Changing the game. Together.

Annual Review 2017 UBS Optimus Foundation
In this year’s Annual Review many of our pictures come from communities in Cape Town, South Africa. They show children and their families benefiting from programs funded by the UBS Optimus Foundation to give you an insight into the kind of environments in which we operate. Our partner Ilifa Labantwana, which facilitated the taking of these photographs, aims to provide quality early childhood development services at scale in South Africa, with a particular focus on the poorest 40% of the population under six years of age.

**Photos** | Martin Rüetschi (p. 4, 8, 9, 16, 19, 29, 42), Right to Play (p. 1, 34, 35), Mobile Creches (p. 20, 21), The Freedom Fund (p. 22, 23), Living Goods (p. 24), Last Mile Health (p. 25), Yeh Family Philanthropy (p. 26, 27), Project Ujjwal (p. 30), Impact Water Uganda (p. 32, 33).

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What can I do to get the most out of my giving?

What programs offer the best innovations for helping children?

How do I know if my donation is making a difference?

How can I make my voice heard?

How do we get more people involved?

How do I know if my donation is making a difference?

Who shares my passion?

How can our family giving make a lasting impact?

Where can I find some expert advice?

How do I know a charitable program is a good one?
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Dear reader,

We accomplished a great deal in 2017, raising CHF 61 million and reaching 2.1 million children. This outstanding performance is testament to the generosity and foresight of our donors, the passion and professionalism of our team, and the hard work and dedication of our inspiring partners in the field. Nonetheless, we remain driven to do even more, even better.

At the UBS Optimus Foundation, we’re committed to harnessing the power of partnerships with philanthropists, organizations and governments to drive bold change that improves the lives of children. We’re not content with giving that merely hopes for change – we’re constantly looking for ways to achieve better social outcomes by giving strategically. Similarly, we’re not satisfied with the amount of money that is active right now in driving change – we aim to mobilize private capital and bring it to bear effectively and efficiently to address critical social challenges. Connecting like-minded individuals together around these aspirations, we can unlock opportunities and overcome obstacles that are impossible for any one entity or individual to address alone.

To these ends, in 2017, we reshaped the way we work around two focal points: philanthropic programs and social finance. With our philanthropic programs, we find and foster innovations from nonprofit and change agents that deliver bold social outcomes across the world. And we amplify impact by working alongside our philanthropist partners, providing leverage through our expert staff, networks and resources. With social finance, we increase our philanthropic strength by leveraging UBS’s financial expertise. Innovative financing mechanisms can rapidly accelerate the scale of successful interventions by bringing philanthropists together with businesses, nonprofits and governments in results-based partnerships. We believe these mechanisms truly have the potential to transform how development happens and harness significant levels of funding.

Through our philanthropic programs and social finance, we’re proving we can add tremendous social value through collaboration. The following are just some examples of how we are achieving powerful results by working together.
In November, we launched the Utkrisht impact bond, the world’s largest development impact bond (DIB) to date and the first in maternal and child health. This DIB supports government efforts to improve health care in private facilities in Rajasthan, India, which has some of the highest maternal and newborn death rates in the world. We also published the final results of the Educate Girls DIB, the world’s first DIB in education, which pioneered a new way to encourage private sector investment to fund development programs and was 100% focused on measurable impact. The results speak for themselves: the Educate Girls DIB achieved 116% of the enrolment target and 160% of the learning target in its final year.

Our partnership with Yunus Social Business, the Rockefeller Foundation and Impact Water has yielded the first social success note, an innovative pay-for-performance financing solution to drive return-seeking capital to social businesses looking to address the world’s most entrenched challenges. Using a concessional loan conditional on achieving impact, the social success note will deliver clean drinking water in schools across Uganda, ultimately benefiting more than two million children through better health, enabling them to learn and fulfill their potential.

We’re also collaborating with the Freedom Fund in its fight against child trafficking and modern slavery. The Freedom Fund brings private philanthropy to the front line of the grassroots organizations fighting trafficking in their own communities. And it maximizes impact by bringing those organizations together around collective objectives.

In 2017, we joined forces with a group of leading philanthropists on The Collaborative hosted by UBS, a joint initiative between the Foundation and UBS’s UHNW Philanthropy Center. This collaboration is already bearing fruit, with commitments for an initiative to bring digitally-enabled health care to some of the most underserved regions in Africa.

We continue to realize other opportunities for collaboration that see the best of UBS supporting the Foundation’s philanthropic expertise. For instance, we have worked with the UBS Investment Bank in launching a series of breakthrough investment-themed products aligned to the 17 United Nations Sustainable Development Goals (UNSDGs). In this unique collaboration, a guaranteed part of the revenues will be reinvested as philanthropic contributions managed by the Foundation.

We take great pride in the fact that an ever growing number of UBS clients and employees recognize the value of our work and see us as their philanthropic partner of choice. Their passion combined with our expertise is making a difference in the lives of vulnerable children. We will continue to work closely with philanthropists and our frontline partners to make sure programs are delivering impact, driving forward even greater collaboration. And we remain focused on seeking out new and innovative ideas that have the potential to deliver transformative, scalable and sustainable benefits to the lives of even more children.

We hope you find our annual review 2017 an interesting, informative and inspiring read.

Best regards,

Sergio P. Ermotti
Chairman of the UBS Optimus Foundation Board of Directors

Phyllis Costanza
CEO, UBS Optimus Foundation
Our achievements at a glance

In 2017, we raised CHF 61 million from our donors to improve the lives and futures of 2.1 million vulnerable children globally.

Health

1.3 m

children benefited from interventions that cure disease or prevent illness

40,000

health professionals trained to provide vital health care

Education

369,000

children benefited from improved learning outcomes

40,000

education professionals trained to help children fulfill their true potential
Child protection

28,000 adults educated and counseled to better help children

63,000 children growing up in safer, more nurturing environments

Early Childhood Development

38,000 caregivers educated and counseled in crucial early childhood programs

357,000 young children enjoyed a better start in life
Uniquely positioned
What we bring to the table to drive transformation

People get involved in philanthropy for a variety of reasons. But all too often philanthropists find that it’s not that easy to make a real difference. Effective philanthropy demands an intimate understanding of the issues. It takes time and resources to establish facts and measure results: finding the right program, balancing risks and social returns. And knowing that funds are being well spent is not straightforward. That’s where we come in.

We start with knowledge. We have conducted detailed landscaping studies in the areas of child education, health and protection to identify the levers of change and opportunities that will make a real difference. Based on this understanding, and often building on our existing relationships with partners and our extensive networks, we search for interventions and partners who offer something special. This can be an inspiring entrepreneur or a new technology or intervention model that bridges a gap that’s preventing children from surviving and thriving.

Expertise
UBS is unique in the financial industry in having a global foundation staffed with philanthropic experts who use their know-how and experience to select, monitor and guide program partners – so programs can grow and improve the future of as many children as possible.

Transparency
We can account for all our funding and its impact because we require detailed reports on previously agreed targets for success. If issues are identified, we move swiftly to help partners resolve them and get back on track.
We’ve been investing in promising programs for almost two decades and it’s paying off. From the world’s first development impact bond in education to scaling up organizations that use mobile technology to transform community health, our programs are succeeding. And children around the world are benefiting from it.

**Track record**

We know philanthropy. UBS knows finance. By leveraging the core competencies of UBS, we can bring philanthropists and financial experts together to collaborate in solving the world’s problems.

