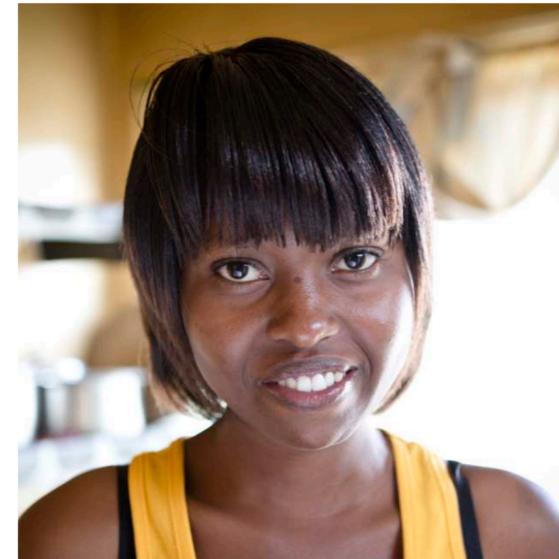


2014
*Annual
Report*





Samasource is an impact sourcing service provider that connects marginalized women and youth to dignified work via the Internet.

2014 ACHIEVEMENTS & LEARNINGS

In 2014, Samasource achieved a number of significant milestones that supported our goal of providing life-changing work for marginalized women and youth globally. Throughout the year, we also faced challenges that helped inform our strategic priorities for 2015.



Expanded our impact to reach more beneficiaries

In 2014, Samasource provided work to 1,450 new workers, bringing the total number of workers employed by Samasource since 2008 to 6,397. Samasource has directly impacted the lives of 26,164 people, including workers and income dependents, since 2008.



Doubled Microwork sales

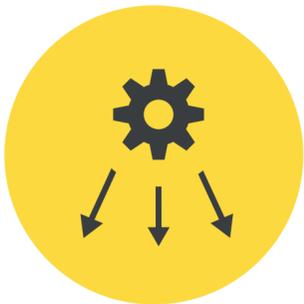
In 2014, Samasource delivered a record \$5.9 million in sales, doubling our 2013 results through enterprise level contracts with companies including Microsoft, Getty Images, Qualcomm and others. During the first half of 2014, we tested a new vertical supporting Spanish transcription projects in Nicaragua. There were a number of challenges ramping up a new workforce with transcribing antiquated, handwritten records. We ultimately scaled back our operations in the region but plan on returning to the region with other Spanish-based tasks. In 2015, we aim to continue to grow our business and impact the lives of more workers across the globe, while adding value to our partners' business goals.

2014 ACHIEVEMENTS & LEARNINGS



Evolved our Core Technology Platform

Development of the SamaHub in 2014 focused on evolving our current Microwork platform into a modular, service-oriented architecture. We had initially considered open-sourcing our platform to scale faster, but client feedback led us to prioritize the development of interoperable, web services instead. This strategy has a direct link to our goal of impacting the lives of women and youth globally by enabling elements of the SamaHub to be used by partner organizations who wish to replicate Samasource's impact sourcing model.



