

The Ashmore Foundation

Funding Guidelines

Dec2012

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Mission

The Ashmore Foundation aims to improve the lives of disadvantaged communities, particularly young and vulnerable or marginalised people, living in the Emerging Market (EM) countries in which the specialist Emerging Markets Investment Manager, Ashmore Group plc, has a presence and invests¹.

The Ashmore Foundation does this by providing grants and facilitating support for social initiatives that promote sustainable and holistic development from the grassroots, channelled through effective, resourceful non-profit organisations with the commitment, track record and potential to make a positive difference to the communities they serve.

Background

The Ashmore Foundation was established in January 2008 out of a desire to give back to the countries and regions which have contributed to the company's profitability. To date the Foundation has been funded entirely by contributions by Ashmore and its employees.

The current strategy of the Ashmore Foundation is to find, support and connect local EM causes with wider Ashmore EM resources. At the end of 2011, the Ashmore Foundation was supporting around 20 organisations working in more than 10 Emerging Market countries. Over £1.5 million has been donated to charitable causes since inception in 2008.

Where We Fund

Following a recent review, the Ashmore Foundation will channel the majority of funding for Partnership Grants (over £5000) to the countries listed below. Priority countries are locations where Ashmore has a presence or invests, has strong local networks and knowledge and where it is felt that the Ashmore Foundation may add particular value.

Small Grants (£5000 or under) will be made for causes more widely throughout the Emerging Markets.

Priority Countries

1. Brazil
2. Colombia
3. India
4. Turkey
5. Indonesia
6. Philippines
7. Mexico

The Ashmore Foundation may also fund more widely within the Emerging Markets in response to particularly compelling or innovative opportunities, or in response to emergencies, though this is entirely at the discretion of trustees.

Organisations enquiring about funding for the Partnership Scheme should be advised that due to limited resources, the Ashmore Foundation aims to support a small number of meaningful partnerships in priority locations and primarily invites organisations for this scheme to apply following research. See the sections below on Applying for Funding and Grant Schemes for more information.

What We Fund

¹ The Ashmore Foundation considers all countries classified by the World Bank as Low or Middle Income to be Emerging Market countries.

The Ashmore Foundation consults with other funders, practitioners, current and potential grantees and local Ashmore offices as well as reviewing existing research in order to identify where the Foundation's resources should be channelled for best effect.

In all cases, the Ashmore Foundation is keen to support initiatives that are community focused, cost effective, sustainable, and which have the potential for scale-up, replication or dissemination.

The Foundation seeks to support organisations which focus on the following outcomes for disadvantaged communities and particularly for vulnerable young people:

EDUCATION - improving educational attainment

We want to support organisations which:

- o improve access to and quality of education
- o are inclusive for marginalised groups
- o prepare students for real life

HEALTH - improving the health status of beneficiaries

We want to support organisations which:

- o reduce the risky behaviours of at-risk young people
- o increase knowledge of and access to:
 - nutrition
 - safe water and sanitation
 - basic health services, particularly maternal and child health

LIVELIHOODS – getting people into work, and generating jobs and income, particularly through sustainable community enterprise

We want to support organisations which:

- o build community members' skills for work
- o build local knowledge, resources and capabilities for sustainable (pro environment, non-harmful) local enterprise
- o deliver or support community-based social enterprises which generate a tangible social benefit as well as generating jobs and income

Types of Organisations We Fund

The Ashmore Foundation is eager to support strong organisations, not just strong programmes. There are particular features we look for which indicate to us that an organisation has the requisite commitment and potential to make a positive change in the communities they serve and may benefit particularly from the support of the Ashmore Foundation.

The organisations we support MUST comply with the following eligibility criteria:

- The organisation is registered as an autonomous non-profit organisation in the EM country in which it operates and can provide evidence of this if required. The organisation may or may not be affiliated with an overseas partner such as a UK or US registered charity.
- The organisation has its own bank account.
- The organisation has a website.
- The organisation has a minimum annual income of GBP£50,000.
- The organisation is solvent, financially viable – ie. it has adequate sources of funding to cover at least the next 3 months of operation - and has externally examined/audited financial statements available for review.
- The organisation is delivering interventions benefitting disadvantaged communities in an EM location.

- The organisation is involved in delivering interventions that fall under the categories of education, health, or livelihoods.

Organisations should not make speculative applications unless they meet all of the eligibility criteria above.

The Foundation prioritises support (particularly at Partnership level) for organisations which:

- have a clear social mission which fits with the philosophies of the Ashmore Foundation;
- have a clear and nuanced understanding of the needs of the beneficiaries they serve and the context in which they work;
- take a holistic view of the problems they are addressing and attempt to tackle root causes;
- involve beneficiaries and local community members in decision making;
- consult and collaborate with other stakeholders;
- use evidence to inform strategy and learning and are committed to measuring progress;
- can demonstrate positive effects of their interventions on beneficiaries over time;
- are cost-effective in their approach;
- have an annual income of less than £5m, with no more than 50% from one donor;
- have strong governance and financial management practices in place and can demonstrate these;
- take a sustainable approach to development, in other words organisations which
 - design programmes that impact minimally on the natural environment and/or which enhance a local community's knowledge of and skills in pro-environment activities;
 - work to achieve sustainability of the social mission, developing the organisation's financial sustainability and/or developing local capacity to increase resilience and independence;
- have the ambition to deepen and/or broaden the social impact of their work;
- will particularly benefit from the support of the Ashmore Foundation.