**Financial know-how**

We take our clients’ philanthropy personally. And we believe in collaboration. By working together with philanthropists on issues they care about, we are able to provide the expertise, networks and platforms to maximize impact in improving the lives of children.

**Personal approach**
Choosing for maximum impact

The questions we ask before supporting programs

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<td>Addressing needs</td>
<td>Innovation</td>
<td>Evidence</td>
<td>Capacity strengthening</td>
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<td>Does this opportunity address needs of vulnerable children? How is their voice heard?</td>
<td>Is this opportunity unique and differentiated from existing initiatives? Can this program catalyze a significant change in thinking, bringing the field forward?</td>
<td>Is there sufficient data in the area to ensure positive impact and wider-scale adoption? Is there an ongoing assessment process in place?</td>
<td>Will this opportunity help to strengthen local capacity and/or build required infrastructure?</td>
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"Bridge the gap"

Is this a high-need area that is receiving insufficient attention?

Does this opportunity leverage or involve complementary resources?

Sustainability

Will this opportunity contribute to improved policy and practice to ensure lasting benefits?

Will there be lasting positive outcomes for vulnerable children?

Only a very small number of programs meet our tough standards. We find the gems that have the potential to be truly transformative, scalable and sustainable – so that our donors’ generosity goes as far as it possibly can.
Achieving powerful results through partnerships*

How we get the most out of our programs

Managing for success

We’re in constant dialogue with our partners, helping them make adjustments where needed and find the best way forward. Through rigorous key performance indicator (KPI) assessments, we make sure the program is reaching its targets. We’re always looking at the potential for a program to scale and achieve sustainability, while paying close attention to any risk factors.

Meticulous attention to data

We don’t expect people to accept our word on a program’s success. That’s why we work with independent, external evaluators to determine through rigorous assessment whether a program is delivering the maximum possible impact for children.

Our results in 2017 at a glance

We supported over 100 programs worth approximately CHF 170 million across the world to find the smartest and most effective approaches to improve children’s well-being.

70% of grants were expected to deliver on anticipated outcomes.

81% of our grant programs completed last year achieved their targeted outcomes.

*Clearinghouse**
Planning for enduring impact

We’re looking for lasting change. Toward the end of the program’s timeframe we look at scaling it to reach more children in more places, often with the help of third-party funders who have been attracted by the program’s success. We may also look at the possibility of using the program’s success to influence national policy changes. But we also know when to phase out programs – either because the potential to multiply impact is absent or because the desired impact has been achieved.

We’ve selected and added to our portfolio more than

40 new programs – all of them at a stage where we can really add value and bring promising interventions to scale.

We support innovative programs to achieve social change. By seeking and funding innovative programs with groundbreaking ideas, we take calculated risks. And as a result not all of our programs are always 100% successful.

77% of our open grant programs in 2017 are meeting their KPIs.

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Our focus on achieving social returns

Social impact can be pursued in a variety of ways, from traditional charitable giving to sustainable investing. The UBS Optimus Foundation is specifically focused on social returns – in particular, social outcomes that benefit vulnerable children. We help our donors improve the impact of their giving by being strategic about where it is focused. To that end, our two focal points are strategic philanthropic programs and innovative social finance programs.

Our philanthropic program approach differs from traditional charitable giving by having a robust strategy for achieving impact. Initial giving is just the start. By collaborating with our carefully chosen partners and engaging rigorous assessment practices, our programs can achieve the greatest results for children.

Our social finance approach prioritizes social returns, with the possibility of financial returns that will be used again for other programs. The use of social financing instruments aims to attract more money to philanthropy to fuel greater impact, to align the interests of donors, program partners, program recipients and funders.
There’s no shortage of social problems that need to be addressed. You may have a particular cause you want to support, but finding the best programs to achieve your goals can be daunting. Where are the programs with the most promising innovations? And how can you find others that share your goals in order to magnify the positive impact on children’s lives?

The UBS Optimus Foundation has the answers to these and other questions philanthropists ask. We know that effective philanthropy demands an intimate understanding of the issues. But it takes time and resources to establish the facts and evaluate results. And to maximize impact, programs need to be scalable and sustainable. That’s why our philanthropic programs focus on supporting innovation, maximizing measurable results, encouraging collaboration and leveraging expertise.

**Supporting promising innovations**
We’re always on the lookout for promising new interventions that benefit children. We only select programs with the potential to be transformative, scalable and sustainable in the areas of child health, education and protection.

Using our detailed landscaping studies and extensive networks, we search for interventions and partners offering something special. With strategic support from our team of experts, we can help create the evidence that will allow them to scale up. Sharing what we’ve discovered with our philanthropists allows them to get behind good ideas early on, ones with great potential that they might not have heard about otherwise.

**Amplifying client philanthropy**
The Foundation partners with philanthropists who share our vision by co-funding high-impact programs. Pooling our resources allows us to fund larger-scale programs that deliver transformative results.

Philanthropy focused strategically on results
Thus, we can amplify their philanthropy not only through shared funding but also by raising awareness, which can unlock further action and resources. With access to a network of other philanthropists and leading influencers, as well as a commitment to scale, our collective impact is therefore greater.

Bringing shared passions together
The social issues we face today are too large and complex for individuals – or even organizations – to tackle alone. Collaboration is vital if we are to make progress, and that’s why we seek to bring like-minded individuals together around issues of mutual importance. Our philanthropists know they need to partner to go big. And we can help. In many cases we can identify other philanthropists and grant partners interested in similar issues and provide a forum for collaboration toward a common goal.

We have the organization, ideas and portfolio management skills to allow groups of philanthropists to give together around bold strategies for change on children’s issues. Through this collaboration, multiple philanthropists share in decision making and co-create for joint impact. Working together, the contributions from each philanthropist can go much further.

Personalized support for giving
As an individual or family philanthropist, you may know the change you want to see in the world, but it can be an overwhelming and time-consuming undertaking to get there. We have experts who guide our donors with extensive, personalized support for strategic giving, philanthropic investment opportunities and portfolio evaluation and management.

From landscape analysis to monitoring, from strategy development to capacity building, we help philanthropists achieve their goals. With the expertise and experience needed to help identify partners and establish effective monitoring, our donors can focus all their energy on achieving their vision.
Scaling through working together

A model for improved early child care in urban India

An innovative grant for vulnerable children

There are 400 million migrants in India. As a result, approximately 10 million children who live around construction sites and in slum settlements are in desperate need of care. In Delhi alone, there are 100,000 children under the age of six who have no or inadequate access to reliable, safe and affordable child care. That’s the bad news. The good news is that Mobile Creches is doing something about it.

Over the past two years, Mobile Creches has demonstrated that its day care programs to help children thrive can be scaled in partnership with employers, civil society organizations and local state agencies. Rather than expanding its own day care delivery efforts, Mobile Creches is working with local organizations to help them meet local demand and engaging with construction companies to share costs. It is working to take this social franchise model to scale, building a consortium of like-minded organizations and individuals. The goal is to expand access to quality child care for marginalized children at construction sites and other vulnerable settings across urban India.
Interview with Sumitra Mishra
Executive Director, Mobile Creches

“For 50 years, Mobile Creches has been the leading voice for early childhood development (ECD) in India. And from the start, everything we have done has had the bigger picture in mind. Our objective has always been to document our practices, learn from our experiences and then add to policy recommendations.

