OUR MISSION

Nuru’s mission is to eradicate extreme poverty in fragile, rural areas to build communities resilient to violent extremism.

Nuru’s vision is a safer, more secure world where violent extremist groups can no longer exploit the conditions of extreme poverty.

Operating in three countries and helping more than 120,000 people begin lifting themselves out of extreme poverty over the last nine years, Nuru International is a nonprofit dedicated to equipping leaders with the tools and knowledge they need to lead their communities out of extreme poverty for good.

LETTER FROM OUR CEO

2017 was quite an eventful year for Nuru. In spite of a wide array of challenges, our team continued to push forward and take new ground in the fight to end extreme poverty. Of course you’ll find more detail of our challenges and successes in the pages ahead, but I wanted to highlight a just a few...

ADDRESSING EMERGING CHALLENGES

Nuru’s team has shown incredible adaptability this year. From addressing challenges created by elections in Kenya, to developing rapid response solutions that mitigated the damage of a destructive pest that has wreaked havoc in more than 20 African nations and could have wiped out our farmers’ crops in Kenya and Ethiopia, I’m utterly amazed at the ways that our in-country and international teams stepped up to navigate multiple challenges that could have been devastating for our farmers and their families. Instead, we have witnessed incredible success including an average of 241% increase in income among our Kenyan farmers.

STRATEGIC PLANNING

During the last half of 2017, alongside our ongoing operations, the entirety of Nuru’s staff participated in the writing of a forward-looking (2018-2020) strategic plan. The plan has helped our team narrow its focus and improve its decision making. Among the resulting changes have been the decision to divest of the poultry business line of Nuru Social Enterprises in October 2017, updating our mission and vision statements, and shifting our future organizational efforts even more toward fragile states.

LAUNCHING IN NIGERIA

As many of you know, Nuru was created to be able to bring sustainable development to vulnerable communities in highly fragile, unstable regions. For the last year and a half, we have been planning and preparing to launch Nuru Nigeria in northeast Nigeria. The project was officially launched in November, and we are excited to begin our co-creation process of program design with local leaders there in 2018.

These successes did not emerge overnight. They are the result of hard work on the part of our teams and generous investments from supporters like you! Thanks to your investment in this mission, I believe we are better poised than ever to take Nuru's mission forward to new, more vulnerable communities in the years ahead. Thank you for your selfless commitment to bring lasting meaningful choices to some of the most inaccessible and vulnerable communities in the world. I’m excited to walk with you on this journey in the year ahead!

Stay in the fight,

Jake
2017 RESULTS

31,506
Active 2017 Participants

35
Cooperatives

117%
Increased Crop Yields (compared to baseline)

$328
Increased Income per Household (compared to baseline)

Helping more than 120,000 cumulative people lift themselves out of extreme poverty since 2008.
JANUARY
Each year, Nuru brings all of its US staff and leadership from our country projects together in Orange County, California for team building, planning, and setting the direction and vision for the year ahead at its annual summit.

FEBRUARY
For the last few years, Nuru has been working together with ONE to increase awareness of the issue of extreme poverty, and mobilize people to join in the fight. This year, ONE invited Nuru CEO Jake Harriman as their keynote speaker for their annual volunteer summit.

MARCH
Nuru added Jen Easterly to its board of directors. She is a former Special Assistant to the President and Senior Director for Counterterrorism on the National Security Council Staff. Learn more about Jen and other board members.

APRIL
Nuru formally established an alumni network and has been incredibly privileged to see alumni taking on influential roles with groups including USAID, the Rockefeller Foundation, and Andreessen Horowitz.

MAY
Huffington Post writer David Wood interviewed Jake and two other veterans working to address issues around violent extremism, global instability, and extreme poverty.

JUNE
Nuru staff members Brian von Kraus and Abe Sipe were invited to address the Los Angeles World Affairs Council on the experiences they had in combat as United States Marines and how that led to their desire to work to address extreme poverty together with Nuru.