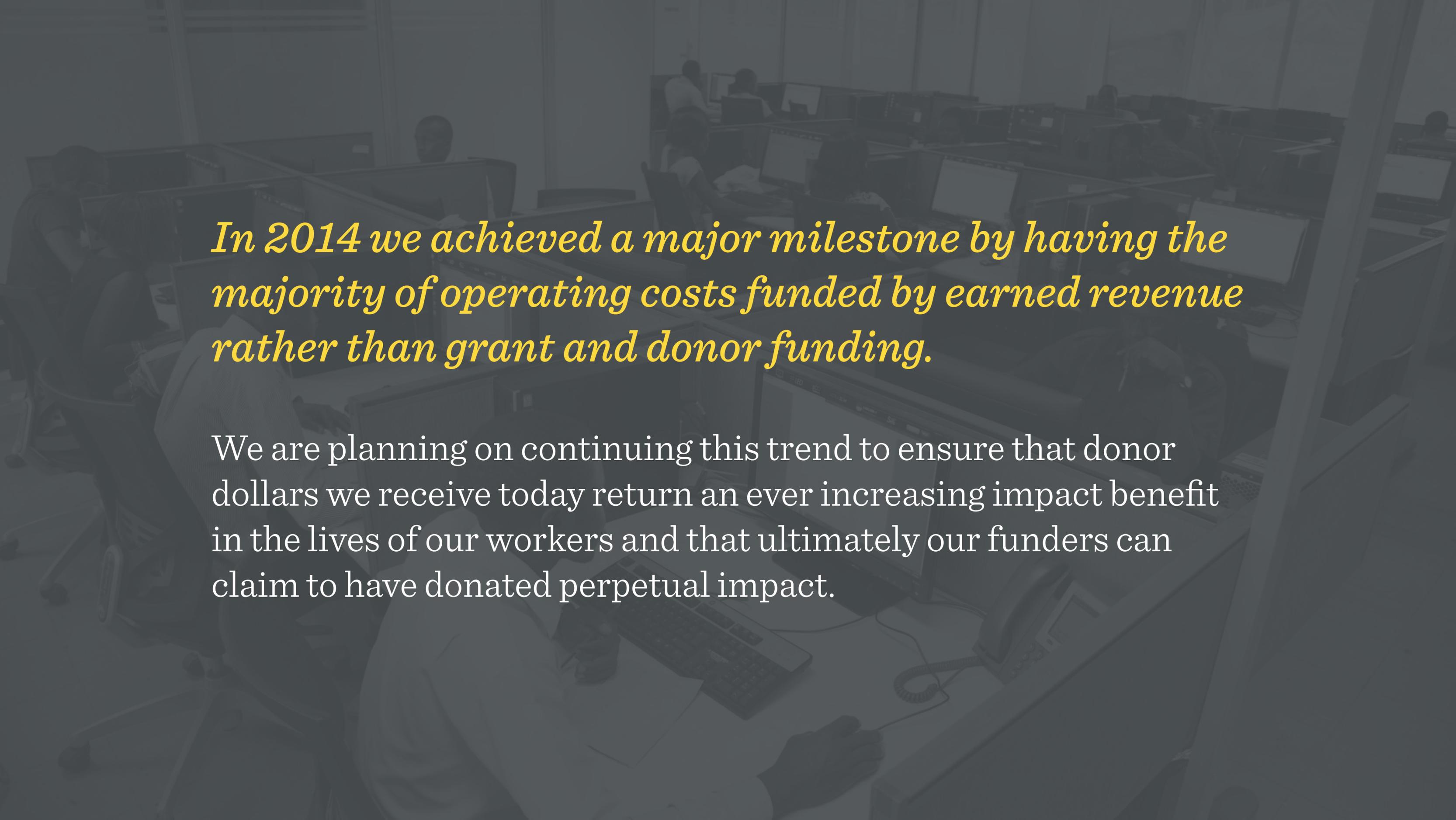
Initiated our “unbundling” strategy

We aim to scale our impact by teaching others our model, while providing the necessary tools to accelerate their progress, including operational setup, training curriculum, technology, and microwork expertise. In 2014, we received funding from partnerships with Google.org and the Rockefeller Foundation to support our initiative to share our best practices towards scaling impact sourcing capabilities, especially in regions we don't currently operate.



Made progress towards financial sustainability

Samasource's goal is to achieve financial self-sufficiency in the next two years. Our success in growing earned revenue from our business through enterprise accounts, professionalizing Samasource's services, and scaling our technology are central towards realizing this goal.



In 2014 we achieved a major milestone by having the majority of operating costs funded by earned revenue rather than grant and donor funding.

We are planning on continuing this trend to ensure that donor dollars we receive today return an ever increasing impact benefit in the lives of our workers and that ultimately our funders can claim to have donated perpetual impact.



Our
IMPACT

WORKERS, BENEFICIARIES & WAGES

Samasource workers see a 114% average increase in income by their five month mark.