At the center of what we do are the crèches, or day care centers, in vulnerable communities such as construction sites. For years we’ve been setting up programs that take care of the health, nutrition, early learning, safety and care requirements of children. We engage with the local community, including the people living at the construction sites of Delhi, working in collaboration with businesses, civil society organizations (CSOs) and government to maximize our impact.

Our partnership with the UBS Optimus Foundation has propelled us into our current strategic period in two ways. First, the Foundation helped us move beyond managing crèches to position Mobile Creches as thought leader. Second, it helped us create our first-ever management and evaluation framework for capturing ECD data.

This partnership has already helped us have greater influence over government policy. With aligned partners, we built and strengthened community groups across Delhi that monitor the government-mandated ECD centers, known as Anganwadi centers. Then we invited the government to come hear about our experiences. The result? Last September, the government issued a notification that 1,000 community groups must be set up across Delhi, and we received a special request to help strengthen the capacity of these groups.

Another example of how we have moved further into a knowledge and advocacy role is the change in how we partner with CSOs. The next step toward sustainability is to prepare CSOs to negotiate directly with builders. During our three-year partnership with the Foundation, we already have one CSO who has negotiated successfully with a builder to set up several day care centers.

Over the last five years, we have gained experience in transferring knowledge through the social franchising model. Our goal is to transfer knowledge to other worksites like tea plantations and factories. Eventually, our plan is to focus on providing the standards for quality child care and development services for others so that many more ECD advocates champion the cause of young children.

Our partnership with the Foundation has been a fantastic journey. It’s helping us move from being a good implementer to becoming a great influencer in ensuring the right of every child to get access to early childhood care.”
A fight for freedom

Bringing partners together to end slavery

The Freedom Fund is a leader in the global movement to end modern slavery. It brings together the most effective community-based organizations into a network of hotspot programs. And it tackles the underlying systems that allow slavery to persist by engaging government, the private sector, media and social movements.

Through work in six operational hotspot programs, the Freedom Fund has offered access to recovery services, placed over 34,000 at-risk children in school, assisted in over 2,400 legal cases and helped start over 10,000 microenterprises. Support from the UBS Optimus Foundation, through the generosity of several donors, will help the Freedom Fund expand its central Nepal hotspot program, by piloting and providing evidence for the most effective approaches to reducing the sexual exploitation of children.

46 million people are enslaved around the world.

66% of the world’s sex trafficking industry is in Asia.

Half of all workers in the commercial sex industry are children under the age of 18.
Interview with Dan Vexler
Director of Programs, The Freedom Fund

“In working to end modern slavery, we’re focusing on a few hotspots where slavery is really concentrated and prevalent. What we do through our hotspot programs is fund and support frontline organizations closest to the problem who understand the issues, speak the local language and have the trust of the community. Working together, these organizations are able to have greater impact.

We have staff on the ground who bring the organizations together every couple of months to share best practices and refer cases to each other. Most importantly, we’re trying to build a civil society movement to impact the deeper systems behind slavery.

In the last decade, the Kathmandu Valley has seen an explosion in the number of adult entertainment venues. The best available data estimates that at least 13,000 women and girls are working in the sector, two-thirds of whom started under the age of 18. The girls typically are recruited from poor, rural families and leave for Kathmandu with no idea that there is sex work involved. They only realize once they are there, and then often find themselves in debt and under the control of the employer.

The central Nepal hotspot program aims to prevent the commercial sexual exploitation of minors by doing three things: First, we’re trying to give these girls a way out of this industry by supporting organizations on the ground who offer shelters, counseling and job training. Second, we’re trying to reduce demand for children in adult entertainment by lobbying the government, funding prosecutions and developing media campaigns. Finally, we’re working in source communities to educate girls about how to avoid commercial sexual exploitation in the first place.

The UBS Optimus Foundation’s contribution to our work transcends simply raising funds. It is unique in its desire to accelerate change and innovate.

Our goal is not to start hotspots everywhere in the world. We’re trying to demonstrate what can work with the right resources and approach. We want to demonstrate workable solutions in Nepal and, together with the Foundation, bring in investors to scale them and replicate them in other places.”
More effective together
Collaborating for improved community health

In 2017, community health workers were recognized during the Goalkeepers events hosted by the Bill & Melinda Gates Foundation as accelerators that can help to drive progress toward the UNSDGs. Our partners Last Mile Health in Liberia, Living Goods in Kenya and Uganda, and Possible Health in Nepal are three of those groups that have promising community health models and are working together to maximize their potential impact and to inform both national and international guidelines.

**Saving lives door-to-door in Africa**

A partnership with Living Goods, Last Mile Health and visionary philanthropists will support the scaling up of digitally empowered community health workers across Africa. The partnership grows out of The Collaborative hosted by UBS, an initiative of the UBS Optimus Foundation and UBS’s UHNW Philanthropy Center, which aims to encourage collaboration in supporting the UNSDGs.

Living Goods and Last Mile Health share a vision: to transform community health in the world’s hardest to reach places. They aim to galvanize more than 49,800 digitally empowered community health workers providing on-call home health care to over 34 million people in Africa within four years. Research proves this approach reduces child deaths by over 25% for the unbelievably low cost of under USD 2 per person a year.
**Living Goods** supports official government health workers, empowering them as entrepreneurs by paying for performance from the retail margin on its health products, plus small impact-tied incentives. Because the business model recovers 100% of the cost of the products and generates margin to pay the health workers, the remaining yearly cost is less than USD 2 per person. In the last two years, Living Goods more than tripled in scale to support over 6,500 community health workers in 75 districts, reaching over six million people.

**Last Mile Health** assists governments to design, scale and sustain national networks of community health workers in rural communities. It has proved the effectiveness of its system by supporting over 2,000 community health workers in Liberia. Last Mile Health is now helping the government to train and equip over 4,000 more, extending community care to over one million people currently without access to any health care services. Last Mile Health has helped Liberia create a financing plan, which has mobilized USD 30 million in domestic and international government funds, to fund community health workers over the next seven years.

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**Interview with Chuck Slaughter**  
Founder, Living Goods

“Living Goods and Last Mile Health share a common vision to leverage mobile technology to transform community health on a game-changing scale. But we are also complementary leaders.

I have experience in building successful businesses from scratch. Raj Panjabi, co-founder and CEO of Last Mile Health, is a medical doctor and adept at partnering with governments. Living Goods is strong in East Africa, while Raj has had success in West Africa. Both our organizations share the same core methods, but we employ multiple approaches to managing and scaling networks. Having more than one path to scale increases the odds of achieving national impact in diverse countries, since local policies and economics vary widely.

We deliberately seek to partner with individuals and organizations that can bring expertise and networks. The UBS Optimus Foundation and philanthropists’ know-how and connections increase the odds that we deliver success at scale. Our achievements to date have been driven by smart, flexible funding that came mostly from successful entrepreneurs and investors. This unrestricted funding allows Living Goods to test new ideas quickly (and walk away from experiments that are not working).

We need partnerships that bring together the very best practices from both the private and public sector. From the private sector we need speed, innovation, and accountable performance management. From the public sector we need the reach, policy power, and political will to move the UN Sustainable Development Goal agenda forward. And, importantly, we need innovative financial partnerships that use financial resources most effectively while deftly minimizing risks. These funding innovations span the range from results-based financing, through impact bonds and insurance to matching mechanisms.

