



Windmill Microlending

Impact Report

2020 - 2021



Converting
potential into
prosperity.

A Year Like No Other

The economic effects of the pandemic on Canadians have varied wildly, and immigrants have borne an unequal share of the turmoil. Here at Windmill, we've had a unique perspective on the impact for three groups of new Canadians - those considering a loan, those repaying a loan, and those working for Windmill.

The year was one of repeated frustration for many immigrants hoping to restart their careers in Canada. Closed borders, cancelled exams and shuttered schools contributed to a reduction in inquiries and applications for Windmill loans from prospective clients, particularly in the first half of the year. Especially in the early days of the pandemic, women were disproportionately impacted by these developments.

Our active clients, those completing their career success plans and repaying their loans, have felt the pandemic in very different ways. Many have struggled with the loss of survival jobs and uncertainty about the path forward. Others came into their own this year, finding meaningful, skilled jobs for the first time in Canada. One such client, a medical lab technologist, was hired to process COVID-19 tests. Before Windmill, he had worked the night shift at a grocery store. He told us, *"It's a privilege and honour to serve in this role...a term of pride to tell my children, and my children's children that I was actively involved in the pandemic."*

Yet another client reached out to us, unprompted to say: *"I'm working now and need to pay all my remaining loan. I'm sure there is someone who needs the money more than me."*

Many Windmill team members are newcomers. Many are working with young families at home, or live and work in multigenerational homes, or are isolated from their family in another country. The resilience of our Windmill team makes us very proud - they met the year's challenges focused on our clients' success, and as a result, we ended the year with several important achievements:

- Client incomes are still rising by an average of 3.3 times as a result of a Windmill loan.
- Clients recommend Windmill service with glowing consistency, through hundreds of 5-star Google reviews and our Net Promoter Score of 94.
- Our client numbers increased in two important provinces: by 208% in Québec and by 20% in British Columbia.
- We made our first resettlement loans to refugee clients arriving in Canada with secure job offers, through our new partnership with Talent Beyond Boundaries.
- We ended the year strong, with our repayment rate at over 98% and our new loan numbers down by only 5%.
- And perhaps our favourite milestone is the election of our first alumnus, Dapo Bankole, as a Windmill board member.



As the Canadian economy re-opens, many of us feel a sense of relief that normality is returning. But for newcomers, a return to normal is not good enough. Before the pandemic, the pay gap between immigrants and the Canadian-born persisted for as long as 25 years after the immigrant's arrival. Since the start of the pandemic, the statistics for immigrants and visible minorities have only worsened. Together we can change those statistics.

In the next five years, Windmill plans to scale up from 1,000 to 4,000 new clients per year: to boost productivity, close the wage gap, and offer newcomers a fair chance. Champions like you, who have empowered our clients throughout the pandemic, will be a key reason newcomers succeed in the years ahead. Thank you for helping us convert potential into prosperity, one immigrant at a time.



Claudia Hepburn
Chief Executive Officer

Claudia



Carsten Jensen
Board Chair

Carsten

Impact Overview

A Windmill microloan is impressive in its impact. By the time our clients repay their loans, they increase their incomes by 3.3 times on average. They also join the Canadian workforce – the unemployment rate of our clients plunges to 7% from 41% on intake. As Canada’s only national microlending charity, Windmill loans are available to immigrants who meet our eligibility criteria in any province and territory. In 2020/2021, we challenged ourselves to attract more clients outside Ontario and Alberta. We saw success: British Columbia and Québec reported the highest growth among all provinces. They grew by 20% and 208% respectively.