IN 2014

1,450

New Workers

4,481

Income dependents impacted

FROM 2008 TO 2014

6,397

Cumulative worker count

19,767

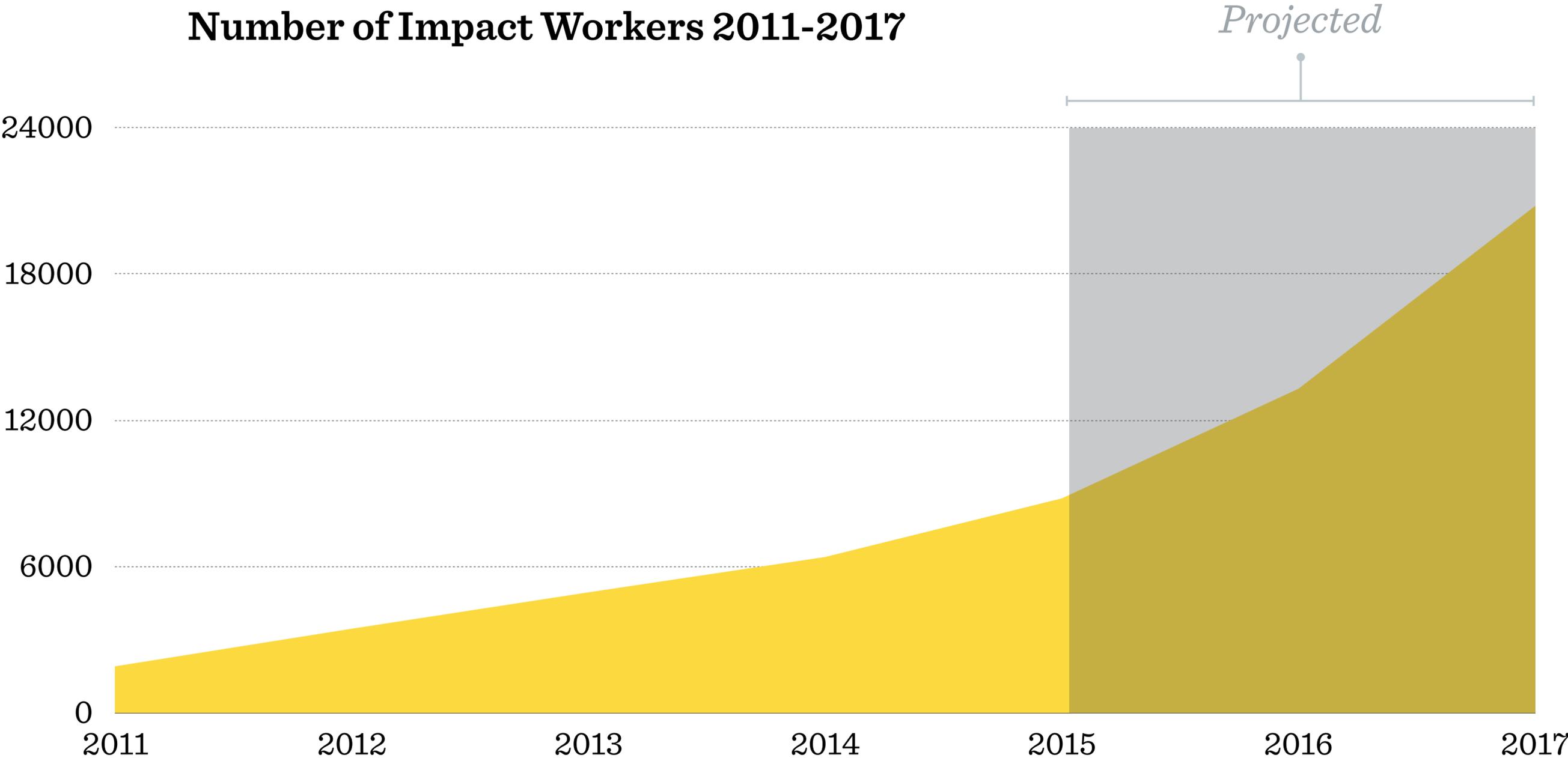
*Directly impacted
income dependents.*

26,164

*Cumulative People Impacted
(workers & dependents)*

WORKERS, BENEFICIARIES & WAGES

Number of Impact Workers 2011-2017



WORKFORCE HIGHLIGHTS

In 2014 Samasource operated in five countries: India, Kenya, Uganda, Haiti, and Ghana with an average active workforce of 730. Results from worker surveys shows that over half of Samasource workers are female and more than 90% are unemployed or underemployed prior to receiving work from Samasource.



WORKFORCE HIGHLIGHTS: 2013-14 ACTIVE WORKERS BY QUARTER

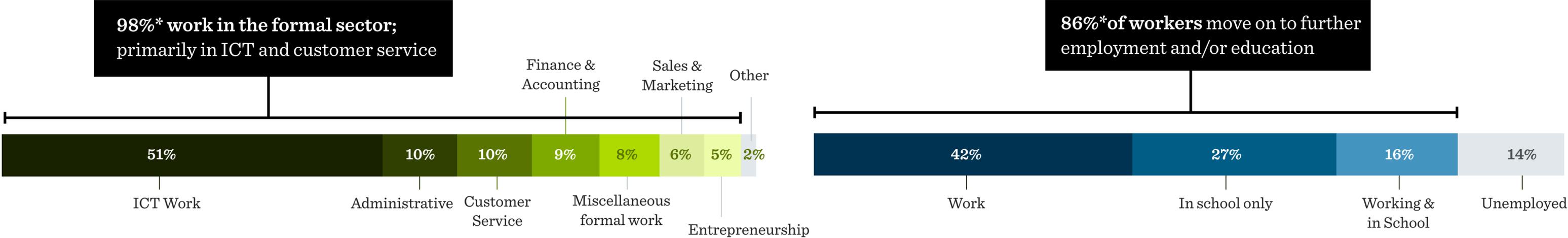
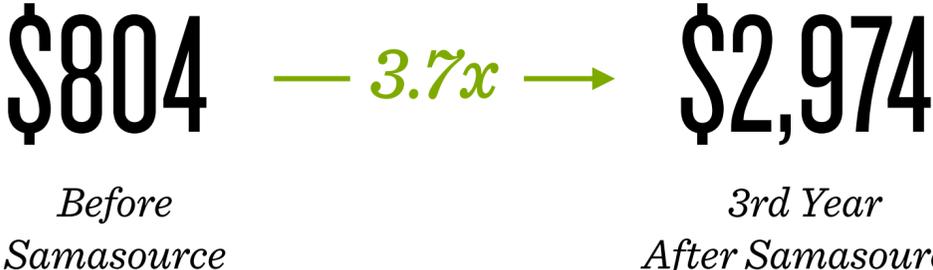
	<i>2013</i>				<i>2014</i>			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>India</i>	165	150	210	264	272	404	309	172
<i>Kenya</i>	429	278	297	248	235	270	256	138
<i>Uganda</i>	147	233	256	381	127	169	180	244
<i>Haiti</i>	22	19	19	19	10	19	18	18
<i>Ghana</i>	18	33	20	37	17	17	17	27
Total	781	713	802	951	661	879	780	599

Active worker counts during 2014 vary from quarter to quarter, and across geographies. While we continue to pursue long-term, enterprise-level contracts from customers in order to minimize the impact of changes in business outcomes on our workers, Samasource also plans to open its own Delivery Center in Kenya that will employ up to 200 individuals. This initiative will enable the organization to streamline hiring and training in line with business needs and allow us to test and refine practices that can be rolled out to our entire workforce.

IMPACT & OUTCOMES

Our impact is what guides all our decisions and the lens by which we focus all of our efforts. Although we are a small team, we value our impact measurement and analysis and strive to provide transparency, rigor and depth of analysis to ensure we are able to optimize our model for greatest and longest lasting impact on the disadvantaged populations we target. In 2014 we updated our learnings on the outcomes our workers experience after leaving Samasource.

Former workers avg. annual earnings by year 3



Notes on the data

Wage increases are based on 2014 pre-worker screening and post-Samasource employment surveys. Data on post-Samasource employment outcomes including the number of former workers who are employed, in school, or both, along with information about the industries in which former Samasource workers are employed comes from a 2013 and 2014 survey on post-Samasource outcomes. This survey contacts a random sample of former workers 1-3 years after leaving Samasource.

*Formal Industry outcomes = 97.9% (98%)

**Successful outcomes = 85.5% (86%)



“It’s been a dream, me having my own place,
paying my own rent, buying my own food.
Being independent.”