We’ve learned several important lessons from collaborating with others:
- Seek partners who are strong where you are not, and build your collaboration to leverage your comparative strengths.
- Bring an open, inquiring mind-set to every partnership. You always have something to learn from your partners.
- There is no limit to what you can accomplish when you give credit to others (I find this wisdom applies equally well to marriage and parenting!).”
Strategy support
Helping a foundation improve education in China

A family foundation with a focus
The Yeh Family Philanthropy (YFP) has a specific mission: to develop promising young minds through education and social entrepreneurship. YFP supports a variety of programs, including Nurturing Social Minds, the S.M.A.R.T. tutoring program in Hong Kong, a Stanford University research fellowship and Teach For China.

In 2017, YFP began partnering with the UBS Optimus Foundation to support the teacher training and professional development of Teach For China’s fellows. With the Foundation’s help they also developed an ongoing evaluation study with Stanford University’s REAP (Rural Education Action Program) to explore the effectiveness of volunteer teacher programs in China. YFP is a believer in not only working with its grantees, but also partnering with like-minded organizations to leverage expertise, networks and resources.

Teach For China (TFC) is an educational nonprofit organization committed to closing the education gap in China’s under-resourced rural communities. TFC works to eliminate educational inequality by enlisting promising future leaders from China to join a two-year fellowship and teach students in elementary and middle schools in rural China.

The Rural Education Action Program (REAP) is a Stanford University research organization dedicated to discovering the causes of poverty in rural China and creating simple, yet effective solutions in education, health and nutrition policy.

A fully equipped school in rural China to fight inequality.
Interview with Yvette Yeh Fung
Chair, The Yeh Family Philanthropy

"Prior to the establishment of our family foundation, most of our giving was done individually and was fairly passive. Our focus on education is part of the family legacy. My father felt that if he had not been given a chance to go overseas and study through a scholarship, he wouldn’t have had the same opportunities or been as successful.

In 2010, UBS invited us to the Bank’s Philanthropy Forum in Singapore, where we learned about strategic philanthropy, venture philanthropy, and social entrepreneurship – concepts that were new to us, but really resonated.

We became acquainted with the UBS Optimus Foundation several years later. We were impressed by our conversations with the Asia director and his background as an aid worker – he understood what was happening in China, in particular in terms of children’s education and development.

We had already made a small grant to Teach For China, but the Foundation really helped us envision what was possible. Because we’re small, it’s not like we have a whole team on the ground and all the knowledge needed. We don’t always need or want to be doing our own thing, and we felt the Foundation team could provide us with the support we needed. Right now, we’re partnering with the Foundation to focus on monitoring and improving Teach For China’s professional development conferences.

If you had asked me before our family foundation was formed if we’d be where we are today, I wouldn’t have imagined it. Because the UBS Optimus Foundation has subject matter experts, those resources can be brought to bear on areas that we wouldn’t otherwise have access to. And they have been able to help us leverage resources through co-funding.

We’re about to launch a three-year partnership that will help us identify where we want to focus our efforts on, with the ultimate goal of driving policy change. Through several conversations with us, the Foundation identified four different programs focused on various age groups so that we can see what interests us. Ultimately, we have to decide, but they provided a framework for us to have the discussion and make the right decisions.”
Effective, impactful philanthropy has already shown it can benefit children worldwide in the areas of health, education and protection. But it’s not enough. It’s estimated that an extra USD 2.5 trillion is needed each year until 2030 to achieve the UNSDGs. With traditional funding flows under pressure, where is this money going to come from? And how can we make sure it’s used effectively?

We’re committed to improving children’s lives and improving the efficiency of the development sector. Central to that, we are using innovative social finance solutions. But for these solutions to become widely accepted and sustainable, more resources are needed to scale them up and establish a base of evidence that they really work. Such innovative social financing mechanisms can help us attract new actors and much needed sources of private finance to help scale up development programs focused on results rather than activities. And it enables us to be at eye level with our partners.

Using all our assets
We are uniquely positioned to grow the new social finance space. Our donors tell us they want better ways to achieve more effective and extensive impact. To that end, using the financial expertise of UBS with our philanthropic expertise, we are developing new financial tools to meet the needs of philanthropists and child beneficiaries around the world.

With the value of global capital markets over USD 200 trillion, private investment capital offers an opportunity to help bridge the gap in solving the world’s most pressing social problems. As social finance is a relatively new area within the development sector, we and philanthropists have an important role to play in supporting the growth of a new ecosystem that promotes understanding, acceptance and greater use of social finance mechanisms. In short, we are looking to establish an environment with the right conditions to attract more private capital to innovative social finance mechanisms that offer social impact as a priority, repayment of principal and potentially a recyclable financial return.

The tools of social finance
In bringing much needed financial expertise to the philanthropic space, we support programs that can attract private capital and incentivize investment without distorting functioning markets. As part of our work in building the social finance ecosystem, we’re working on many options including the development of innovative financial mechanisms like development impact bonds (DIBs) and impact loans.

DIB structure
DIBs are one example of results-based financing, where the focus is 100% on results achieved. DIBs link payments to outcomes achieved, thereby channeling more resources to programs that work:

- The social investor pays for the costs of an intervention, which is then measured by predetermined metrics.
• If the intervention succeeds in achieving its goals, the outcome payer will pay the social investor based on the performance, a return that is then reinvested into further impactful development programs.
• And, as an incentive, a portion of the success payment may then be passed on to the implementing partner/local NGO.

The UBS Optimus Foundation piloted the Educate Girls DIB in 2015, the world’s first in education. Its success has led to two more DIBs moving forward this year:
• The Education DIB builds on the Educate Girls DIB pilot with the aim of creating systematic change in the Indian educational system. A performance-based program, the Education DIB will support education providers in India to improve learning outcomes for over 200,000 primary school students in India.
• The Utkrisht impact bond, explained in the following pages, is the most ambitious impact bond to date. This innovative social finance tool draws together several partners toward the end goal of reducing maternal and newborn mortality in Rajasthan, India.

Impact loan structure
Impact loans are given to social enterprises in low-income settings, which might not otherwise have access to traditional funding, so that they can grow. Impact loans align the interests of social enterprises, philanthropic outcome payers and social investors:
• The social enterprise gains access to low-cost capital, allowing it to focus on social impact without the pressure of making market-rate financial returns.
• The outcome payer is able to maximize philanthropic spending that is directly tied to results.
• And social investors, through the Foundation, get the social impact they want. Potential returns will be recycled into new programs with social impact.

We’re partnering with the Rockefeller Foundation and Impact Water with the groundbreaking Impact Water social success note, discussed in the following pages. This impact loan will help scale up Impact Water’s work in Uganda, bringing clean water to schoolchildren so that they can learn and thrive.

Bringing the best to development
The Foundation recognizes that catalyzing new social finance mechanisms will require input from many sources – philanthropists, investors, donors, as well as the private sector. Encouragingly, this is already happening as philanthropic donors are recognizing the potential of co-creation and co-investment.

Social finance mechanisms that combine the best of private sector efficiency and financing, philanthropic program support and impact measurement can create far more than the sum of their parts. Attracting additional private sector capital is crucial to achieving the UN SDGs, but equally important is the combination of skills and networks new mechanisms can bring.
A bond for mothers and babies

The Utkrisht impact bond is the world’s first DIB in mother and child health care and the largest and most ambitious impact bond to date. This innovative social finance tool draws together several partners toward the end goal of reducing maternal and newborn mortality in Rajasthan, India. The bond will support improved care for up to 600,000 pregnant women – ultimately saving thousands of lives.