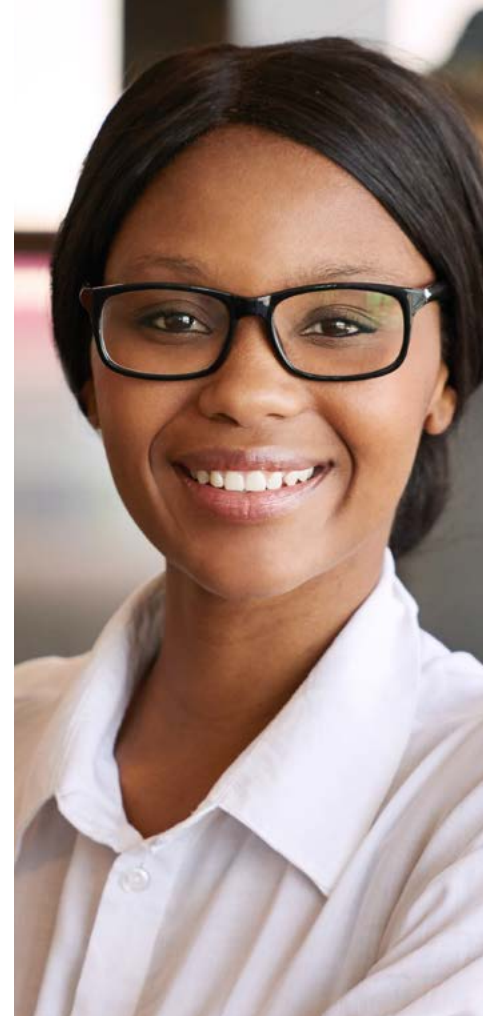


Dalia
Registered Nurse
Palestine

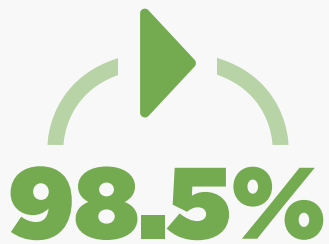
“Five months after receiving the Windmill loan and with the money I saved from work, I paid my loan in full. I wanted to pay the loan as soon as possible. Not only because it was good for my credit history but also because I wanted Windmill to help other immigrants like myself settle in Canada.”



Income grows by
3.3X
on average, with some
variance by profession.



Repayment rate:



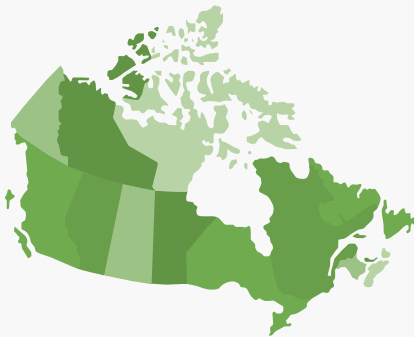
Unemployment drops
from 41% to

7%

upon repayment of a loan.

91%

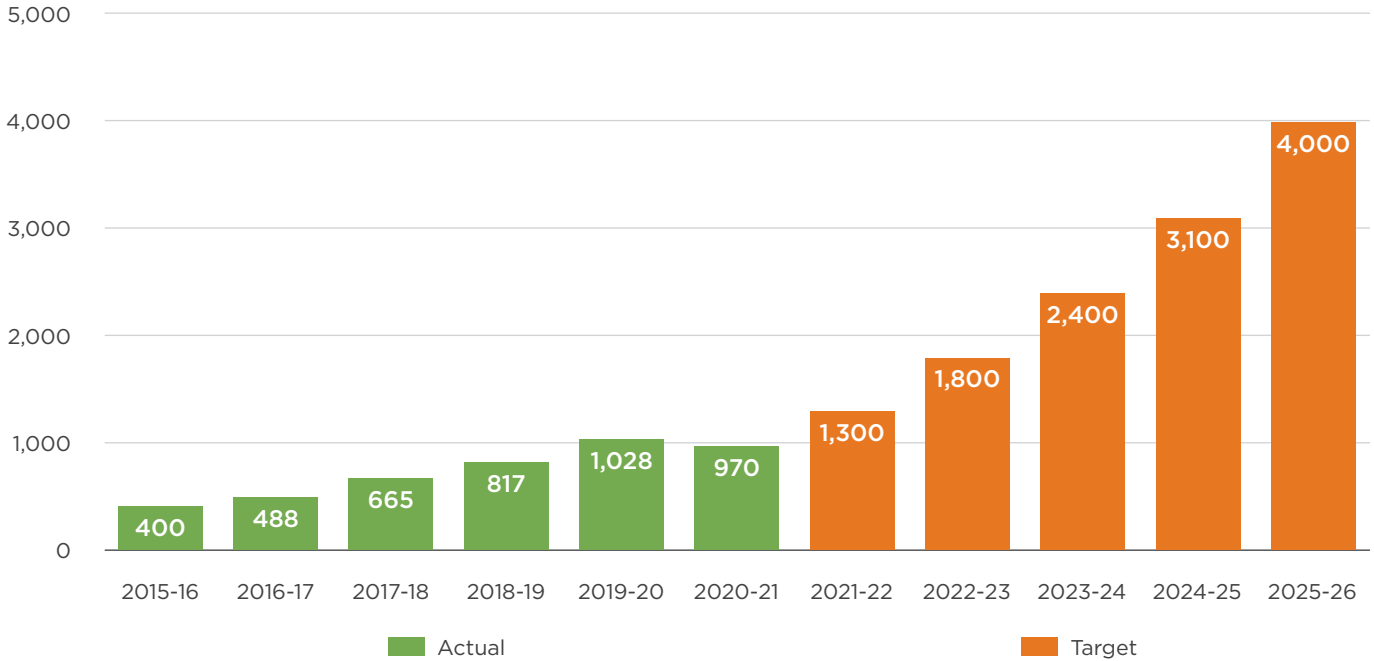
of Windmill Career
Success Plans are
completed or in
progress.