JULY
For the second year in a row, Nuru International received an Operational Excellence Award from Humentum. Nuru’s Human Resources Director, Emily McLaughlin, received the award for her efforts to improve culture, talent development and retention, and staff resilience at Nuru.

AUGUST
Nuru was able to address a Congressional Delegation (CODEL) in Nigeria to cast vision and rally support for Nuru’s unique approach to addressing the needs of communities living in extreme poverty in challenging environments like those in northeastern part Nigeria.

SEPTEMBER
After a number of generous and longstanding Nuru supporters stepped forward to help fund Nuru’s latest initiative, Nuru proudly began onboarding its first expatriate field team members for Nigeria.

OCTOBER
In October, Nuru was among the first to join a growing number of nonprofits (including larger organizations like CARE, Oxfam, and World Vision) to endorse the Minimum Standards for Mainstreaming Gender Equality.

NOVEMBER
Julie Carandang and Matt Lineal were able to share Nuru’s rigorous monitoring and evaluation approach and use of data to measure its integrated development approach with leaders in the evaluation space at the American Evaluation Association annual conference.

DECEMBER
Our generous supporters donated more than $350,000 over the course of the month of December to help further our efforts in Kenya, Ethiopia, and Nigeria.
While the project was originally launched in late 2008, 2017 marked the second full year that Nuru Kenya has been operating after the exit of expatriate staff.

Nuru Kenya Country Director, Pauline Wambeti and her team have continued to grow, adapt, and improve their approach to addressing extreme poverty in their Kenyan context. The year brought some new and unique challenges to staff, farmers, and their families, and together they overcame each one of these challenges with astounding resilience.

2017 was an election year in Kenya, and as Nuru was working to serve its local cooperatives, it had to also deal with ongoing threats of violence, instability, and disruption of markets throughout the year as a result of tensions associated with the election. In addition to this challenge, Nuru’s farmers also had to deal with a new pest in 2017, fall armyworm (FAW).

While first observed in Nigeria in 2016, during the 2017 growing season more than 20 African countries reported the spread of this pest, and it is estimated to have done billions of dollars in damage to maize crops across these countries in 2017. Nuru Kenya’s staff quickly responded when farmers began noticing the pest in Migori County, and as a result, farmers were able to generate strong yields.

In fact, the responsiveness of Nuru’s staff to both the instability created by the election year and the advent of FAW on the African continent led to a record harvest for Nuru farmers. In 2017, the average household generated $328 in profit from their farms, and outperformed non-Nuru farmers by 250%.

Because of the strong foundation of leadership established by Nuru Kenya, fourteen Nuru-supported cooperatives in Kenya are also set up for success. During 2017, none of these organizations reported a loss, and 11 of 14 were more profitable than they were the previous year. There was a 150% increase in aggregate profit margin for these cooperatives from 2016 to 2017.

In 2017 Nuru Kenya, its cooperatives, as well as its individual farmers, and their families are each standing strong and resilient, and are poised to move forward with greater strength in the years ahead.

<table>
<thead>
<tr>
<th>KEY STATS</th>
<th>14 Cooperatives in Nuru Kenya</th>
<th>117% Increase in crop yield compared to baseline (target 32%)</th>
<th>241% Increase in income for Nuru farmers compared to baseline</th>
<th>93% Agriculture loan repayment rate</th>
<th>150% Increase in aggregate profit margin across 14 cooperatives from 2016 to 2017</th>
</tr>
</thead>
</table>

Kenya

2008 Launch Nuru Kenya
2010 Construction of granary for storing surplus maize and selling to external markets
2011 Construction of Nuru Kenya Regional Training Center
2013 Successful interventions to address Maize Lethal Necrosis Disease (MLND)
2014 Pauline Wambeti becomes Country Director
2015 Six Best Companies to Work for in East Africa
2015 Expatriate staff exit
2016 Successful scaling to next sub-country
2017 Record harvest
In spite of two back to back seasons of erratic rainfall, a State of Emergency and instability that led to protests and violence in the country, and the threat of fall armyworm (FAW), Nuru Ethiopia continued to expand its reach by enrolling 3,435 households into 21 cooperatives in Kucha and Boreda Woreda.