MARTHA
NAIROBI, KENYA

IMPACT & OUTCOMES

We also measure the depth of the improvement in the lives of our workers and former workers along the dimensions of improvements in basic needs:



Safer Housing
+128% increase in spending

\$21 **\$48+**
Before *After*
Samasource *Samasource*

Healthier Food
+100% increase in spending

\$20 **\$40+**
Before *After*
Samasource *Samasource*

Education for Children
+71% increase in spending

\$14 **\$24+**
Before *After*
Samasource *Samasource*

Financial Safety Net
+140% increase in spending

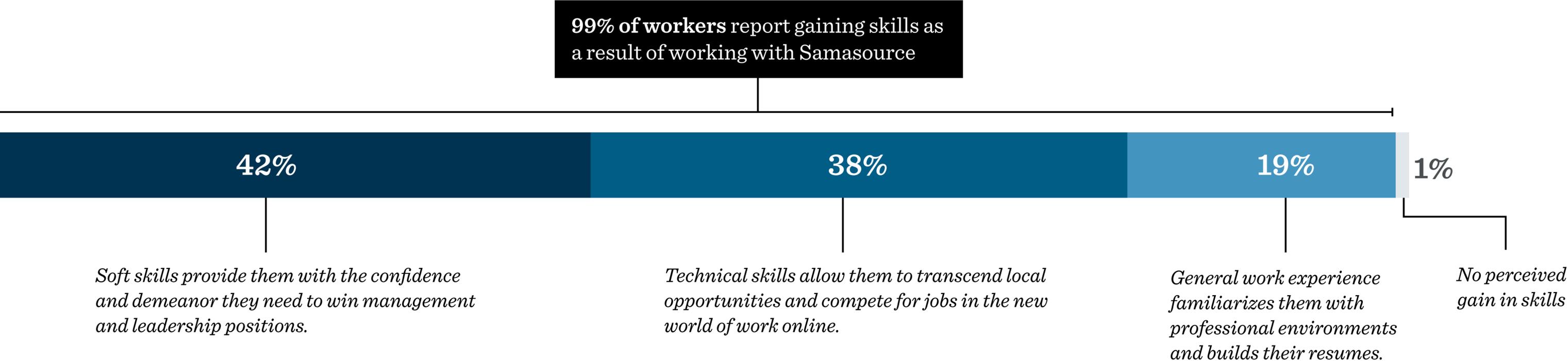
\$5 **\$12+**
Before *After*
Samasource *Samasource*

Notes on the data

Spending data comes from survey data collected from 2012-2013; follow-up surveys from 1000+ respondents, post-samasource surveys 200 respondents in 2013 and 2014.

MOST VALUABLE SKILLS GAINED BY SAMASOURCE WORKERS

We also measure the depth of the improvement in the lives of our workers and former workers along the dimensions of improvements in basic needs:

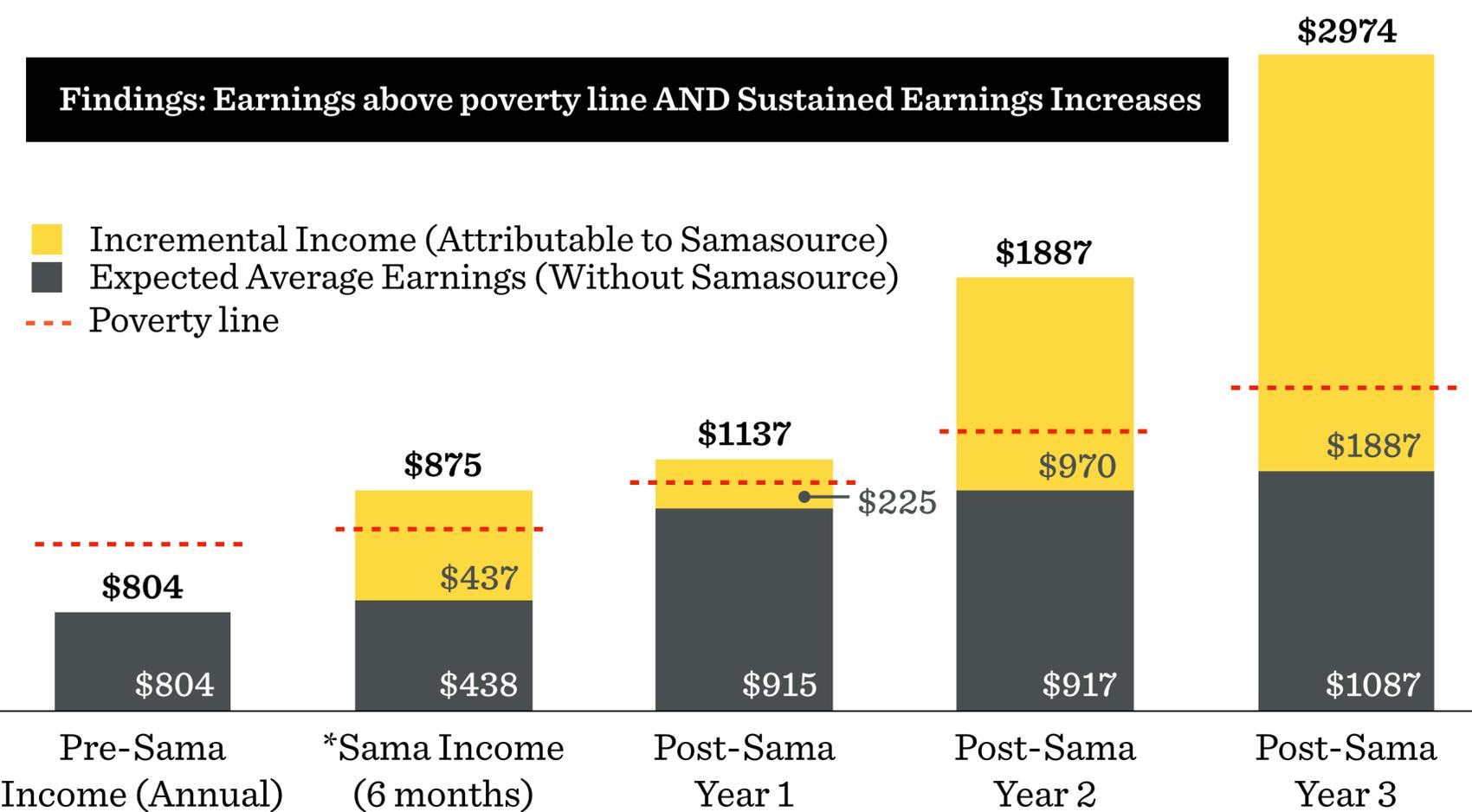


Notes on the data

Skills acquisition comes from post-Samasource survey data collected in 2013 in India and Kenya.

