

HENRY R. KRAVIS PRIZE IN LEADERSHIP
AWARDED TO FAZLE ABED;
BRAC Founder Recognized
For Groundbreaking Work Helping the World's Poor

Claremont, Calif., February 20, 2007--Claremont McKenna College and the Kravis Leadership Institute announced today the selection of Fazle Abed, founder of BRAC, to receive the second annual Henry R. Kravis Prize in Leadership.

The Kravis Prize, which carries a \$250,000 award designated to the recipient's organization, honors extraordinary leadership in the non-profit sector. Mr. Abed was selected for his innovative work in microenterprise, health, and education.

The Prize is administered by Claremont McKenna College, the Kravis Leadership Institute, and Marie-Josée and Henry R. Kravis. Mrs. Kravis, an economist, is a Senior Fellow of the Hudson Institute; Mr. Kravis, founding partner of Kohlberg Kravis Roberts & Co., is an alumnus and a trustee of Claremont McKenna College.

"Today's outstanding leaders in the not-for-profit arena also possess many of the same skills required of the most effective entrepreneurs in the for-profit business world. The Kravis Prize was established to celebrate their vision, boldness, and determination," Mr. Kravis said. "Fazle Abed is such a leader."

Mr. Abed and BRAC

Fazle Abed founded BRAC in a remote area of northeastern Bangladesh in 1972 to provide relief and assistance to refugees returning from India after Bangladesh's Liberation War. Over the last 30 years, Mr. Abed has led BRAC's expansion across Bangladesh with a holistic and multifaceted approach to serving the poor. In addition to its work in Bangladesh, BRAC recently expanded operations into Afghanistan, Sri Lanka, Tanzania, Uganda, and Southern Sudan. Under Mr. Abed's leadership, BRAC has grown into one of the largest development organizations in the world, serving more than 100 million people and achieving extraordinary impact in reducing poverty and empowering the poor.

Today, BRAC operates major programs in microfinance and income generation, public health, education, and social development. BRAC's *microfinance program* currently assists over 5 million borrowers and has disbursed US\$3.8 billion to date in loans, with a 98% repayment rate. Through enterprise development, this program has created approximately three million new jobs. BRAC's *health program*, serving more than 80 million people, provides a wide range of preventive, curative, and rehabilitative health services. These range from basic health and nutrition assistance, to HIV/AIDS awareness and prevention, malaria mitigation, early childhood development, and neonatal health. More than one million children, 65% of whom are girls, are currently enrolled in over 20,000 pre-primary and 30,000 non-formal primary schools operated by BRAC's *education program*. BRAC's *social development program* promotes greater awareness of social, political, and economic issues, providing human rights and legal services, legal aid clinics, and platforms to discuss social and political issues affecting poor women in rural areas.

BRAC programs are unique in their quality and long-term sustainability. They empower BRAC participants to maintain improvements in economic well-being over the long-term. For example, the microfinance program allows borrowers to develop poultry-rearing enterprises that increase participants' incomes by 138%. Notably, BRAC generates nearly three-quarters of its annual budget (over US\$300 million in 2006) from its own operations and enterprises, including interest fees on micro-enterprise loans and revenues from craft shops, printing press, dairy projects, and various other enterprises.

Mr. Abed was born in Bangladesh and educated at Dhaka and Glasgow Universities. Prior to founding BRAC, he spent a number of years in the private sector as a Shell Oil executive in Chittagong. His background in management led him to instill numerous best practices from the private sector across the organization, especially in the areas of finance, research and development, program design, marketing, and human resources. In 2004, Mr. Abed received the Gates Award for Global Health and the UNDP Mahbub-ul-Haq Award for Outstanding Contribution in Human Development. Mr. Abed is also a Schwab Foundation Outstanding Social Entrepreneur.

Kravis Prize Background

Established in 2006, The Henry R. Kravis Prize in Leadership recognizes and celebrates extraordinary accomplishment and bold, visionary leadership in the nonprofit sector.

The Selection Committee, chaired by Marie-Josée Kravis, includes: Harry McMahon, CMC alumnus and Chair of the College's Board of Trustees, and Vice Chairman, Merrill Lynch & Co.; Sudha Murty, Chairperson, Infosys Foundation; Amartya Sen, Nobel Laureate in economics and the Thomas W. Lamont University Professor at Harvard University; Lord Jacob Rothschild, Chairman, Rothschild Investment Trust Capital Partners; and James D. Wolfensohn, Chairman, Wolfensohn & Company, L.L.C. and former President, The World Bank.

The Organizing Committee, led by Mr. Kravis, includes: Mr. McMahon; Peter Barker, member of the CMC Board of Trustees and advisory director, Goldman Sachs & Co.; Pamela Gann, CMC president; and Scott Miller, president, Six Sigma Academy, Aspen, Colorado.

While the Prize typically recognizes an outstanding individual, in exceptional circumstances the Prize may be awarded to an organization. The Prize is awarded annually based on nominations that are received from a group of confidential nominators. These nominators are selected on the basis of the breadth and depth of their knowledge of the nonprofit sector. Nominators are chosen internationally and from a variety of fields.

Nominations span a broad range of sectors in the nonprofit field, including economic development, public health, law/justice/human rights, education, and capacity building in the nonprofit sector as a whole. Selection criteria include boldness, innovation, creativity, consistency, persistence, and effectiveness in bringing a vision to fruition. Nominees are also evaluated based on their accomplishments in realizing the mission of an organization and demonstrating best practices in managing that organization.

In choosing a winner from the pool of nominees, the Selection Committee draws upon its own expertise, letters of recommendation from nominators, and expert evaluations assembled by the Prize staff. Nominees are assessed using carefully crafted quantitative and qualitative measures based on state-of-the-art analysis and evaluation methods. These measures are focused primarily on direct impact and achievement. The assessment framework also provides for a qualitative analysis of bold, visionary leadership and for review of financial stability and integrity, governance, and management stability. The Kravis Prize Selection Committee makes its final selection of a winner after reviewing extensive information and data within the context of this methodology. The recipient of the Prize receives recognition at an award ceremony and \$250,000 to be directed to the nonprofit organization of his or her choice.

The Kravis Leadership Institute (KLI), which co-sponsors the Prize, is central to the Claremont McKenna College (CMC) mission of preparing students for responsible leadership in business, the professions, and public affairs. KLI plays an active role in the education of CMC students by involving them in professional research on leadership research issues and by offering an intense, interdisciplinary leadership curriculum—combining classroom study with hands-on leadership experience. Through its academic research, model leadership development programs, broad leadership curriculum and systematic outreach efforts, the Kravis Leadership Institute has become one of the most recognized leadership programs in higher education.

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Claremont McKenna College is a highly selective, independent liberal arts college educating leaders in business, the professions and public affairs. A member of The Claremont Colleges, in Claremont, California, CMC is consistently ranked among the nation's best colleges. For further information regarding the Kravis Prize, please visit www.kravisprize.claremontmckenna.edu.

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