Even in 2017, Nuru Ethiopia met the challenge of erratic rainfall head-on, and similar to Kenya, responded quickly when FAW made started showing up on farms in southern Ethiopia as well. Not only did Nuru work to address this problem in its current area of operations, but it also helped farmers in Zala (a third woreda Nuru plans to scale to in 2018) who were even more remote and had no access to pesticides or other resources to prevent the spread of this pest on their farms.

Nuru also completed its first year of operations for Hidota Cooperative Union, and Hidota managed to be nearly break-even in operating costs. This strong foundation will not only serve to strengthen individual cooperatives across Nuru’s area of operations, but it will mean that thousands of farmer households will benefit from increased access to larger markets for the sale of their goods.

This year Nuru launched a livelihood diversification program, which includes the provision of improved feed grass and sheep/goats on loan. The program’s goal is to help households cope with shocks created by erratic weather patterns, pests, crop disease and other challenges. Women can access this loan only after they have met conditions, which include becoming an active saver and saving at least 39% of the loan value. Nuru Ethiopia had 1,440 active savers enrolled in its savings and financial literacy program in 2017, representing nearly half of all cooperative members. It also boasted a 96% repayment rate on livelihood diversification loans.

These adaptations and innovations will lead to even more resilient households in Ethiopia, and well help Nuru Ethiopia serve even more new communities in the year ahead as Nuru’s expatriate team prepares for exit.
Nigeria

Thanks to the generous support of a wide array of new and existing donors, Nuru raised critical funding needed to launch its Nigeria project in late 2017.

This support enabled Nuru to establish a strong local foothold in northeastern Nigeria through hiring and training initial country teams as well as garnering support for Nuru’s efforts at various levels of the Nigerian government. Nuru also advocated for greater US support in the fight against violent extremist organizations in northeastern Nigeria. Nuru sees this as a critical component to global and national security and was able to present to a US Congressional Delegation in Abuja in August. The work in Nigeria will be focused on helping communities to rebuild, establish greater resilience, and begin to heal after the trauma of being in the former Boko Haram Caliphate. After conducting initial needs assessment in late 2016, this year Nuru CEO Jake Harriman and Chief Program Officer, Aerie Changala, along with other team members spent time in northern Adamawa to assess ongoing security situation in preparation for project launch and also conducted preliminary training for the initial staff team hired to conduct program design in Nigeria. The completion of program design and launch of programs are set to take place in 2018.

Nuru Social Enterprises (NSE)

During October 2017, after a detailed financial analysis was conducted, Nuru made the decision to divest from NSE’s poultry business and pivot from the social enterprises model of providing long-term financial sustainability for in-country NGOs.

This decision came as Nuru developed a revised three year strategic plan and realized:

1. Nuru’s focus on fragile states and cooperative graduation meant that growth potential for NSE no longer aligned with the strategy
2. NSE would not be able to fund Nuru’s in-country operations in Kenya in the near future
3. Nuru needs to narrow the focus its resources and staff even more in the years ahead

Nuru is currently in conversations with a few buyers who are interested in the poultry business, and plans to invest the capital generated by the sale into the establishment of an operating reserve for Nuru International. Just like Nuru’s farmers are encouraged to develop savings to improve their ability to cope with financial shocks, Nuru plans to use the sale of NSE’s poultry business to accomplish the same end organizationally.

In addition, although the poultry business will be sold, the lower cost dairy business will remain, and will be moved to co-locate near Nuru farmers in Migori County, Kenya. This will provide a market linkage for Nuru farmers piloting dairy as a livelihood diversification approach in 2018.