Number of loans
per province:

ON: 1,381	NS: 31
AB: 738	NB: 9
BC: 168	PE: 3
SK: 164	NL: 2
MB: 47	NT: 1
QC: 44	

New Loan Growth Chart



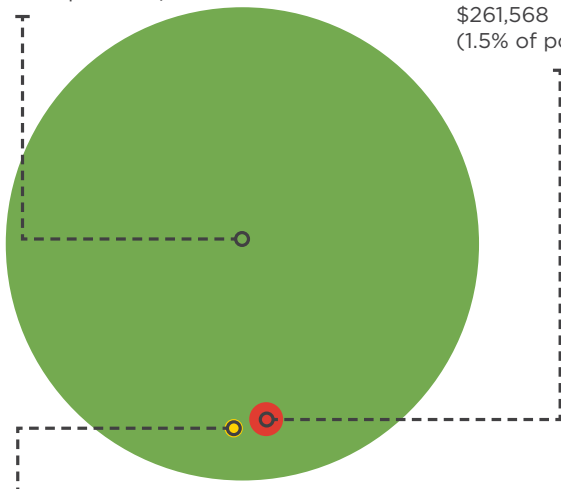
Loan Portfolio Health

Total Outstanding Principle:

\$16,679,777
(97.8% of portfolio)

Delinquent (>30 days):

\$261,568
(1.5% of portfolio)



Loan portfolio write-offs (last 12 months):

\$118,431
(0.7% of portfolio)

Karla

Pharmacist

Philippines



“Even if it seems impossible, and you face many struggles, it is possible to get back into your profession with the help of organizations like Windmill Microlending. They helped me achieve my dreams, and I feel very grateful.”

Our **top 5** countries of origin:

India

Nigeria

Philippines

Iran

Sudan



Number of active client loans:

2,588

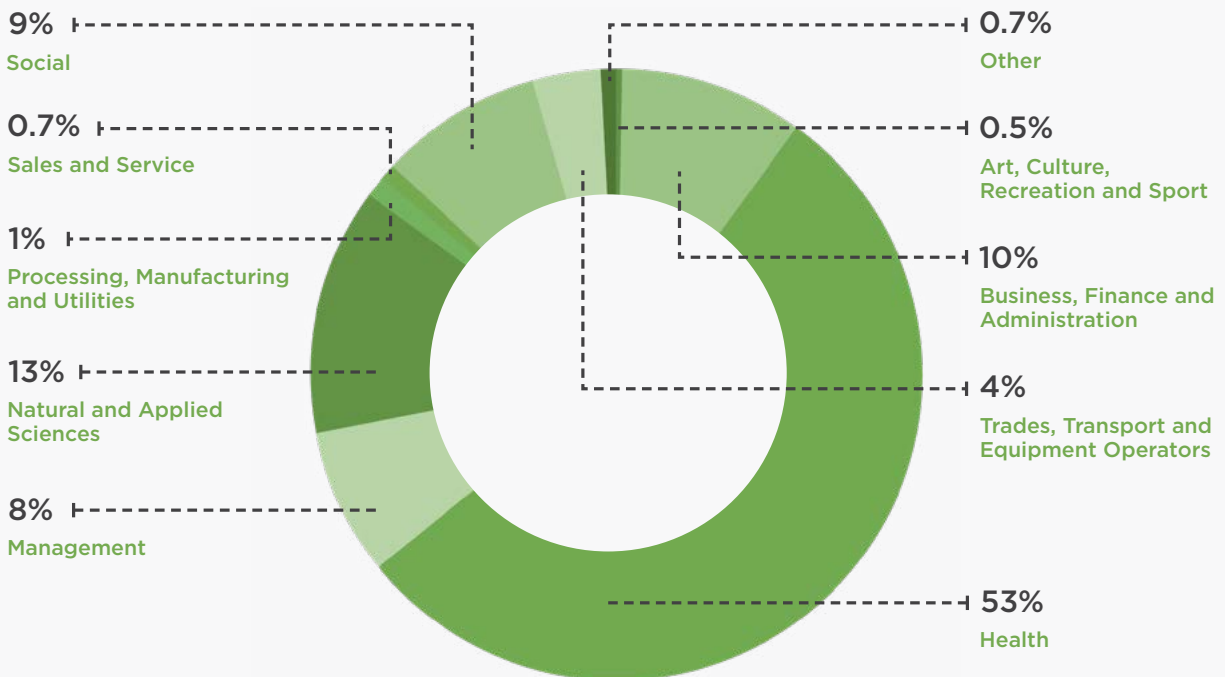
Windmill has helped clients from

141

different countries since 2005.



Total **Active Loans** by sector:





Windmill Clients **Say it Best**

Since each Windmill client has unique needs, we offer personalized support to help them achieve their career goals and succeed in Canada. We constantly measure their satisfaction to find better ways to support skilled immigrants and improve our menu of client services. The results are outstanding. Our Net Promoter Score (NPS), which measures client satisfaction, is 94, meaning that almost all of our clients would enthusiastically recommend Windmill to a friend or family member. Another way our clients show their satisfaction is by writing Google reviews. Our clients independently share their honest and unbiased opinions and, so far, we have seen only positive responses and predominately five-star reviews.

Windmill's
Net Promoter
Score:





| Google **Reviews**



I can't find words to express how thankful I am to all the people behind Windmill. From the start of the process to the end, the staff are so helpful, courteous, respectful and professional. My coach did an impressive and amazing job helping me reach my goals, including my wife who is now finishing her Medical Technologist refresher course. Salute! Kudos.

- **Rich Francis, Toronto**



Windmill made my dreams come true during very hard times. I don't have enough words to thank them. I feel so blessed to have their help and support through such a difficult time in my life. Thank you for all the work you did to help me in my journey. The staff were very professional throughout every step of the loan process. I will be recommending Windmill to everyone.

- **Volkan Gokpinar, Calgary**



I'd like to thank Windmill Microlending for being there to encourage professionals like myself who believe and invest in continuous learning and growth. Windmill Microlending was there to not only support me financially, but they offer a holistic approach through their career development initiative(s), mentoring and much needed financial education. Thank you again for being there!

- **Folake Akintimehin, Edmonton**



Excellent organization. The attention has been of the highest order and the staff is very attentive and polite. They listen carefully to our needs, give us the opportunity to advance our professional development in this country and offer advice before and after receiving the loan. I recommend them 1,000%.

- **Edgardo Chirinos, Calgary**



Client Success: **Supportive and Personalized**

From application to employment, Windmill supports newcomers to achieve career success. Strong credit scores and fair repayment plans are the aims of the loan management team, and they work closely with clients to lay this important foundation. Windmill's coaches, meanwhile, offer customized supports to each client. This may include a career success plan, career path guidance or referrals to organizations that provide financial literacy training, resume writing or language skills. Many of our coaches are immigrants themselves or from immigrant families. They have direct insight into the challenges our clients face, and so the relationship between clients and coaches is not a transactional one, but a true partnership.

Dr. Stephen
Medical Doctor
Nigeria

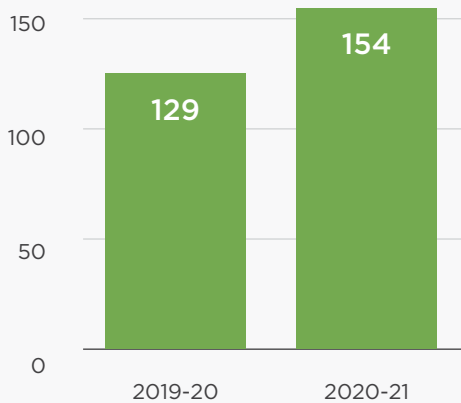


“My coach constantly kept in touch with me. She was always checking up to see how I was doing. This showed me what a wonderful organization Windmill is – a bank or other lenders would not have kept in touch with, nor offered support to their clients like I received. I still speak with my coach, even though I’ve paid my loan in full. She’s moved from being a trusted advisor to a friend.”