EARNINGS OUTCOMES

In 2014 we also accumulated sufficient survey data on our former workers to evaluate the longer term impact we have on the disadvantaged women and youth we provide work for. Our key finding is that despite their relatively brief tenure working with us, our former workers continue to experience significant increases in earnings each successive year after leaving. By their 3rd year after leaving Samasource, on average, over all outcomes (including those unemployed and going to school full time), their annual earnings are 3.7 times the amount they earned prior to being hired (\$2,974 vs. \$804).



We measure our impact as the difference between pre-Sama annual earnings, adjusted for inflation, against reported annual earnings of our former worker surveyed for the 3.5 year period during and after Samasource employment. The cumulative incremental income attributable to Samasource over this period (the sum of the yellow areas in the chart to the left) is \$3,519, on average, which includes the 60% surveyed as not fully employed (i.e. unemployed, attending school full-time or part-time).

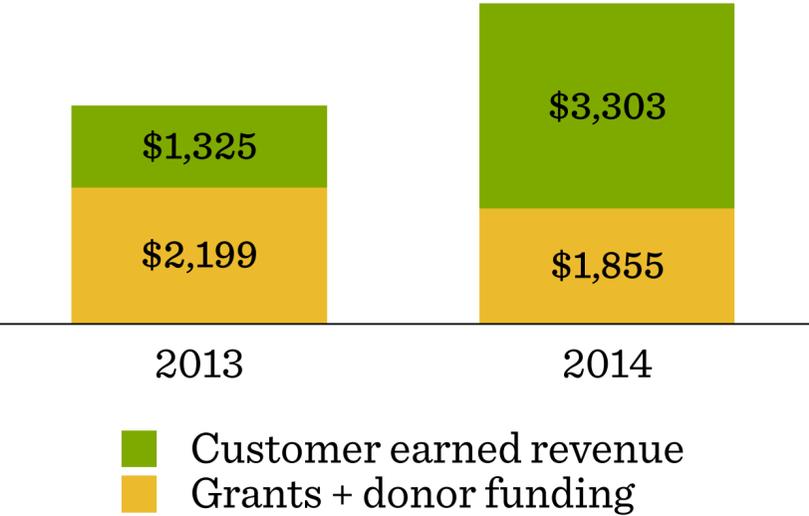
Although we have not to date conducted an experimental design evaluation for rigorous causality, given the consistency and size of the samples in our 2013 and 2014 surveys we do feel confident these reflexive comparison findings are robust and meaningful.

**Represents earnings and poverty line over 6-month period (avg. tenure of workers measured)
All earnings and poverty lines are inflation-adjusted.
Estimated poverty line is derived from Living Wage calculations in India and Kenya in 2013.*

KEY IMPACT MEASURES: IMPACT MODEL EFFICIENCY & DONOR RETURN

We believe it is important to provide transparency to our model’s impact efficiency and to measure how outcomes compare to the investment/cost made to achieve these outcomes. To that end we are presenting two key metrics: 1) the total cost we incur per individual we impact and the portion we rely on donors to fund, and 2) the ratio of the measurable improvement in the lives we impact to the donor contribution required to create these improvements.

Operating cost per impact worker



1. Investment or Cost Per Impact

The chart on the left shows by source of funding the total cost of our impact sourcing program divided by the number of individuals impacted in each year.

These include all costs to operate Samasource, not just the salaries paid to our impact workers. In 2013 Samasource spent a total of \$3,525 to impact an individual in poverty. In 2014 this total cost per individual rose to \$5,158.*

Because we have been able to fund more than this entire increase from our earned revenue from customers, funding per impact worker from donations and grants fell 16% to \$1,855 in 2014. We expect this trend will continue as we continue to grow our enterprise customer sales and scale our model.

**The increase was driven several factors, the largest being an increased investments in the operations for future impact combined with an increase in the tenure of our impact workforce. As we’ve secured longer term customer contracts, the predictability and stability in our work has resulted in less workforce turnover in 2014 than in prior years. We view increased tenure as a positive trend and expect this will result in better long term outcomes for our impact workers.*

KEY IMPACT MEASURES: IMPACT MODEL EFFICIENCY & DONOR RETURN

2. Return on donor investment

The second metric we have an ability to report on is a return on donor contribution measure. As we previously reported in our earnings outcomes summary, we have measured that over their 3.5 years during and after working for Samasource our former workers average total incremental earnings attributable to Samasource of \$3,519.

When we compare this amount of benefit to the portion of funding we've required from donors to fund this benefit (refer to the previous investment per impact chart) of \$2,199 in 2013 and \$1,855 in 2014, we are able to calculate a very crude return on donor contributions for 2013 and 2014 as noted below.

Impact Benefit Dollars per Donor Funding Dollar*

\$1.60
2013

\$1.90
2014

Although the return measure does not include all the benefits our current and former impact workers experience as a result of the work we provide them, it provides an objectively verifiable measure of return on our donor contributions.

We expect that this return measure will increase as we continue on our path to self-sustainability from earned revenue and gain the benefits of scale on our fixed overhead operating costs.

