Maximise your impact

UBS Philanthropy Services
Welcome to UBS Philanthropy Services

We are a unique, award-winning1 offering that partners with you and your family to manage your philanthropy and maximise your impact. We provide comprehensive advice, insight experiences, and execution services, and employ an investment-based approach to deliver solutions to pressing social and environmental issues.

Globally, philanthropy is experiencing a period of unprecedented growth. The existing level of private philanthropic capital – at least USD 1.5 trillion2 – is expected to rise to USD 5 trillion by 2030. There are many reasons for this, and most are rooted in a growing awareness of the scale of the challenges before us and an understanding that traditional approaches and available resources are insufficient to solve them.

Working with clients locally, nationally and globally, we identify high potential initiatives and build long-term collaborations, connecting you with the resources and expertise you need to achieve significant, sustainable change. Our in-house foundation focuses on issues including health, education and protection of children – as these are some of the most effective funding areas for a lasting future – and pioneers new social finance models of giving such as development impact bonds. By offering direct access to these opportunities and networks, we enable you to tap into cutting edge advice, practical support and a community of like-minded peers.

Whatever your philanthropic goals may be – from tackling a specific disease or protecting the environment through giving something back – we are here to provide you with the expertise and support to maximise your impact. By understanding how and where your resources can do the most good, you can give with more confidence and make your philanthropic journey even more rewarding for you and your family.

An innovative approach to giving

One of the key factors that sets UBS Philanthropy Services apart is the way we apply the same rigour and resources to philanthropy that UBS uses for traditional investing. This robust, evidence-led approach has the dual effect of maximising the impact your philanthropic funding can have and reducing the chance of causing harm.

Avoiding harm
The first objective with any philanthropic activity should be to avoid harm. This recognises that poorly directed donations can do more than simply waste money; they can damage the people and communities they were intended to help. For example, poorly distributed insecticide-treated nets that ended up being used for fishing—instead of fighting malaria—put people and fish stocks at risk. In another case, heavily promoted and funded water pumping merry-go-rounds failed to work as water pumps because children lost interest in them, they were difficult for adults to use, and were expensive to install and maintain.

Driving measurable outcomes
Another key tenet of our investment-focused model is measurability—we track and quantify impact to guide all our decision-making, whether at the point of making an initial funding or when deciding the right moment to exit.

Solving the world’s most pressing social and environmental issues

Ending poverty, improving health and education, tackling climate change, spurring economic growth – there are many social and environmental problems that need to be urgently addressed.

The UN has established 17 Sustainable Development Goals that it describes as an ‘urgent call for action’ for all countries, both developing and developed. Yet with a USD 2.5 trillion annual investment funding gap, it is clear that a new, more collaborative approach is necessary. We believe that philanthropy at scale is best placed to catalyse profound change required to meet these goals.

- 1 billion people have no access to healthcare
- CO₂ emissions have risen by c. 50% since 1990
- 783 million people live beneath the international poverty line
- 3 in 10 people lack access to safely managed drinking water
- 617 million young people lack basic maths and literacy skills
The UBS Philanthropy Services platform

Developed over more than two decades, our platform provides access to the guidance and resources to manage your giving in the most efficient way while ensuring that it is doing the most good. It is based on three core pillars: comprehensive advice, insight experiences and execution services.

A global viewpoint
UBS Philanthropy Services connects you to an international network of expertise and support. With a team of more than 50 philanthropy experts in 12 locations, we can support you wherever your philanthropic objectives lead. We work closely with government bodies such as the United States Agency for International Development (USAID) and the Department for International Development (DIFID) in the UK, and alongside academic institutions such as Oxford, Stanford and Harvard universities. This breadth and depth of know-how makes sure that every piece of advice we offer is informed by the latest thinking and a clear understanding of the prevailing rules and regulations in each territory.
Support and guidance on every aspect of philanthropic giving

We provide comprehensive advice to clients and their families, whatever their philanthropic goals. So whether you are considering establishing your first charitable fund or wanting to review whether your current portfolio is tax efficient, our team of experts is ready to help.

As with venture capital, we need to find the right business model, evidence, partnerships and leadership to be successful. To do that, we take a disciplined, investment-like approach designed to minimise negative outcomes and maximise impact at scale.