Mentorship Program

Volunteers donate many hours each year to Windmill’s Mentorship Program. Past clients and other Canadian professionals offer new and important perspectives to help their mentees develop career strategies. Mentors share wide-ranging advice on how to restart a career in Canada or how to navigate the Canadian labour market.

Mentor-Client Matches:



Number of mentor hours donated (last FY):



Mayo, Mentor
Subcontract Coordinator
Nigeria

“I was inspired to become a mentor because I didn’t want other skilled immigrants to go through the kind of stress I went through to get all the information I wanted. I wouldn’t want anyone to go through the long route of searching for resources when there are people who have walked that path and are available to help.”



Adam, Mentee
Actuarial Data Analyst
Zimbabwe

“From the start, my mentor made it clear that he wanted me to succeed in relaunching my career in Canada. He was always available to discuss matters relating to my professional development. He shared all his knowledge that he acquired over the years, including mistakes he made, to ensure that I didn’t fall into the same traps. Even though I’ve completed the mentorship program, my mentor still supports me to ensure that I succeed in my current job.”

Innovative Partnerships

Windmill embraces innovation. We constantly seek out opportunities to improve client service and operate more efficiently. Often, innovation requires outside influence to spark new ideas. When we build partnerships with other innovators, we become better. As a result, we can accelerate economic integration for more skilled immigrants.

Windmill has partnered with four exciting innovators to reach more skilled immigrants pursuing careers in Canada.



“

In partnering with Windmill Microlending, we have successfully aligned international professionals with education and opportunity. By providing a low-interest loan, individuals can participate in our program, allowing them to enhance their current skill set, continue to be competitive and most importantly get employed in their desired technical field. By combining efforts, we have and will continue to support new Canadians unleash their potential.”

– Christie Rodrigues
LaunchPad by Vog,
Director of Operations



The WILF Project

Skilled and talented software engineers are in high demand. In April 2021, Windmill became part of the WILF Project. A unique three-way partnership between private, public and non-profit organizations that provides seamless support to immigrants – from awareness, training and job placement, to meet the expectations and demands of the software and tech industry. The project is a partnership of LaunchPad by Vog App Developers, Immigration Services Calgary, Finney-Taylor Consulting Group and Windmill Microlending.



Talent Beyond Boundaries

Employers worldwide lack access to skilled workers. Talent Beyond Boundaries is a global organization that focuses on identifying refugees with skills that match employers' needs. If matched through the program, refugees enter Canada much faster as economic immigrants. Windmill offers a unique resettlement loan of up to \$15,000 to Talent Beyond Boundaries clients. Unlike our traditional loans used to launch and advance careers in Canada, these loans are used to pay for the costs associated with immigrating, including visas, travel and medical checks, housing and relocation, and start-up costs on arrival before they receive their first paycheck.



PRTCE

Windmill, in partnership with the Caisse d'économie solidaire Desjardins, was recently awarded a 4-year agreement by the Québec ministère du Travail, de l'Emploi et de la Solidarité sociale to provide foreign credential recognition loans to Québec immigrants. The loans made available to foreign-trained immigrants will provide the financial support to complete the process of acquiring the credentials they need to continue their careers in Québec.



Lighthouse Labs

When immigrants need to upgrade their software development skills, 12-week web development and data science bootcamps at Lighthouse Labs can quickly get them trained and back to work. Their new skills can move them from underemployed to employed faster, sometimes doubling their income.

Community Bonds

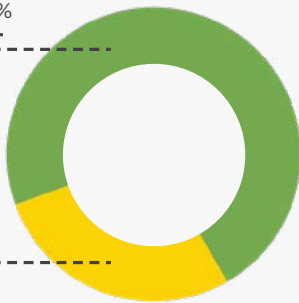
To power our unique model, and serve more newcomers with microloans and supports, we must raise a significant amount of loan capital. This is in addition to securing funding for our operating costs, and is a multi-million dollar challenge every year. To help fuel this need for loan capital, four years ago Windmill launched its first impact investment product, a community bond. The community bond allows Windmill to access lower-cost capital, ensuring more funds go directly to our clients. The community bond now funds 60% of our loan book, and since its launch has resulted in costs savings of over \$300,000.