Applying for Funding

If your organisation is eligible and you would like to draw the attention of the Ashmore Foundation to your work, you may submit an enquiry by email to foundation@ashmoregroup.com. We require the following information within two pages of A4:

- A brief description of the organisation's model: your mission, goals, strategies, plans and what you achieved thus far.
- A description of how you are funded.
- An overview of the proposed request for funding – when, where, why and how and you intend to undertake the work, and the changes you intend to bring about, for whom. If you are seeking general, core, or capacity-building support, please make this clear.
- Contact details and website address.

If your organisation is of interest to the Ashmore Foundation, we will contact you and may invite you to apply formally for funding. Applications are considered throughout the year. We will aim to respond to all enquiries from eligible organisations but if you have not heard within eight weeks please consider your enquiry to be outside of our funding remit at this time.

Please note that due to limited resources and in the interests of saving time for both parties, the Foundation takes a proactive approach to the sourcing of grantee partners, particularly for the Partnership Scheme. Unsolicited applications for Small Grants are more likely to receive support.

Grant Schemes

The Foundation considers funding under the following two schemes.

1. Partnership Scheme (grants in excess of £5,000)

This is the primary funding scheme of the Ashmore Foundation, the purpose of which is to source and support a portfolio of effective, locally-based organisations over a number of years with the potential to achieve outcomes in the areas of education, health and livelihoods for disadvantaged communities.

Features:

- Grants are in excess of £5,000, with no upper limit to this scheme, but grants tend to be to a maximum of £70,000 annually and it would be highly unlikely that an organisation would receive more than £100,000 in any given year;
- Grants may be multi-year (usually after an initial one year grant) for up to three years, renewable up to three times;
- The Foundation aims to be responsive and flexible in its grant-making and will potentially provide project, general/core, matching or other types of grants or financing, depending on the needs of the organisation and the strength of the existing relationship;
- Two-stage application process, in addition to meetings and/or site visits in some cases;
- Bi-annual reports will be required, in addition to more regular informal updates.

2. Small Grants Scheme (grants of £5,000 or less)

The purpose of this scheme is to allow the Foundation to support a range of eligible charities working throughout the Emerging Markets and not only in the priority locations with a relatively quick application process. Priority will be given to Ashmore employee recommendations organisations with annual incomes no greater than £1m.

Features:

- Small grants are for £5,000 or less and will be for general support unless otherwise requested;
- Funding for each charity will be limited to once every five years (though this does not restrict application to the partnership scheme, which is separate);
- The reporting requirement will be limited to an update at the end of the year's funding.

In addition all grantees (Partnership or Small) may also benefit from the Ashmore Foundation matching scheme for Ashmore employees, through which the Foundation will match up to £500 each year in employee donations directly made to any past or present grantees (up to a maximum of £50,000 per year).

Exclusions

The Ashmore Foundation will not fund:

- Activities not based in the Emerging Markets (please note we DO NOT currently fund UK causes);
- charities recommended by Ashmore employees where the recommending individual is related to a paid staff member;
- individual sponsorship or personal appeals;
- work that is primarily political or religious in nature;
- animal charities;
- or funding for work that has already occurred (retrospective funding).

Review and Monitoring

The purpose of the assessment process within the Ashmore Foundation is to ensure that the organisations we choose to support are to the best of our knowledge operating legally, doing what they say they are doing and doing it effectively.

The Foundation therefore has in place a number of procedures for assessment and monitoring of grants. These are more comprehensive for Partnership Grants and include:

1. **Pre-Grant Assessment** – all potential grantee organisations are reviewed by the Foundation Director, who will discuss the work with the applying organisation and consider its capacity to deliver. This process may include a site visit and meetings with senior staff members.
2. **Legal Review** – all written submissions being considered for grants will undergo a legal review, the extent of which will depend on the size, scope and nature of the grant but may include review of audited accounts and annual reports, registration checks and reference checks.
3. **Grant Offer Letter** – the letter sets out the grant conditions and any terms, to which every grantee must agree before the grant will be issued.
4. **Site Visits** – likely for Partnership grantees (particularly multi-year) during the term of the grant.
5. **Reports** – required at 6 month intervals for Partnership grants and on completion for Small grants.

Timing of Decisions

The following page gives the detail on Application Process and Assessment Timings.