**Note: this ratio does not include any incremental earnings benefit past 3 years post-Samasource employment, nor the depth of impact in quality of life improvement, the benefits for direct dependents of our workers, the benefits of those alumna that are now able to afford full time education after leaving Samasource or the secondary economic benefits of the increased spending power of those workers.*

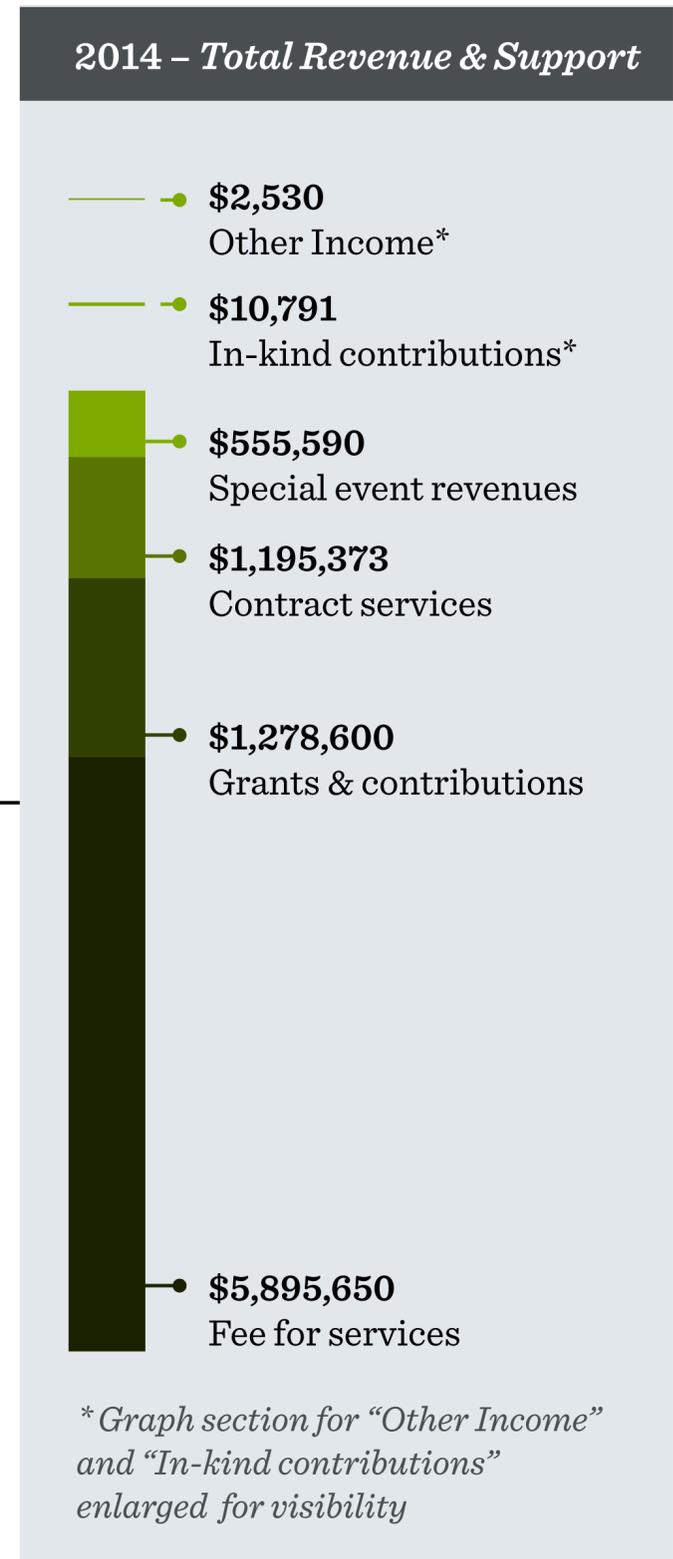


FINANCIALS

SUMMARY FINANCIALS: INCOME

(Unaudited - Samasource Impact Sourcing Business Only)

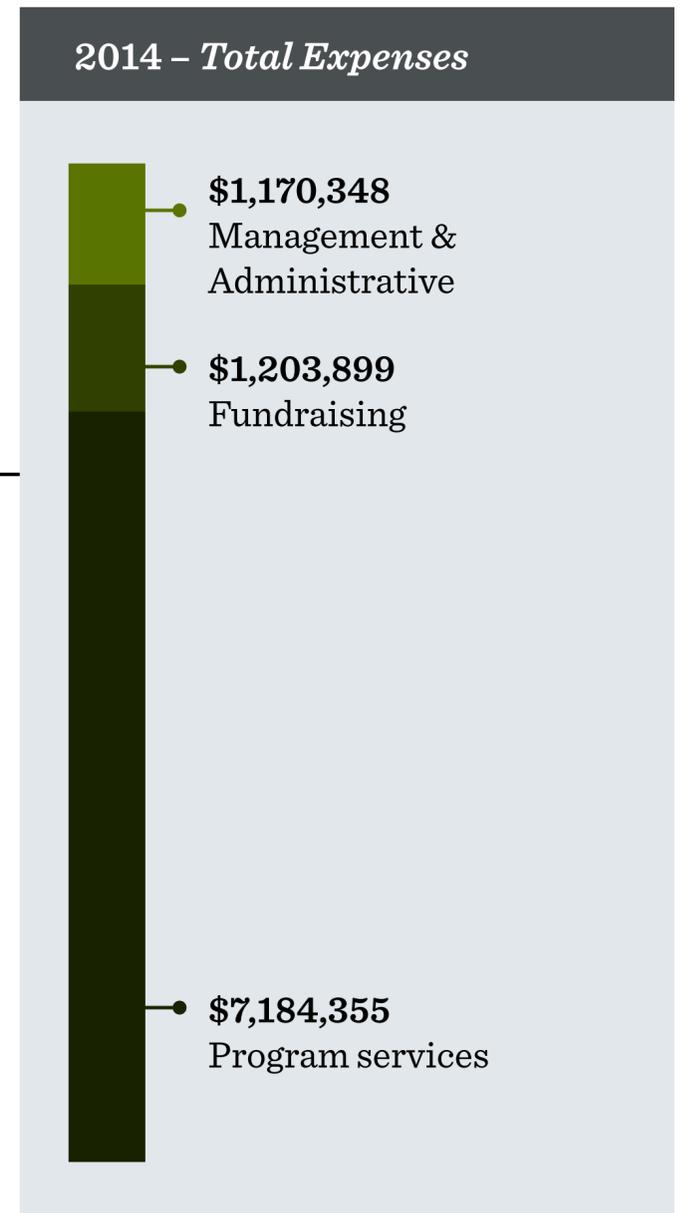
2014 – Revenue & Support				2013
	Unrestricted	Temporarily Restricted	Total	Total
Grants & contributions	\$393,600	\$785,000	\$1,278,600	\$4,242,458
Fee for services	\$5,895,650		\$5,895,650	\$2,931,128
Contract services	\$1,195,373		\$1,195,373	\$1,745,687
Special event revenues	\$555,590		\$555,590	\$428,413
In-kind contributions	\$10,791		\$10,791	\$70,485
Other income	\$2,530		\$2,530	\$22,893
Net assets released from restrictions	\$1,442,225	-\$2,097,556	-\$655,331	(\$30,197)
Total Revenue & Support	\$9,495,756	-\$1,312,556	\$8,183,201	\$9,410,866