As of March 31, 2021, we have raised over \$11.5M in loan capital through the community bond. In return for a modest interest payment, our community bond investors are putting their capital to use for the benefit of our clients, and by paying it forward, Canada also receives huge social returns.

Loan Book Funding Composition:

Windmill Equity:

72%



Line of Credit:

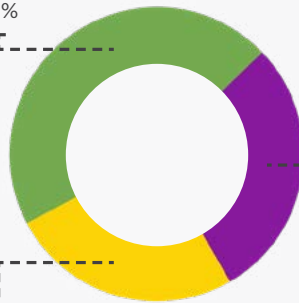
28%

\$5,432,917

March 2017

Windmill Equity:

46%



Line of Credit:

26%

Community Bonds:

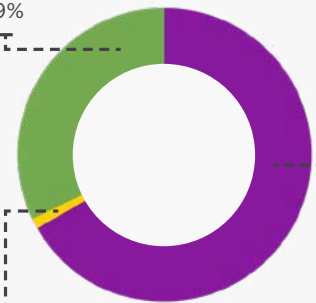
29%

\$9,364,756

March 2019

Windmill Equity:

39%



Line of Credit:

1%

Community Bonds:

60%

\$16,932,141

March 2021

Interest costs saved by utilizing the Community Bond (since launch):

\$306,772



“

This investment exemplifies how we continue to use our assets not only to provide financial returns that support our investment strategy but also to support positive change locally and nationally. There is a lot of room for growth in helping newcomers overcome barriers to meaningful employment in Hamilton and across Canada.”



– Annette Aquin

Executive Vice-President,
Finance & Operations

**HAMILTON
COMMUNITY
FOUNDATION**

Audited Financials

Windmill Microlending / Le Moulin Microcrédits

Statement of Financial Position

As at March 31, 2021

	General Fund	Restricted Funds	Loan Capital Fund	2021	2020
Assets					
Current					
Cash	602,060	-	583,512	1,185,572	330,656
Restricted cash	-	110,101	-	110,101	69,816
Accounts receivable	261,036	152,547	-	413,583	171,656
Goods and services tax recoverable	65,506	-	-	65,506	88,365
Prepaid expenses and deposits	69,800	19,685	3,524	93,009	94,676
Current portion of loan capital receivable	-	-	4,735,999	4,735,999	3,570,519
Due from Loan Capital Fund	370,228	-	-	370,228	771,379
	1,368,630	282,333	5,323,035	6,973,998	5,097,067
Loan capital receivable	-	-	11,675,743	11,675,743	9,242,779
Capital assets	199,851	-	-	199,851	237,809
	1,568,481	282,333	16,998,778	18,849,592	14,577,655
Liabilities					
Current					
Bank indebtedness	-	-	180,000	180,000	320,000
Accounts payable and accrued liabilities	105,601	85,596	71,661	262,858	301,281
Deferred contributions	186,000	-	-	186,000	52,729
Due to General Fund	-	-	370,228	370,228	771,379
Current portion of bonds payable	-	-	815,000	815,000	100,000
	291,601	85,596	1,436,889	1,814,086	1,545,389
Bonds payable	-	-	10,150,000	10,150,000	6,865,000
	291,601	85,596	11,586,889	11,964,086	8,410,389
Commitments					
Significant event					
Net Assets					
Unrestricted	1,077,029	-	-	1,077,029	841,199
Invested in capital assets	199,851	-	-	199,851	237,809
Restricted	-	196,737	5,411,889	5,608,626	5,088,258
	1,276,880	196,737	5,411,889	6,885,506	6,167,266
	1,568,481	282,333	16,998,778	18,849,592	14,577,655