The Utkrisht impact bond will improve the quality of maternal health care in Rajasthan’s private health facilities by supporting improvements in up to 440 small health care organizations (SHCOs). The UBS Optimus Foundation is the upfront funder, but all implementation partners are also co-investors, sharing in the risks and rewards. The success of the Utkrisht impact bond will be judged on whether these health care facilities are ready to achieve the new certification standard, making quality maternal care in private health facilities standardized for the first time.
Interview with Peter Vanderwal
Implementation Lead, Utkrisht Impact Bond, Palladium Group

“The whole DIB model is super new – it’s really exciting. As implementation manager, our role is to support local NGOs in doing their best work by providing them with up-to-the-minute information about whether they’re hitting targets in the best possible way – and if not, helping them figure out why.

Many traditional development programs are based on a pay-and-hope model. The contract sets in stone the activities at the beginning, but if the desired impact is not reached, there is no penalty – service providers still get paid. This is one of the reasons why results-based financing, and then DIBs, came into being.

The DIB is structured so the whole implementation partnership – the providers and ourselves – are co-investors. So, if we don’t hit the targets, we all stand to lose money. And if we do hit them, we’ll all share in the reward.* DIBs will change how implementers think about their work, with the flexibility to focus on outcomes rather than activities.

From its experience with the original Educate Girls DIB, the UBS Optimus Foundation brought an invaluable perspective in the development of the Utkrisht impact bond.

In Rajasthan, you have an abundance of health care providers and a high proportion of women giving birth in health care facilities. Yet, there are unusually high levels of maternal and neonatal mortality. So, our laser focus is on improving quality of health care services in the vibrant private health facility sector, toward the ultimate goal of saving the lives of mothers and babies.

The DIB model uses extreme transparency and accountability, with the flexibility to adapt to emerging situations. We’ll minutely examine and analyze the progress of each health care facility, working with the service providers to test hypotheses so that they can constantly fine-tune their approaches. At the end of the three-year period, we’ll know the best possible way to improve the quality of maternity services in private health facilities – for the lowest possible cost.

We want to see a real change in the culture of NGOs to real-time results performance awareness. We want to see improved quality of services in these private health care facilities, inspiring confidence in the government and the public. And we want to get the very best out of every development dollar and see our learnings shared. But central to it all is that we want to see improved outcomes for mothers and babies. That’s why we’re doing it – that’s the be-all and end-all.”

* If the intervention succeeds in achieving its goals, the outcome payer will pay the social investor based on the performance, a return that will then be reinvested into further impactful development programs. And, as an incentive, a portion of the success payment may then be passed on to the implementing partner/local NGO.
Social finance

A win-win situation

Aligning interests with impact loans

A loan for scaling
Clean drinking water in schools is essential if students are to stay healthy and ready to learn and fulfill their potential. The key barrier to installation of clean water systems at schools is the need for financing and lack of opportunities to access it. Impact Water Uganda (IWU) has a solution. IWU provides financing to schools over a period of one to two years with five payment terms aligned with school terms, allowing schools to offer clean water while paying off their loan when they receive school fees.

Aligning the interests of investor, social enterprise and outcome payer to impact and returns, the Impact Water social success note is helping IWU expand in Uganda. The UBS Optimus Foundation (through its sister foundation in the UK) will provide a USD 500,000 five-year loan, with a 24-month grace period. The Foundation will receive a return on its loan to IWU that could rise up to approximately 9% if all targets are met, as the Rockefeller Foundation will pay an outcome payment depending on IWU’s ability to meet impact targets. Any return will then be reinvested into further impactful development programs.

According to UNICEF, more than 40% of diarrhea cases in school children result from transmission in schools rather than homes.

Impact Water Uganda aims to sell and install 3,600 systems in five years.

With about 400 beneficiaries per system, a total of 1.4 million will benefit.

The WHO estimates such improvements can reduce absenteeism by 3 days per student per year.

The more impact IWU achieves, the higher the return for the UBS Optimus Foundation, rising up to 9%. And the Foundation will reinvest the funds into new programs.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Impact</th>
<th>Investor return</th>
<th>Outcome payment</th>
<th>IWU interest rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Success</td>
<td>100%</td>
<td>9%</td>
<td>200k</td>
<td>1.9%</td>
</tr>
<tr>
<td>Partial success</td>
<td>50–100%</td>
<td>7–9%</td>
<td>100–200k</td>
<td>1.9–3.5%</td>
</tr>
<tr>
<td>Failure (able to service loan)</td>
<td>0–50%</td>
<td>5–7%</td>
<td>0–100k</td>
<td>3.5–5.0%</td>
</tr>
<tr>
<td>Failure (unable to service loan)</td>
<td>0%</td>
<td>Loss of principal</td>
<td>Nil</td>
<td>Administration</td>
</tr>
</tbody>
</table>

Possible outcome scenarios

According to UNICEF, more than 40% of diarrhea cases in school children result from transmission in schools rather than homes.
Interview with Lorenzo Bernasconi
Senior Associate Director, The Rockefeller Foundation

“Shareholder value – with the nonprofit sector and government taking primary care of social challenges – is no longer relevant. We need to find new and more creative ways of crowding in the private sector to address these challenges.

This social success note we co-developed with Yunus Social Business came to fruition by asking ourselves what it would take to bring the pay-for-performance model to social enterprises and businesses. It’s the first structure of its kind that creates the right kind of incentives for social enterprises and businesses to address on-the-ground needs of poor and vulnerable people in underserved markets. And, it gives donors a fair return on their philanthropic dollars, both financially and in terms of impact.

As we were looking for the right partner to invest in this first pilot and find opportunities for scaling, we were extremely excited to have found the UBS Optimus Foundation. There is no other organization that compares to the UBS Optimus Foundation and we’ve long admired what they’re doing. They are really unique in being able to leverage their own expertise and the resources of UBS to test the new mechanisms needed to mobilize private investment and reach the Sustainable Development Goals.

From a philanthropic perspective, we have two core priorities. First, we want to achieve maximum leverage – where our financial input is additive, bringing in additional investment. Second, we want to make sure the money we put out actually achieves measurable results. This is what is so clever about the social success note. With relatively small grant capital, we can bring in multiples of that in private investment in a way that makes sure philanthropic dollars will only be paid out if the social impact we’re looking to achieve is actually realized.

So far, it has been very difficult to create a market rate return for investing in impact, except for very few cases. The hope here is that, at scale, you can create these new kinds of partnership models between philanthropists, investors, and social enterprises and businesses in a way that aligns interests, where no one feels they are sacrificing something, to collectively address big challenges.”

Children drinking clean water.
The UBS Optimus Foundation in Switzerland, its branch in Hong Kong and the representative office in China, its sister organizations UBS Optimus Foundation Deutschland and UBS Optimus Foundation UK, as well as a donation platform in the United States, form the UBS Optimus Network (the Network). The Network receives funds from UBS clients, UBS employees and UBS. It disburses grants to program partners that are helping underprivileged or vulnerable children around the world in the areas of education, early childhood development, health, child protection and emergency response.

The Network is governed through individual Boards in Switzerland, the UK and Germany. The Boards comprise UBS employees and independent external members (with the exception of the German Board, which is comprised only of UBS employees). Annually, a strategic meeting of representatives from each of the aforementioned Boards is held in Zurich, Switzerland.