Please keep in mind that the Ashmore Foundation receives many more applications than it is able to fund and funding may be declined at any stage if:

- 1) the charity does not fulfil the eligibility requirements or provides inadequate information
- 2) there is any indication that the charity has knowingly given false information
- 3) the application falls within one of the excluded categories mentioned above
- 4) the charity or proposal is not a strong enough fit with the Foundation's priorities
- 5) budgetary constraints exist within the Foundation
- 6) allocations for geographical or thematic areas have already been filled

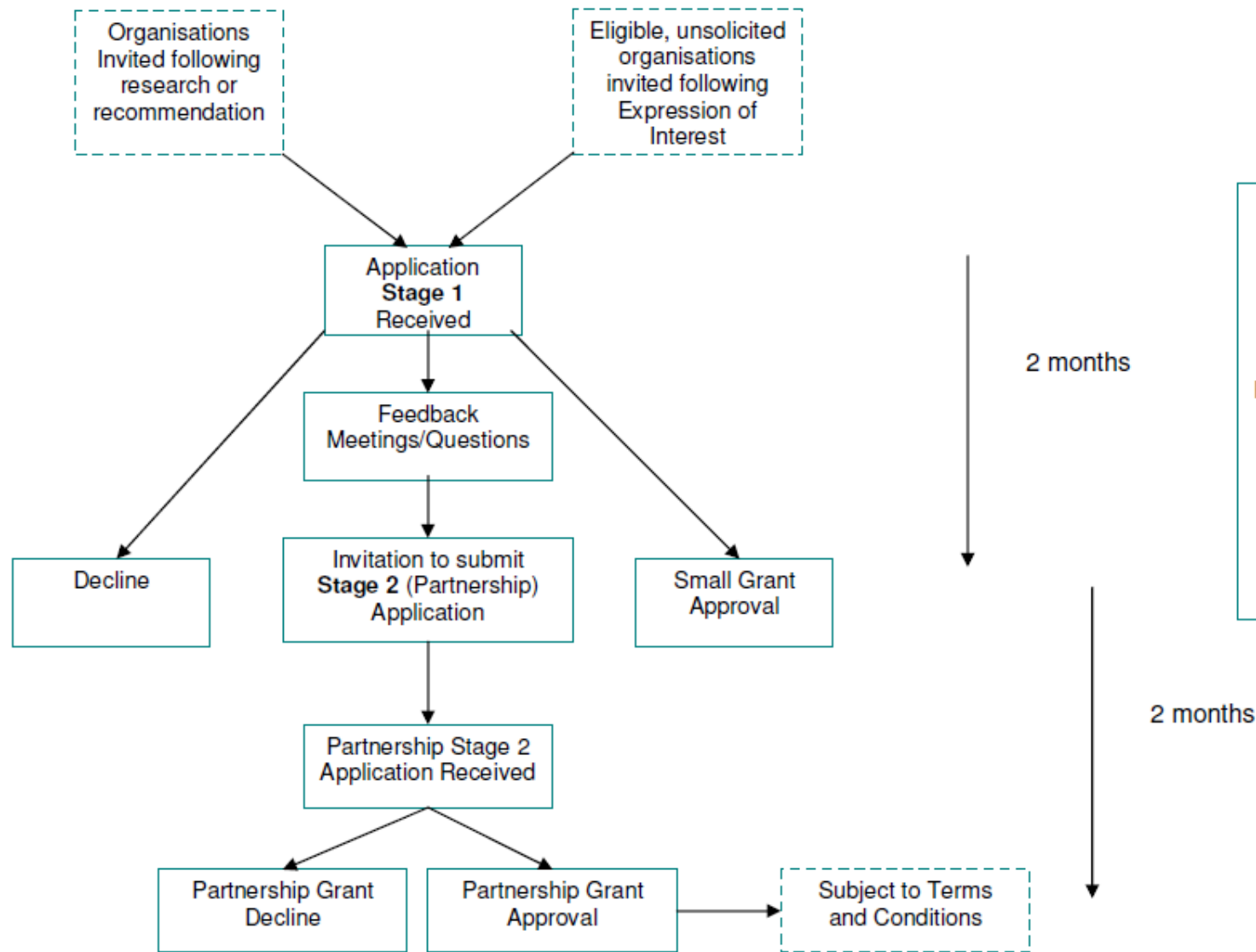
Contact Information

The Foundation has only one member of staff so please only apply if your organisation is eligible for support and refrain from contacting the Foundation directly unless absolutely necessary.

Further questions should be directed to

Email: foundation@ashmoregroup.com
Tel: +44 (0) 20 3077 6153
Address: The Ashmore Foundation
Ashmore Investment Management Ltd.
5th Floor
61 Aldwych
London WC2B 4AE
United Kingdom

Application and Assessment Timings



The Ashmore Foundation will aim to make Small Grant decisions within 2 months and Partnership Grant decisions within 4 months (or 2 months from the submission of the Stage 2 application).

However, the depth of and time spent on due diligence will depend on the size and nature of the grant and the schedule of team.

Applications are reviewed and decisions made typically on a rolling, quarterly basis.