Windmill Microlending / Le Moulin Microcrédits

Statement of Operations

For the year ended March 31, 2021

	<i>General Fund</i>	<i>Restricted Fund</i>	<i>Loan Capital Fund</i>	<i>2021</i>	<i>2020</i>
Revenue					
Government funding	-	2,075,337	-	2,075,337	2,360,198
Donations	1,289,926	-	609,401	1,899,327	1,547,508
Foundation grants	125,525	-	-	125,525	1,123,000
Interest	-	-	505,074	505,074	492,870
Other	25,809	-	-	25,809	18,873
	1,441,260	2,075,337	1,114,475	4,631,072	5,542,449
Expenses					
Salaries and benefits	1,400,259	1,442,735	-	2,842,994	2,903,461
Bad debts	-	-	355,549	355,549	328,650
Loan delivery and portfolio administration	-	170,729	193,531	364,260	269,751
Advertising and promotion	43,904	257,228	-	301,132	551,393
Rent	135,771	127,897	-	263,668	226,980
Office	182,696	79,406	-	262,102	381,373
Amortization	109,588	-	-	109,588	97,466
Project costs	51,001	39,015	-	90,016	145,260
Professional fees	50,167	-	-	50,167	85,277
Insurance	12,443	337	-	12,780	8,425
Bank charges and interest	1,525	3,017	-	4,542	2,207
	1,987,354	2,120,364	549,080	4,656,798	5,000,243
Excess (deficiency) of revenue over expenses before other items	(546,094)	(45,027)	565,395	(25,726)	542,206
Other items					
Canada Emergency Wage Subsidy	692,781	-	-	692,781	-
Canada Emergency Rent Subsidy	51,185	-	-	51,185	-
	743,966	-	-	743,966	-
Excess of revenue over expenses	197,872	(45,027)	565,395	718,240	542,206

Board of Directors



Carsten Jensen
Chair



Andreas Souvaliotis
Vice Chair



Shamira Madhany
Secretary



Drew Thomson
Treasurer



Claudia Hepburn
ex officio



Peter Aghar
Director



Vladimir Ahmad
Director



Dapo Bankole
Director



Radha Curpen
Director



Jennifer T. Lee
Director



John Montalbano
Director



Geneviève Morin
Director



Nicolas Plourde
Director



Lori Sterling
Director



Miyo Yamashita
Director

Strategic Advisors

Wayne and Eleanor Chiu
Adam Felesky
Brian Felesky
Jim Gray

Ken Grewal
Monique Jérôme-Forget
Claire Kennedy
Bill Young

Our Supporters

\$1M+ Cumulative

RBC Foundation The Rossy Foundation Scotiabank TD Bank Group

\$100,000 – \$999,999

Adam Felesky
Walt Macnee
Munford Family Foundation
The Rossy Foundation
Scotiabank
TD Bank Group

\$50,000 – \$99,999

CIBC
Crux Capital
The John Dobson Foundation
Donner Canadian Foundation
La Fondation Emmanuelle Gattuso
The Peter Gilgan Foundation
Power Corporation of Canada
RBC Financial Group
R. Howard Webster Foundation
The Young Fund Hamilton Community Foundation
Anonymous (2)

\$25,000 – \$49,999

Robert & Mary Pat Armstrong
The Birks Family Foundation
J. Armand Bombardier Foundation | Foundation J. Armand Bombardier
Canadian Women's Foundation Investment Readiness Program, funded by the Government of Canada
Donald Family

Tony & Shari Fell
GROW Fund at Toronto Foundation
Claudia and Graeme Hepburn
The Koerner Foundation
The McLean Foundation
John and Dana Montalbano
The Prosser Charitable Foundation
Shorcan Energy Brokers Limited
Talent Beyond Boundaries
Toronto Pearson International Airport
VetStrategy
Miyo Yamashita and Michael Guerriere

\$10,000 – \$24,999

ATB Financial
Canadian Western Bank
The Arthur J. E. Child Foundation
Cineplex Media
Connor, Clark & Lunn Financial Group
The Morris & Rosalind Goodman Family Foundation
The Scott Griffin Foundation
The Hunter Family Foundation
Karl Jeam Legacy Loan Fund
Pierre Lassonde Family Foundation
Longview Asset Management Ltd.
Susan McArthur
The Petman Foundation
Cathy J. Richards & Friends Foundation
Viewpoint Foundation

Loan Fund Supporters

Donors can target their donations to loan funds matching their priorities. They can also track and monitor the impact of their contribution. Thank you to our Loan Fund Supporters.