To ensure the highest standards of transparency in terms of decision making, and in line with good governance practices, the Network has established a Network Management Committee.
Working with excellent partners

We concentrate our efforts on priority countries to achieve the greatest impact on children’s lives. Here is a selection of programs in those countries that we were active in during 2017

<table>
<thead>
<tr>
<th>Organization</th>
<th>Program</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ai You Foundation</td>
<td>Provide treatment to children suffering from congenital heart disease and leukemia</td>
<td>China</td>
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<tr>
<td>Anesvad Foundation</td>
<td>Rational approach to effective wound management</td>
<td>Côte d’Ivoire, Benin</td>
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<tr>
<td>AO Alliance Foundation</td>
<td>Pediatric fracture solutions</td>
<td>Ghana</td>
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<tr>
<td>APOPO</td>
<td>Detecting tuberculosis with African rats</td>
<td>Tanzania, Zambia</td>
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<tr>
<td>ARCHIVE Global</td>
<td>Better health from improved housing design</td>
<td>Bangladesh</td>
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<tr>
<td>Arizona Board of Regents – University of Arizona</td>
<td>Stop Buruli – capacity building and community education phase-out</td>
<td>Cameroon</td>
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<tr>
<td>Beijing Chunmiao Children’s Aid Foundation</td>
<td>Chunmiao medical social worker training program</td>
<td>China</td>
</tr>
<tr>
<td>Centre de dépistage et de traitement de l’ulcère de Buruli</td>
<td>Stop Buruli – community outreach and student support</td>
<td>Benin</td>
</tr>
<tr>
<td>Centre Suisse de Recherches Scientifiques en Côte d’Ivoire</td>
<td>Integrated approach to fight parasitic worms and diarrhea</td>
<td>Côte d’Ivoire</td>
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<tr>
<td>Chinese University of Hong Kong</td>
<td>Social worker training program</td>
<td>China</td>
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<tr>
<td>Chunmiao Foundation</td>
<td>Drug sprinkles for children with HIV and TB</td>
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<tr>
<td>Drugs for Neglected Diseases Initiative</td>
<td>Stop Buruli – community outreach, impact evaluation and student support</td>
<td>Cameroon</td>
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<tr>
<td>Fairmed Foundation</td>
<td>Development and introduction of novel diagnostic solutions for Buruli ulcer</td>
<td>Ghana, Cameroon, Congo</td>
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<tr>
<td>Foundation for Innovative New Diagnostics FIND</td>
<td>Integrated health care for rural children</td>
<td>Peru</td>
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<tr>
<td>Foundation Suyana Mundial</td>
<td>Medical care for impoverished children with congenital heart disease in Yunnan Province</td>
<td>China</td>
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<tr>
<td>Fuwai Yunnan Cardiovascular Hospital</td>
<td>Prevent human deaths from rabies and relieve the burden of rabies in animal populations, especially dogs</td>
<td>Philippines, Indonesia, Tanzania, Chad</td>
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<tr>
<td>Global Alliance for Rabies Control</td>
<td>Build safe and effective surgical care for children</td>
<td>Nicaragua</td>
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<tr>
<td>Global Initiative for Children’s Surgery</td>
<td>Saving lives by giving light</td>
<td>Ethiopia</td>
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<tr>
<td>Hamlin Fistula Ethiopia</td>
<td>Providing clean drinking water for schools in Uganda</td>
<td>Uganda</td>
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<tr>
<td>Impact Water UK</td>
<td>Saving children with severe pneumonia and malnutrition</td>
<td>Bangladesh</td>
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<tr>
<td>International Centre for Diarrhoeal Disease Research</td>
<td>mCare: mobile phones for newborn survival</td>
<td>Bangladesh</td>
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<tr>
<td>Johns Hopkins Bloomberg School of Public Health</td>
<td>Integrated use of digital connectivity and data to improve child health</td>
<td>India</td>
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<tr>
<td>Karma Healthcare</td>
<td>Provide community health workers for people in rural areas</td>
<td>Liberia</td>
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<tr>
<td>Last Mile Health</td>
<td>Integrated support for Yi children</td>
<td>China</td>
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<tr>
<td>Liangshan Institute of Environment and Livelihood Development via China Social Welfare Foundation</td>
<td>Supporting parasitosis prevention and treatment in poor Yi communities in Butuo</td>
<td>China</td>
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<tr>
<td>Liangshan Qihang Public Service Center</td>
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<tr>
<td>Organization</td>
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<td>----------------------------------------------------------------------------</td>
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<tr>
<td>Living Goods</td>
<td>Delivering high-impact community health door-to-door</td>
<td>Uganda, Kenya</td>
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<tr>
<td>National Centre for Parasitology, Entomology and Malaria Control</td>
<td>Protecting children from threadworms</td>
<td>Cambodia</td>
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<tr>
<td>National Institute of Parasitic Diseases, China CDC</td>
<td>Promotion of behavior change communication on soil-transmitted helminthiasis</td>
<td>China</td>
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<tr>
<td>One to One Children's Fund</td>
<td>Reducing mortality and morbidity in under-5-year-old children in Eastern Cape Province</td>
<td>South Africa</td>
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<tr>
<td>Operation Smile</td>
<td>Increasing access to safe and essential surgical care for children</td>
<td>Nicaragua, India</td>
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<tr>
<td>Palladium International</td>
<td>Health care to decrease maternal and newborn death in Rajasthan</td>
<td>India</td>
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<tr>
<td>PlayRight Children's Play Association</td>
<td>Structured play for children in hospitals</td>
<td>Hong Kong, Nepal</td>
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<tr>
<td>Possible</td>
<td>Scaling integrated primary health care in rural areas</td>
<td>Nepal</td>
</tr>
<tr>
<td>Power of Nutrition (Nutrition for Growth, N4G)</td>
<td>Reduce undernutrition for young children</td>
<td>Worldwide</td>
</tr>
<tr>
<td>Queensland Institute of Medical Research</td>
<td>“Magic Glasses” to fight parasitic worms</td>
<td>China, Philippines</td>
</tr>
<tr>
<td>Rural Education Action Program, Shaanxi Normal University</td>
<td>Building a preschool vision screening regimen for rural counties</td>
<td>China, Madagascar</td>
</tr>
<tr>
<td>Schistosomiasis Control Initiative</td>
<td>Improving child health and education by treating neglected diseases</td>
<td>Indonesia</td>
</tr>
<tr>
<td>School of Public Health, Griffith University</td>
<td>Taking toilets to scale: full-scale field test of BALatrine</td>
<td>China</td>
</tr>
<tr>
<td>Shenzhen MeetCharity Foundation</td>
<td>Keep kids away from hydatid</td>
<td>Peru</td>
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<tr>
<td>Swiss Tropical and Public Health Institute</td>
<td>Evaluation of and an improved decision-making system for Suyana Foundation</td>
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<tr>
<td>The Carter Center</td>
<td>Improving child and adolescent mental health</td>
<td>Liberia</td>
</tr>
<tr>
<td>The END Fund</td>
<td>Fight against neglected tropical diseases</td>
<td>NTD-endemic countries in Sub-Saharan Africa, India and Yemen</td>
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<tr>
<td>The END Fund</td>
<td>Scaling up schistosomiasis and intestinal worms treatment</td>
<td>Rwanda</td>
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<tr>
<td>The Engagement Lab, Emerson College</td>
<td>Change behaviors of children to reduce the spread of disease related to open defecation through hand washing</td>
<td>India</td>
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<tr>
<td>The University of Hong Kong</td>
<td>Holistic empowerment program for children with eczema</td>
<td>Hong Kong</td>
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<tr>
<td>United Christian Nethersole Community Health Service</td>
<td>Provide hospital-based medical services to improve health outcomes for children from low-income families</td>
<td>Hong Kong</td>
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<tr>
<td>Universidad Peruana Cayetano Heredia</td>
<td>Integrating home and community measures to improve health</td>
<td>Peru</td>
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<tr>
<td>University Children's Hospital Zurich – Eleonorenstiftung</td>
<td>Ease suffering of dying children</td>
<td>Switzerland</td>
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<tr>
<td>Vision for a Nation Foundation</td>
<td>Innovative and sustainable primary eye care</td>
<td>Rwanda</td>
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<tr>
<td>We Care Solar</td>
<td>Powering health care facilities with Solar Suitcases</td>
<td>Uganda, Liberia, Nepal</td>
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<tr>
<td>Absolute Return for Kids</td>
<td>Development of low-cost public schools and improvement of education systems</td>
<td>Ghana, Liberia, Sierra Leone, Côte d’Ivoire</td>
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<tr>
<td>Bridge International Academies (aka NewGlobe Schools)</td>
<td>Evaluation and development of low-cost private preschools and school models</td>
<td>Liberia</td>
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<tr>
<td>CapitalPlus Exchange Corporation</td>
<td>Improving learning outcomes in low-fee private schools</td>
<td>Côte d’Ivoire, Ghana</td>
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<tr>
<td>Chinese Relief and Development Foundation</td>
<td>Pilot a model for psychosocial support for left-behind children in rural areas</td>
<td>China</td>
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<tr>
<td>EMIC Culture Union</td>
<td>Provide better care and supporting network for left-behind children in the Shui area</td>
<td>China</td>
</tr>
<tr>
<td>Firelight Foundation</td>
<td>Identify, fund and strengthen communities in Africa that support the health, resilience and education of children</td>
<td>Worldwide</td>
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<tr>
<td>Foundation to Educate Girls Globally</td>
<td>Improve access and quality of education for children in underserved and marginalized communities</td>
<td>India</td>
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<tr>
<td>FSG</td>
<td>Affordable Early Childhood Education program</td>
<td>India</td>
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<tr>
<td>Gender Development Solution</td>
<td>Eliminating gender discrimination in Ningxia</td>
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<td>Hua Dan</td>
<td>Migrant children participatory theater intervention</td>
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<td>Injini</td>
<td>Technology and innovation for schools</td>
<td>South Africa</td>
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<tr>
<td>Innovations for Poverty Action</td>
<td>Evaluation and development of low-cost private preschool and school models</td>