SUMMARY FINANCIALS: EXPENSES

(Unaudited - Samasource Impact Sourcing Business Only)

2014 – Expenses				2013
	Unrestricted	Temporarily Restricted	Total	Total
Program services	\$7,184,355		\$7,184,355	\$4,858,495
Fundraising	\$1,203,899		\$1,203,899	\$747,327
Management & administrative	\$1,170,348		\$1,170,348	\$1,117,009
Total expenses	\$9,558,602		\$9,558,602	\$6,722,831
2014 – Net Assets				
	Unrestricted	Temporarily Restricted	Total	Total
Change in Net Assets	-\$62,845	-\$1,312,556	-\$1,375,401	\$2,688,034
Net Assets, beginning of year	\$2,473,944	\$3,617,541	\$6,091,485	\$3,403,451
Net Assets, end of year	\$2,411,099	\$2,304,985	\$4,716,084	\$6,091,485



MEDIA COVERAGE



Bloomberg West

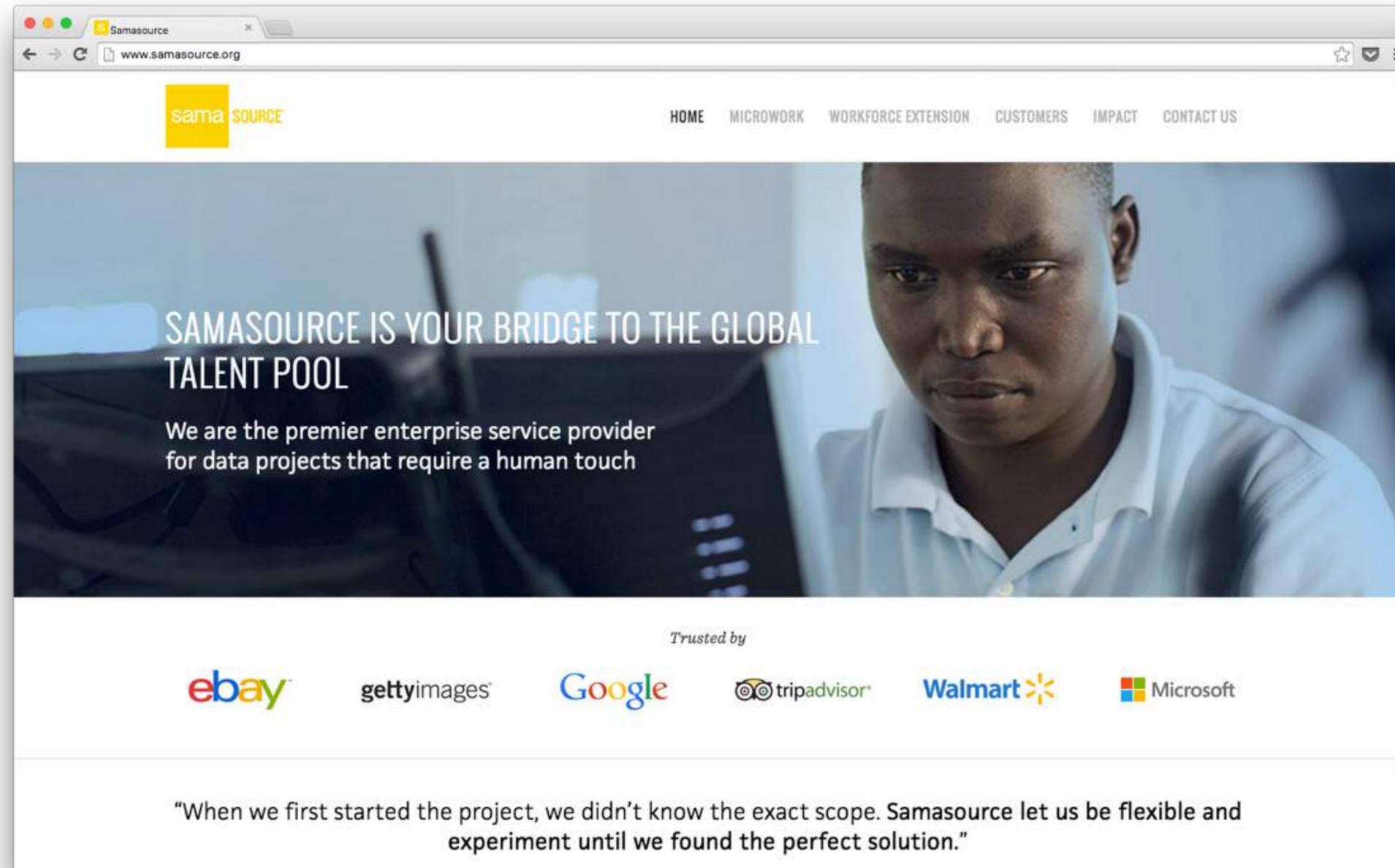
Will to work: Can This Hiring Model Eradicate Poverty?
August 22, 2014