Of course, this decision was not made lightly, and through the years, Nuru has attempted a variety of pathways toward pursuit of local financial sustainability. There are very few nonprofits who have been successful in deploying a for-profit funding model, and those who have been successful have had a much higher degree of synergy between their nonprofit and for-profit models. This has been the latest in a longer history of lessons learned as Nuru has explored possibilities in this arena. Along the way, Nuru has made multiple discoveries that have served farmers. Most recently, this includes the opening of a possible market linkage for farmers in Kenya who will be using dairy as a means to diversify their livelihoods and improve the viability of their local cooperatives.
Advocacy

Nuru continued working with The Sheridan Group in Washington D.C. to raise the profile of its work among members of congress.

Nuru has been partnering with a small group of nonprofits including Bono’s organization, ONE, and older groups including World Vision and Mercy Corps to ensure that our government will continue to think about and dedicate support to international development efforts as part of a larger strategy for national and global security.

Over the last year Nuru has also cultivated bipartisan champions on all key congressional committees including Sen. Chris Coons (D-DE), Sen. Jeff Merkley (D-OR), Sen. John Boozman (R-AR) and Sen. Marco Rubio (R-FL) and had the privilege of participating in a bipartisan, bicameral Congressional Delegation (CODEL) to Nigeria. In addition, Nuru has been able to continue raising its profile as an innovator and thought leader with members of other government agencies, such as USAID as well as larger nonprofits.

We believe this strategy will continue to help Nuru secure more diverse base of support as it focuses on working in increasingly fragile rural areas in the years ahead.

In summer of 2017, Nuru enlisted every member of its staff team to begin working on a forward-looking update to its existing strategic plan.

The goal of the strategic plan was to help Nuru focus even more on the areas where we could contribute the most value to addressing extreme poverty around the globe. After nearly a decade of successfully testing our model in Kenya and Ethiopia, Nuru is now ready to reconcile our existing operations with our original vision of contributing to global security via development. We are starting to narrow our focus on the most fragile states and disrupting the spread of violent extremist organizations.

While there are many communities and populations that can be reached and served by numerous development organizations, Nuru is particularly well-equipped and poised to reach vulnerable populations in fragile, rural areas that would otherwise be left behind by traditional development organizations. Nuru believes these communities will not only not be reached by development, but they can also destabilize and cause backsliding in entire regions. To position itself for greater global impact, Nuru International is intent on achieving three strategic directives by 2020:

1. Maximize social good and create meaningful impact

2. Create sustainable impact and organizations

3. Build a great company for the future

Nuru’s 2018-2020 strategic plan has already led to a shift from expanding a poultry business as part of Nuru Social Enterprises larger strategy, and helped guide the organization in staffing decisions for current and future projects. Across the organization, Nuru is looking forward to implementing this strategy to better serve farmers in their communities in regions of incredible need, and regions where Nuru has developed skills and experience to address those needs. Nuru’s strategic plan will guide everything from staffing to future country selection, and served as a confirmation of the decision to begin work in northeastern Nigeria as its third project.

To write this next chapter in our history, Nuru International is raising $19M and is inviting new and existing visionary investors to join the fight. We hope you will join us in moving toward a vision of a safer, more secure world where violent extremist groups can no longer exploit the conditions of extreme poverty.

Strategic Plan
In 2013, the Helmsley Charitable Trust launched a new initiative focused on vulnerable children in Sub-Saharan Africa. One of their first grants was made in an effort to support Nuru’s first project in Kenya. The Trust liked what they saw in Nuru’s model, and became Nuru’s lead investor in our work in Kenya with a large three-year grant to support Nuru’s first project from 2014-2016. During that time, The Trust also invested in a third-party assessment by Genesis Analytics of Nuru’s monitoring and evaluation capacity in Kenya with the results rating Nuru’s monitoring and evaluation efforts as being very strong.