<td>Ghana, Liberia</td>
</tr>
<tr>
<td>Organization Name</td>
<td>Program Description</td>
<td>Country</td>
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<tr>
<td>Innovations for Poverty Action</td>
<td>Designing and evaluating potential solutions to global poverty problems and supporting decision-makers to use this evidence</td>
<td>Zambia</td>
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<tr>
<td>Institut zur Cooperation bei Entwicklungsprojekten</td>
<td>Contextualized rural schooling in the semi-arid region of Brazil</td>
<td>Brazil</td>
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<tr>
<td>Institute of Educational Development, BRAC University</td>
<td>Creating access to quality education</td>
<td>Bangladesh</td>
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<tr>
<td>Liangshan Institute of Environment and Livelihood Development (LIELD) via China Social Welfare Foundation</td>
<td>Health project in Daliangshan</td>
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<tr>
<td>Liangshan Qihang Public Service Center</td>
<td>Integrated support for Yi children</td>
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<tr>
<td>OnSide Youth Zones</td>
<td>Reduce crime and increase employment for underprivileged youth</td>
<td>United Kingdom</td>
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<td>Pratham Education Foundation</td>
<td>Improve reading, writing and arithmetic skills through learning camps for marginalized children</td>
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<td>Rural Education Action Program</td>
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<td>Schifti Foundation</td>
<td>Improving the well-being through sport and health nutrition for children in Switzerland</td>
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<td>SHINE: Support and Help IN Education</td>
<td>Improve learning outcomes for disadvantaged children</td>
<td>United Kingdom</td>
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<td>Social Finance</td>
<td>Public-private partnership where independent school operators run government schools</td>
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<td>Solon Foundation</td>
<td>Education for learning and employability</td>
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<td>Speed Schools</td>
<td>Evaluation and development of low-cost private preschool and school models</td>
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<td>STIR Education (Schools and Teachers Innovating for Results)</td>
<td>Teachers and parents innovate to solve India’s learning crisis</td>
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<td>Teach For China</td>
<td>Stipends for students</td>
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<td>Teach for the Philippines</td>
<td>A new generation of education leaders</td>
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<tr>
<td>The Asia Academy of Philanthropy</td>
<td>Providing glasses for children to see clearly and succeed</td>
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<td>unterstrass.edu</td>
<td>ChagALL – education opportunities for schoolchildren with an immigration background</td>
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<td>Verein AMIE</td>
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<td>a:primo</td>
<td>Sustainable early childhood development for children in disadvantaged families</td>
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<tr>
<td>Arcans Early Learning Foundation Inc.</td>
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<td>Associazione Progetto Genitori</td>
<td>Improve the lives of children from disadvantaged families</td>
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<td>Chengdu HuiZhi Social Work Service Center</td>
<td>Early childhood development for rural migrant children in Chengdu</td>
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<td>China Development Research Foundation</td>
<td>Better care giving to improve children's future</td>
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<td>Grand Challenges Canada</td>
<td>Improve early brain and child development</td>
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<td>Half the Sky Foundation (Asia)</td>
<td>Early childhood development in rural China</td>
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<td>Mothers’ collective for early childhood development Nepal</td>
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<td>HealthRight International</td>
<td>Teacher-implemented child and family violence prevention in Nepali schools</td>
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<td>Hippocampus Reading Foundation</td>
<td>Establish sustainable rural early childhood education centers</td>
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<tr>
<td>Ilifa Labantwana</td>
<td>Develop a cost-effective model to bring early childhood services to scale</td>
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<td>Institute of Geographic Sciences and Natural Resources Research, Center for Chinese Agricultural Policy</td>
<td>Programs in the fields of rural and regional development</td>
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<tr>
<td>International Rescue Committee UK</td>
<td>Reduce violence in the home and improve early childhood development</td>
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<td>J-PAL South Asia</td>
<td>Affordable, high-quality kindergarten in rural India: evaluating Hippocampus Learning Centres</td>
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<td>Liangshan Institute of Environment and Livelihood Development via China Social Welfare Foundation</td>
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<tr>
<td>Mobile Creches</td>
<td>Social franchise model to scale up access to quality child care services</td>
<td>India</td>
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<td>National Children's Bureau</td>
<td>Provide access to high-quality services in the early years</td>
<td>Jersey</td>
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<td>Opportunity International United Kingdom</td>
<td>Improving the education quality of affordable private schools</td>
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<td>Ostschweizerischer Verein für das Kind (OVK)</td>
<td>Improve the lives of children from disadvantaged families</td>
<td>Switzerland</td>
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<td>Organization</td>
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<td>Peking University</td>
<td>Parenting support in rural areas</td>
<td>China</td>
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<td>Philippine Ambulatory Pediatric Association</td>
<td>Improve child development and reduce child maltreatment</td>
<td>Philippines</td>
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<td>PREVIVA, School of Public Health, University of Antioquia</td>
<td>Evaluate the impact of PROMESA on child abuse prevention</td>
<td>Colombia</td>
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<td>THE POWER OF NUTRITION</td>
<td>Transforming education in cocoa communities</td>
<td>Côte d’Ivoire</td>
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<td>World Health Organization</td>
<td>Global status report on violence prevention</td>
<td>India</td>
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<td>zeppelin – familien startklar</td>
<td>Improve the lives of children from disadvantaged families</td>
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<td>Association Concerning Sexual Violence Against Women (Rainlily Foundation)</td>
<td>Prevent sexual violence against children</td>
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<td>Camp Group gemeinnützige GmbH</td>
<td>Strengthening girls through after-school clubs</td>
<td>South Africa</td>
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<td>Child’s i Foundation</td>
<td>Scaling up family services in Uganda</td>
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<td>Comunità San Patrignano Società Cooperativa Sociale</td>
<td>Reduce the maltreatment of children whose parents have a history of drug abuse</td>
<td>Italy</td>
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<td>Cure Violence</td>
<td>Mobilizing communities to detect and interrupt violence</td>
<td>Mexico</td>
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<td>GoodWeave International</td>
<td>Eradicate child labo from supply chains in South Asia</td>
<td>India, Nepal, United States of America</td>
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<td>Hope and Homes for Children</td>
<td>Providing family environments for children in orphanages</td>
<td>Worldwide</td>
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<tr>
<td>Investing in Children and their Societies</td>
<td>Skillful parenting to prevent child maltreatment</td>
<td>Tanzania</td>
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<td>Justice and Care</td>
<td>Saving lives and breaking the cycle of child sex trafficking in India</td>
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<td>Karuna Foundation Nepal</td>
<td>Improving the lives of children with disabilities</td>
<td>Nepal</td>
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<td>Lumos Global Advocacy</td>
<td>Evidence-based advocacy to redirect funds away from institutions and into family-based care</td>
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<td>Mother Choice HK</td>
<td>Providing family environments for children in orphanages</td>
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<td>Promundo</td>
<td>Engaging fathers to reduce violence against children</td>
<td>Bangladesh</td>
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<td>Research Foundation of CUNY on behalf of John Jay College</td>
<td>Evaluation of Justice and Care</td>
<td>United States of America</td>
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<td>Roots of Empathy</td>
<td>Reduction and prevention of violence in schools</td>
<td>Switzerland</td>
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<td>Save the Children</td>
<td>Protecting children through trained child protection community</td>
<td>Mexico, Tanzania, Sri Lanka</td>
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<td>The Chancellor, Masters and Scholars of the University of Cambridge</td>
<td>Global study on healthy child development</td>
<td>Worldwide</td>
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<td>The Freedom Fund</td>
<td>Tackling commercial sexual exploitation of children</td>
<td>Worldwide</td>
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<td>Think Equal</td>
<td>Delivering curriculums for educational systems in five countries</td>
<td>Worldwide</td>
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<td>Thomson Reuters Foundation</td>
<td>Raising awareness and engagement on modern-day slavery and trafficking</td>
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<td>Tides Center</td>
<td>Reducing voluntourism in orphanages</td>
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<td>GiveDirectly</td>
<td>Transforming outcomes in protracted refugee settings</td>
<td>Uganda</td>
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<td>Médecins Sans Frontières</td>
<td>Syra crisis: vital health care and humanitarian assistance for Syrians</td>
<td>Syria, Iraq, Lebanon</td>
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<td>Possible</td>
<td>Improving outcomes for children under two in rural areas</td>
<td>Nepal</td>
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<tr>
<td>Room to Read</td>
<td>Earthquake recovery efforts and literacy program implementation in Nuwakot</td>
<td>Nepal</td>
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</table>
Organization of the UBS Optimus Foundation

