after arriving in Boston, she secured a coveted four-month internship at the Harvard T.H. Chan School of Public Health, where she analyzed the results of genomic research on ALS and other diseases.

She's now a computational biologist at Memorial Sloan Kettering Cancer Center, the largest and oldest private cancer center in the world, studying mutations in cancer that are acquired over time rather than inherited. Her research has important implications for improving surveillance protocols to monitor the risk of secondary disease after cancer therapy, particularly for children.

*"MPOWER really helped
me through what could
have been a very
stressful process, even
providing the visa
support letter I needed."*



STUDENT SPOTLIGHT



"I've found MPOWER to be a terrific resource for scholarships and loans to underrepresented students. MPOWER

is reducing financial barriers for many students who otherwise may not be able to pursue their dream of studying in the U.S. This increase in access also greatly benefits universities like UC Berkeley by supporting a diverse student body."

Amy Veramay
Assistant Director for Student Services,
UC Berkeley

We also help keep universities' financial positions strong. Since our inception, our students have paid over **\$100 million** in tuition and fees to **148 universities**.



Progress Towards Objective #4: Helping Universities Meet Their Diversity Goals and Strengthen Their Bottom Line

While international and DACA students are our primary customers, we see universities as our customers, too—and partners and stakeholders in our quest to remove financial barriers for international and DACA students. **Our loans and scholarships allow universities to diversify their student bodies, increase the representation of underrepresented groups, and enrich classroom discussion with unique perspectives from around the world.**

Specifically, we help universities diversify their student bodies in terms of:

Geography



While over half of international students in the U.S. in 2018 were from India or China (IIE Open Doors Report), less than a quarter of MPOWER's borrowers were from these two countries. Although India and China are important markets for us, we serve a much more diversified market.



Socioeconomic Status

53% of MPOWER borrowers are from families earning **less than \$15,000 per year**, and **17%** are from families earning **less than \$2,500**.

Gender



45% of our students are female. We'd like to get to gender parity, but we're still proud this exceeds the percentage of student visas issued to women (43 percent).

Family Background



36% of our students are first-generation college students.



"I was so happy to learn someone had finally developed a solution to the problem I knew international students had faced for years."



STAFF SPOTLIGHT

Carmen Kienow MPOWER Director of University Relations Helping the Students She Used to Have to Turn Away

Born in Nebraska and raised in Guam by globe-trotting parents, Carmen learned to embrace diversity from a very young age. "I grew up as a minority in Guam," she recalls, "so it was a strange experience coming back to the States and finding myself in the majority. I was struck by seeing how people who weren't 'the same' were treated differently, and it really bothered me."

When it came time to pursue a career, working with international students seemed like a natural fit, so Carmen took a job in the financial aid office of a university with a large international population.

While many aspects of the job were rewarding, she soon became frustrated by the paucity of financial resources for international students. "Back in those days," she says, "there were very few options in the private loan space for international students. The only option we would have was to recommend that they checked with their home country for resources or look for scholarships. And those resources, of course, were often inadequate to meet their needs."

Then, at a conference, she learned about MPOWER from a friend. "I was immediately intrigued," she says. "I was so happy to learn someone had finally developed a solution to the problem I knew international students had faced for years."

So, when the Director of University Relations position at MPOWER opened up, she leapt at the opportunity.

"My career has really come full circle," Carmen says. "Now, everyday I am able to help the same kinds of students I had to turn away from the financial aid office. I meet one-on-one with the offices of Admission, Recruiting, and International Student Services at the schools we support, and I educate them about the resources available through MPOWER to help their international and DACA students. And it's fun! I love meeting new people and learning about them. I also love sharing the MPOWER story because it's such a compelling and heartwarming story and we are really making a difference."

Data Sources, Notes, and Methodology for Key Impact Metrics in This Report

METRIC	DATA SOURCE AND NOTES
# of loans made	Internal Salesforce data.
% of borrowers who are female	Internal Salesforce data. Salutation field (Mr./Ms./Mrs.) requested as part of loan application beginning April 24, 2018, was used as a proxy for gender.
% of borrowers who are DACA recipients	Internal Salesforce data. Optional DACA self-identification field added April 24, 2018, to loan application. True number of DACA recipients may be higher than reported.
% of borrowers from emerging markets	Internal Salesforce data. MPOWER used the United Nations Development Programme (UNDP) Human Development Index (HDI) to classify countries. The 58 countries with an HDI > .8 were excluded; other countries were considered emerging market economies.
% of borrowers who had no FICO score at the time the loan was made but attained prime credit score after one year of on-time payments	For the 38% of borrowers who had no FICO score at the time the MPOWER loan was made and had at least 12 months of payment history, MPOWER did a soft credit pull. MPOWER then determined what percentage had a FICO score of at least 625 after making at least 12 consecutive on-time payments.
% of borrowers who had no FICO score at the time the loan was made and attained a FICO score of 700 after one year of on-time payments	Based on soft credit pull of all borrowers without an initial FICO score with at least 12 months of payment history.
# of countries of citizenship of MPOWER borrowers	Internal Salesforce data.
% of borrowers who couldn't have financed degree without MPOWER	MPOWER borrower survey (N=188), conducted January and February 2019.
% of borrowers with family incomes < \$15,000	MPOWER borrower survey.
% of borrowers with family incomes < \$2,500	MPOWER borrower survey.
% of graduated borrowers working in STEM	MPOWER borrower survey.
# founding or co-founding a company	MPOWER borrower survey.
% of MBA student borrowers scoring in top 10% on GMAT	Internal Salesforce data; all applicants for a loan for MBA studies must provide their GMAT scores. A score of 610 was the top 10th percentile for the most recent year available.
% of borrowers who are first-generation college students	MPOWER borrower survey.
% of borrowers who had no U.S. credit score when approved for MPOWER loan	Internal Salesforce data.
% of borrowers approved for credit card after getting MPOWER loan	MPOWER borrower survey.
% of borrowers approved for car loan after getting MPOWER loan	MPOWER borrower survey.
# receiving patent(s)	MPOWER borrower survey.
# serving as elected official	MPOWER borrower survey.
Tuition \$ paid by borrowers	Internal Salesforce data; based on self-reported data from borrowers regarding tuition and fees paid.
# of universities supported	Internal Salesforce data.

All data reported is as of Q2 2019.





www.mpowerfinancing.com