A framework to drive impactful philanthropy:

- **Strategy**
  What are my and my family’s broad objectives?

- **Structure**
  Do I have the right giving vehicle?

- **Situation**
  What problems or issues would I like to address?

- **Solutions**
  How can I identify the projects that work and are cost-effective?

- **Sustainability**
  How can I sustain or exit from my investment?

- **Scale**
  Can the solution be scaled to maximise reach and impact?
We want you to be able to make the best-informed decisions about your philanthropy, and a key way we do that is by connecting people and providing insight through our global network. This can be anything from a report on the latest charitable giving tax rules through to an invitation to a networking event with fellow philanthropists.

Networking and ideas to optimise your strategy

Events
We host a number of philanthropy-themed events each year. Featuring insights from our own experts and other leading industry figures, they include our Philanthropy Forum series which explores the latest topics from across the sector.

Thought-leadership reports
Every year, we publish thought-leadership materials to bring you insights on everything from global trends to new giving initiatives. Based on research drawn from our UBS network and often produced in tandem with our academic partners, our publications include The Global Philanthropy Report, the most comprehensive analysis to date of philanthropic practices and trends.

UBS’s Global Philanthropists Community
The Global Philanthropists Community is an exclusive members-only network supported by UBS. Though a private online portal and dedicated gatherings, it connects active philanthropists who share similar interests.

Insights trips
Hosted by UBS Optimus Foundation, our insights trips offer the chance to see first-hand the projects we have chosen to support and help grow. Travelling with fellow philanthropists, you will meet frontline workers and beneficiaries, understand the challenges they seek to overcome, and see the impact the projects have. These trips are a great opportunity to share ideas and experiences and shape your plans. They are also a good way to show younger members of your family how wealth and philanthropy can make the world better.

Some quotes from clients who have joined our Insight trips:

“The projects were all amazing and really worthwhile to see, especially with background and in-depth discussions from founders and project directors.” – UK client

“The experience was inspiring, fun, informative, productive, and well-organised. The session with former President Ellen Johnson Sirleaf, and the mere fact that she took time to join us, is ample testament to the reputation you’ve all built for UBS Optimus.” – US client

“It was a real pleasure meeting you and sharing these intense moments with you...We had an exceptionally pleasant and informative trip and we will long be marked by what we saw. Thanks to you, everything was perfectly timed, went smoothly, and, seemingly, so easily – a real challenge, I am sure.” – Swiss client
In-house solutions to help you realise plans and scale impact

We offer a number of execution services, giving you flexible options on how you manage your philanthropic giving. They include structures which make it easier and more cost-effective to put your strategy into practice.

**Donor-Advised Fund**
A UBS Donor Advised Fund (DAF) is an effective way to establish a family foundation.

Quick to set up and simple in structure, a DAF can be managed in line with your usual investment approach. Your charitable donations are invested within the parameters you select, such as capital, growth or income, so you can grow your fund to make grants at a later date. Another benefit is the ability to take an immediate tax deduction for your contribution, even if it is granted to the beneficiary charity later.

Please speak with your UBS contact to find out if a DAF is available in your region.

**The UBS Optimus Foundation**
The Foundation connects you with inspiring entrepreneurs, new technologies and proven models that are making a measurable, long-term difference to the most serious and enduring social and environmental problems. The only client-facing Foundation linked to a global wealth manager, UBS Optimus Foundation has a long track record and is recognised globally as a philanthropic thought-leader.

We take an evidence-based approach and focus on programmes that have the potential to be transformative, scalable and sustainable. This gives you the reassurance that you are funding innovative projects that have a stronger chance of achieving all-important systemic change. UBS also makes matching contributions to the Foundation, ensuring that your donations will go even further.

**Our key focus areas:**
- **Health:** frontline health, safe surgery and paediatric cancer
- **Education:** education in displacement, skills for social mobility and scale delivery innovation
- **Protection:** anti-child trafficking and slavery, and families not orphans
- **Environment**: conservation and climate change

**Collective Portfolios**
Our managed Collective Portfolios allow you to invest in a ready-made ‘fund’ of child health, education or protection programmes that we have selected for their impact and scalability. As well as being a fast and easy route to investing, this is an excellent way to leverage your giving power with that of the wider UBS community.