A team of highly qualified, dedicated individuals bring depth of knowledge and experience to the UBS Optimus Foundation across its various locations

**Foundation Board Switzerland**
- Sergio P. Ermotti, Chairman, UBS
- Ulrich Körner, member, UBS
- Amy Lo, member, UBS
- Robert J. McCann, member, UBS
- Andrea Orcel, member, UBS
- Christian Wiesendanger, member, UBS
- Christopher Holder, member, external expert
- Theo Sowa, member, external expert
- Sonal Shah, member, external expert
- Marcel Tanner, member, external expert
- Fay Twersky, member, external expert
- Jeffrey R. Williams, member, external expert

**Foundation Board United Kingdom**
- James Broderick, Chairman, UBS
- Phyllis Kurlander Costanza, member, UBS
- Nick Perryman, member, UBS
- Simone Thompson, member, UBS
- Jo Ensor, member, external expert

**Foundation Board Germany**
- Thomas Rodermann, Chairman, UBS
- Dr. Mara Harvey, member, UBS
- Dr. Lars Kloster, member, UBS
- Cherstin Seybold, member, UBS

**Team members**

**Foundation Management**
- Phyllis Kurlander Costanza, CEO
- Nina Hoppe, COO
- Jacob Engstroem, Head of Programs
- Sally Faiz, Head Philanthropic Programs
- Tom Hall, Head UBS Optimus Foundation UK
- Wei Wei, Head UBS Optimus Foundation Hong Kong
- Maya Ziswiler, Head Social Finance

**Programs**
- Dhun Davar, Switzerland
- Dragana Djokic, Switzerland
- Guangshen Gao, Hong Kong
- Wei Jiangxi, China
- Linda Mao, Switzerland
- Ann-Marie Sevcsik, Switzerland
- Sietse Wouters, Switzerland

**Client Relations**
- Claire Freymond, Switzerland
- Martina Gaus, Switzerland
- Nicole Sebastian, US
- Shirley Zhao, Hong Kong

**Business Operations**
- Esther Choi, New York
- Anthony Donatelli, UK
- Tanja Hebrok, Switzerland
- Cynthia Li, Hong Kong
- Volker Niederländer, Switzerland
- Roberta Reis, Switzerland
- Paulo Santos, UK
- Adrian Schlauri, Switzerland
- Karen Schneider, Germany
- Owen Strickland, Switzerland

**Communication and Marketing**
- Ian Welle-Skitt, Head Communication and Marketing
- Sarah Gonzalez-Arza, Switzerland
- Claus-Peter Schrack, Germany
The year in numbers
Overview of key figures

Annual donation income 2012–2017*

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF millions</th>
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<tr>
<td>2012</td>
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<tr>
<td>2013</td>
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<tr>
<td>2014</td>
<td>50</td>
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<td>2015</td>
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<td>2016</td>
<td>57</td>
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<tr>
<td>2017</td>
<td>61</td>
</tr>
</tbody>
</table>

Distribution of grants 2017 per region*
in %

- APAC: 14%
- Africa: 15%
- Latin America: 6%
- Global: 28%
- Other: 37%

Donation income by location 2017*
in %

- Switzerland: 52%
- Hong Kong: 1%
- UK: 8%
- US: 14%
- Germany: 14%

Distribution of grants 2017 per program area*
in %

- Health: 20%
- Child protection: 12%
- ECD: 22%
- Education: 3%
- Emergency response: 43%

* Management numbers