In 2014, Samasource was featured in the BBC, Bloomberg West, Fox Business News, and on the cover of Entrepreneur. Other notable press coverages includes Forbes, Inc.com, TechCrunch and Fast Company.

Exposure in the media helps generate awareness about our work and contributes, raises the profile of our company, and ultimately, enables us to impact the lives of more people.

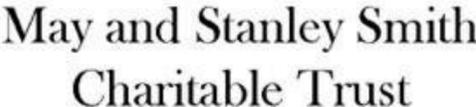
WEBSITE

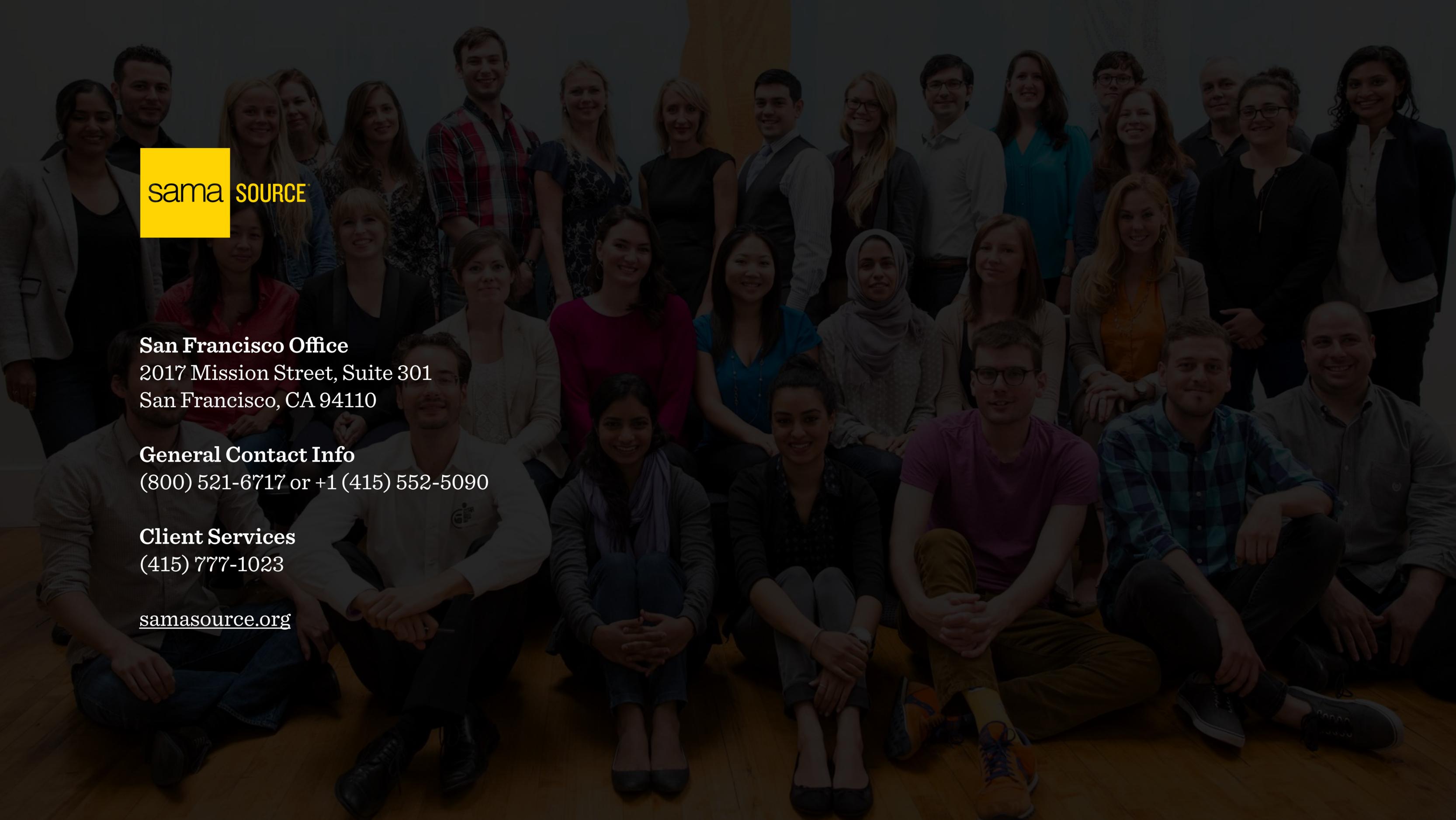
We refreshed the Samasource website in 2014 to take a more focused view on Samasource's business customers, while continuing to share the data about our impact on workers across the globe with all of our supporters.



OUR SUPPORTERS

Overall, we are grateful for the opportunity all our partners, customers and supporters have afforded us to execute the Samasource impact sourcing mission this past year and trust our results testify to the further impact potential that lies ahead of us.





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