Amal Umar Loan Capital Fund
Canadian Western Bank Loan Fund for Medical Professionals
Cathy J Richards & Friends Foundation Loan Capital Fund for Women Newcomers
Data CM Loan Fund for Immigrant Women
Donner Canadian Foundation Loan Fund for Women
GROW Loan Fund for Women
Ian Martin Group Fund for Engineering and IT Professionals
Karl Jeam Legacy Loan Fund
La Fondation Emmanuelle Gattuso Fund for Women & Refugees
La Fondation Emmanuelle Gattuso Fund for Women in Healthcare and Essential Work
Lifeline Syria
Patricia Cochrane Loan Capital Fund
Richardson Foundation Loan Capital Fund
Scotiabank Healthcare and Essential Worker Named Loan Fund

Stollery Charitable Foundation Loan Fund for Edmonton Constituents

Susan McArthur Loan Fund for Women in Engineering and IT

The Morris and Rosalind Goodman Family Foundation Named Loan Fund for Québec Healthcare Professionals

Toronto Pearson Loan Fund

2020 Windmill Team Loan Capital Fund

Community Bond Investors

Atkinson Foundation

Cliff Cameron

Cathy J. Richards & Friends Foundation

The Catherine Donnelly Foundation

Dragonfly Ventures

ELFEC

Fairmount Foundation

The Peter Gilgan Foundation

Fern Gordon and Pierre Lavallée

Green Shield Canada

Hamilton Community Foundation

Inspirit Foundation

Intact Financial Corporation

Dr. Noor Jaffer

Carsten Jensen

Dr. Kabir Jivraj

Dr. Anish and Mrs. Pooja Kirpalani

Kitchener Waterloo Community Foundation

The Lawson Foundation

Janet and Bill L'Heureux

Zai Mamdani and the Mamdani Family Foundation

Max Bell Foundation

JoAnn McCaig

The J.W. McConnell Family Foundation

Walt Macnee

Metcalf Foundation

Missionary Sisters of the Sacred Heart of Jesus

Munford Family Foundation

Oakville Community Foundation

Ottawa Community Foundation

The Rebanks Family

Julie Scott

Jon Shell and Jaimie Donovan

Andreas Souvaliotis

TELUS Pollinator Fund for Good



As a former client, I donated to Windmill because I wanted to help more people take advantage of the services Windmill offers. My hope is that by giving back, I'll be able to help more immigrants turn their potential into prosperity."



- Amir Fateh

Construction Engineer,
Malaysia

Toronto Foundation
triOS College Business Technology Healthcare Inc &
Eastern College Inc.
William and Marta Vandermarel
Norman Young & Janey Law
Anonymous (2)

Line of Credit Guarantors

Peter Aghar
Bruce & Carmen Alger
Avi Amir
The Auxilium Foundation
Frank Boyd
Wayne & Eleanor Chiu
James & Inez Collie
The Counselling Foundation of Canada
Edmonton Community Foundation
Adam Felesky
Brian Felesky
Jim Gray
Inspirit Foundation
Dr. Noor Jaffer
Greg Jones
Moez Kassam
D. Keith MacDonald
Alan Norris
Sheila O'Brien
Eric Prosser
Sherali Saju
Prem Singhmar
Andreas Souvaliotis & Joseph Gisini
Kumar Stenger
Anonymous (3)

Windmill Staff Loan Capital Fund Donors

Margarita Arbeláez
Mary Ellen Armstrong
Daniel Beaudin-Hall
Paula Calderon
Carrie Church
Janet Eremenko
Blake Gallacher
Claudia Hepburn
Rob Hindley



Scotiabank is committed to serving our diverse communities across Canada, and we're honoured to partner with an organization that truly values how essential immigrants are to Canada's future prosperity. We believe that our commitment to Windmill, will make a difference in strengthening the economic resilience of newcomers and contribute to the long-term growth of Canada."



- Dan Rees
Group Head, Canadian Banking, Scotiabank

Lorah Jensen
Katalina Kovesfalvi
Jon Lam
Christopher Lau
Merette Mathieu
Lindsay Morris
Jeni Piepgrass
Musenga Simwawa
Sarah Stuewe
Shannon Townsend

Gifts in Kind

Bennett Jones
JSS Barristers
The Printing House