**Creating a tailored portfolio**
If you are passionate about an issue we are not already working on, we can develop a tailored portfolio that leverages our expertise to identify impactful and sustainable solutions anywhere in the world. Our in-house team will manage the process – from strategy and due diligence to reporting and contracting – at no additional cost to you.

**Making your giving go further**
We collaborate with our extensive network of global partners to generate matched funding, leveraging donations you make. Also, UBS covers all costs of UBS Optimus Foundation, making sure that 100% of client money goes directly to fund the important work of improving lives.

**Sustainable and impact investing**
A further option is to integrate your philanthropic goals into your wider investment strategy. This will make sure that environmental and social issues, for example, can be factored into your investment decision-making and shape the make-up of your portfolio.

*Risk warning:* The value of investments may fall as well as rise and you may not get back the amount originally invested.

* *Coming end of 2019. This offering may not be available for your region – please contact your Client Adviser for more information.*
UBS Philanthropy in action

Health
World Child Cancer
A UBS Optimus Foundation partner.*
A model for diagnosis and treatment of childhood cancer in Africa.

Problem
Childhood cancer is largely curable – in developed countries, more than 80 percent of children survive. Yet in the developing world, survival rates are as low as 10 percent due to a lack of trained healthcare workers specialising in childhood cancer care and low awareness of the symptoms. As more children survive early childhood, the number of children who develop cancer in sub-Saharan Africa is likely to rise considerably over the next generation.

Response
To improve the quality of cancer care for children, World Child Cancer will develop West Africa’s first Centre of Excellence for paediatric oncology. It will provide a regional training hub for paediatric oncologists across sub-Saharan Africa, with high-quality facilities and improved skills acting as a model to demonstrate how childhood cancer can be treated successfully and cost-effectively in similar settings.

Planned impact
– Increase one-year survival rates to 70%
– Provide access to improved paediatric oncology services for over 2,000 children in Ghana
– Meet increasing demand for cancer treatment in the region

Education
The Luminos Fund
A UBS Optimus Foundation partner.*
Finding new ways to give out-of-school children a second chance.

Problem
In Ethiopian Government schools, the pupil/teacher ratio is 55:1. Lebanon, which has a population of 6.8 million, is hosting at least 244,000 out-of-school children from Syria, adding strain to an already over-burdened public school system. In Liberia, civil war and the Ebola outbreak have contributed to the second-highest rate of out-of-school children in the world, with 56% of primary-school-age children not attending.

Response
The Luminos Fund has developed best-in-class education innovations to help the children in greatest need. A key innovation is the Speed School – a three-pronged solution that provides children who have been kept out of school a second chance at an education. This innovative child-centric teaching uses activity-based learning methods to cover the first three years of the national curriculum in just 10 months.

Impact
– The Luminos Fund reached 14,250 children in Ethiopia in 2017, 3,600 in Lebanon by 2019 and will reach 40,000 in Liberia by 2022
– It will help them to enter the formal education system and will also engage family members and educators

Social finance
Championing initiatives that maximise impact

UBS Optimus Foundation has been a pioneer in the social finance space. This approach seeks ‘impact’ first, and often entails greater financial risk than investing in mainstream assets. In fact, impact bonds or loans for impact are a way to drive financial returns that are directly linked to actual social impact.

Social finance is best suited for clients who seek an ultimate impact from their capital that is strongly aligned with the goals of the investment.

An example investment
Development Impact Bonds (DIBs) are results-based contracts in which private investors provide financing for social programmes on a pay-for-performance basis. Outcome funders, like USAID, pay back the principal plus a return if the programme delivers externally evaluated social outcomes. At scale, outcome funding has the potential to better utilise donor and government funding by shifting risk to private funders and allowing outcome funders to only pay if results are achieved.

Protection
Hope and Homes for children
A UBS Optimus Foundation partner.*
Bringing children back home.

Problem
There are an estimated 2.7 million children in residential care, and a great many of them are not orphans. Neglect experienced in such institutions has been shown to impair brain development and can lead to severe cognitive and behavioural deficits.