After witnessing the successful exit of Nuru’s expatriate staff in Kenya, the Trust began exploring the possibility of launching a new grant to support Nuru’s work in Ethiopia. In 2017, The Trust committed to a three-year grant to support Nuru’s efforts to support remote, rural households in the Gamo Gofa Zone of Ethiopia. Because of this new catalytic grant from the Helmsley Charitable Trust, and the support of each of our donors, we are making huge strides toward being able to serve even more vulnerable communities in the future.

What started five years ago as a fundraising project launched in conjunction with the 1998 graduating class of the United States Naval Academy has now become an annual tradition for Nuru supporters. Over the last five years, teams of runners have combined to raise more than $100,000 dollars to further Nuru’s efforts. These passionate Nuru supporters have combined their passion for ending extreme poverty with a commitment to run 26.2 miles around our nation’s capital. Each October, more than 30,000 runners converge to “charge the district, beat the bridge, and take the Iwo,” and our committed team from Nuru trains and raises funds throughout the summer and early fall to be able to stand at the finish line knowing that for another season, their mission has been accomplished. Each year, our U.S. based staff and supporters look forward to converging on the mall for a team photo and seeing the Nuru International booth in the middle of the Marine Corps Marathon Expo. We hope to assemble an even bigger team in 2018, and to continue to move forward in the fight to end extreme poverty in some of the hardest to work areas.
Support Our Work

Your tax-deductible donation to Nuru helps equip hard-working men and women with the tools and knowledge they need to lead their communities out of extreme poverty.

**SINGLE GIFT**
Make a single gift today to keep Nuru’s mission moving forward in Kenya, Ethiopia, Nigeria, and beyond.

**STOCK GIVING**
Gifts of stock can provide tax advantages for you while yielding profound benefits for the communities we serve.

**RECURRING GIFT**
By giving online monthly you help Nuru better save time and resources as well by providing stable and ongoing support to change the lives of families and communities Nuru serves.

**CORPORATE MATCHING**
Does your company provide corporate matching? Find out, and you could double the impact of your investment with a company match given to Nuru.

**PLANNED GIVING**
Create an enduring impact by including Nuru in your estate plans. Making a planned gift is a meaningful way to contribute to Nuru’s future while providing financial and tax benefits for you and your family.

**WANT TO TALK WITH A MEMBER OF OUR TEAM ABOUT INVESTING IN NURU?**
Contact info@nuruinternational.org with your request.

### Financials

#### REVENUE

<table>
<thead>
<tr>
<th>Year</th>
<th>Foundations</th>
<th>Corporations</th>
<th>Individual</th>
<th>Inkind</th>
<th>Investments</th>
<th>Other</th>
<th>Total Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$3,043,766</td>
<td>$38,236</td>
<td>$1,267,229</td>
<td>$701,389</td>
<td>$69,688</td>
<td>$1,077</td>
<td>$5,121,285</td>
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<tr>
<td>2016</td>
<td>$4,501,586</td>
<td>$32,665</td>
<td>$1,115,505</td>
<td>$412,582</td>
<td>$188</td>
<td></td>
<td>$6,062,530</td>
</tr>
<tr>
<td>2017</td>
<td>$5,801,262</td>
<td>$20,608</td>
<td>$1,884,490</td>
<td></td>
<td></td>
<td></td>
<td>$7,717,957</td>
</tr>
</tbody>
</table>

#### EXPENSES

<table>
<thead>
<tr>
<th>Year</th>
<th>Program</th>
<th>Management</th>
<th>Fundraising</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$5,967,442</td>
<td>$617,564</td>
<td>$343,891</td>
<td>$6,928,487</td>
</tr>
<tr>
<td>2016</td>
<td>$5,673,873</td>
<td>$561,767</td>
<td>$201,233</td>
<td>$6,442,273</td>
</tr>
<tr>
<td>2017</td>
<td>$5,027,424</td>
<td>$611,386</td>
<td>$162,452</td>
<td>$5,801,262</td>
</tr>
</tbody>
</table>

#### NET ASSETS

- **Beginning** $1,353,876
- **Ending** $3,270,571

For more detailed breakdowns, refer to our 2017 990 form.