Response
Hope and Homes helps institutions to transition children to family-based care where they can grow up in a safe and loving environment, while the institutions themselves are transformed to provide support to these families and communities. As well as working with governments to directly implement its model in countries such as South Africa and Rwanda, Hope and Homes is also building the capacity of other organisations such as Child’s Foundation in Uganda and Forget Me Not in Nepal.

Planned impact
– End the use of institutional care for children aged 0–3 years across 129 institutions in the Gauteng Province, South Africa
– Train 500 foster care families who will be registered in a foster care bank
– Transition more than 6,000 children in institutions into family-based care
– Develop capacity of social workers to monitor well-being of children in families
– Repurpose institutions to provide support to children in families and communities

*UBS Optimus Foundation collaborates with philanthropic investors, service providers and others, but such relationships are not partnerships in the legal sense of the term and nothing in this document, including the use of terms such as “partner” or “partnership,” should be construed as giving rise to such an inference.

1 World Health Organisation
2 http://uis.unesco.org/en/country/et
3 http://data.worldbank.org/country/lebanon
4 http://www.unicef.org/en/knowledge/education
5 http://uis.unesco.org/en/country/lr
7 SD Pollak (2010), Neurodevelopmental effects of early deprivation in post-institutionalized children.
Find out more

If you would like to know more about UBS Philanthropy Services and how we could work together to further your goals, please contact your Client Adviser or visit ubs.com/philanthropy
Footnotes:

2 Accolades are independently determined and awarded by their respective publications. Neither UBS Financial Services nor its employees pay a fee in exchange for these ratings. Accolades can be based on a variety of criteria, including length of service, compliance records, client satisfaction, assets under management, revenue, type of clientele and more. For information on a particular rating, please visit ubs.com/us/en/designation-disclosures.
6 Transforming our world: the 2030 Agenda for Sustainable Development, 2015. The Sustainable Development Goals are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. They address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.
7 Transforming our world: the 2030 Agenda for Sustainable Development, 2015.
8 The value of the investment can go up as well as down. The capital is at risk.
9 Neither UBS Services Inc. nor any of its employees provide legal or tax advice. Please consult with your legal and tax advisors regarding your personal situation.
14 SD Pollik (2010), Neurodevelopmental effects of early deprivation in post-institutionalized children.

Disclaimer

This document is issued by UBS Wealth Management, a division of UBS AG which is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. In the United Kingdom, UBS AG is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Where products or services are provided from outside the UK, they may not be covered by the UK regulatory regime or the Financial Services Compensation Scheme. UBS AG, Jersey Branch is authorised and regulated by the Jersey Financial Services Commission for the conduct of banking, funds, trust and investment business. Where services are provided from outside Jersey, they may not be covered by the Jersey regulatory regime or the Depositors Compensation Scheme.

UBS AG, Jersey Branch and UBS AG, London Branch (which is registered as a branch in England and Wales; Branch No. BR004507) are both branches of UBS AG a public company limited by shares, incorporated in Switzerland whose registered offices are at Aeschenvorstadt 1, CH-4051 Basel and Bahnhofstrasse 45, CH 8001 Zurich.

UBS AG, Jersey Branch’s principal place business is 1 IFC Jersey, St Helier, JE2 3BX.

This document has been prepared solely for marketing and information purposes and is not intended as a recommendation, an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. Although all information and opinions expressed in this document were obtained from sources believed to be reliable and in good faith, no representation or warranty, express or implied, is made as to its accuracy or completeness. All information and opinions as well as any prices indicated are subject to change without notice and the asset classes, the asset allocation and the investment instruments are only indicative. At any time UBS AG and other companies in the UBS Group (or employees thereof) may have a long or short position, or deal as principal or agent, in relevant securities or provide advisory or other services to the issuer of relevant securities or to a company connected with an issuer.

UBS provides restricted advice on retail investment products which is based on the products issued by a limited number of companies which we have carefully selected and assessed as suitable for our clients’ needs. UBS may also provide restricted advice in respect of packaged products such as life contracts, pensions and regulated collective investment schemes.

UBS does not give tax, legal or accounting advice and you should consult your independent advisers for specific advice based on your specific circumstances before entering into or refraining from entering into any investment.

This document may not be reproduced or copies circulated without prior authority of UBS. This document is not intended for distribution into the US and/or to US persons or in jurisdictions where its distribution by us would be restricted.