



Contents

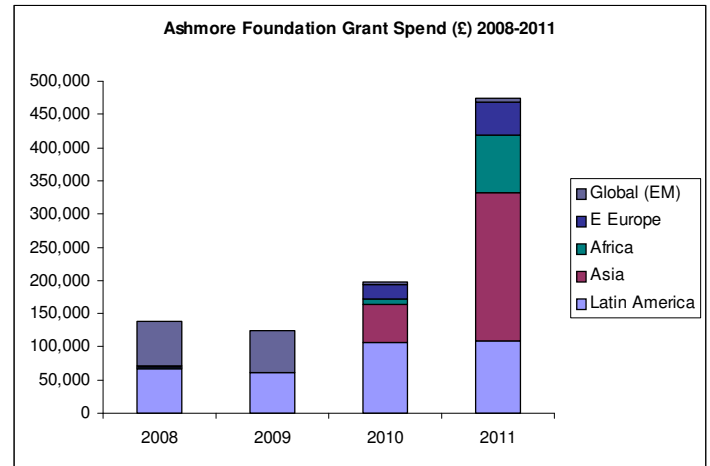
Introduction 1
 2011 Report on Global Grant-Making 2
 STARS Impact Awards 2012 3
 Featured New Grants 3
 New Developments within the Ashmore Foundation 4
 Summary of 2011 Grants 5
 Ashmore Foundation FAQs 5

Introduction

2011 was a year of refinement of the grant programme and expansion of funding for the Ashmore Foundation, which remains uniquely focused on causes within the Emerging Markets (EM). The notion of equitable development in these regions and in particular those countries and communities that have contributed to the success of Ashmore is furthered through the support of Civil Society Organisations (or NGOs), which have an important role to play in EM countries and particularly in nascent democracies. In 2011, 23 grants were made for social causes in 11 countries totalling £473,210, up from £197,690 the previous year. This includes 14 partnership grants, of which 9 are to new organisations.

Since July 2010, the Ashmore Foundation has adapted the funding process and in particular the priority countries in the understanding that limited internal resources necessitate greater focus. The locations are chosen on the basis of the location of Ashmore offices and/or networks and knowledge, which may aid due diligence and monitoring on the ground as well as providing additional resourcing through local employee engagement. Such focus should allow more thoughtful grant-making— particularly necessary in the international context where organisational authenticity and legitimacy are valid concerns. The intention is that by supporting a handful of effective NGOs in each priority country, building knowledge over a number of years, the Foundation may be able to generate a deeper understanding of issues being addressed and add further value by offering some flexibility in funding as well as links to other funding sources.

This programme is to be complemented by funding of the STARS Impact Awards for Asia in 2012 (see the relevant article on pg 2), which draws attention to and awards shining examples of exceptional practice and delivery of social impact in developing countries. This collaboration is intended to ramp up scale and impact of the funding of both foundations this year, furthering the objective of giving communities the tools and resources through which to provide positive changes for themselves.



It is anticipated that in these early days of Ashmore Foundation funding priorities will be reviewed annually and are likely to evolve as learning and experience develops. Funding guidelines are available on the Ashmore webpage for the Foundation.

2011 Report on Global Grant-Making

The Ashmore Foundation has been specifically mentioned in a new report, Global Grant-Making (2011), commissioned jointly by the Nuffield Foundation, The Baring Foundation and Paul Hamlyn Foundation, and undertaken by Cathy Pharoah from the ESRC Centre for Charitable Giving and Philanthropy (CGAP) at Cass Business School. The report reveals that UK foundations give an estimated £292 million to international development each year, equal to half the amount spent by the Department for International Development (DfID) through international development NGOs.

The total spent by foundations on international development represents 9% of spending of all UK foundations and 13% of the total spent by those who fund international development. Approximately ninety UK foundations give over £50,000 each year to international development and related causes. Some emerging trends include diverse and independent approaches in tackling neglected issues, funding particularly focused on health, education and sustainable development initiatives, targeting of relatively limited resources at the level of civil society where they can have most impact and new and innovative methods of financing including financing for sustainability through social enterprise.

The Ashmore Foundation is ranked 53rd in terms of size based on the 2009 grant spend of £198,682. However, the Ashmore Foundation’s 2011 grant spend in fact brings it closer to the position of 30. In comparison to US foundation spend on international causes - US\$5.4 billion in 2007 (led by such



influential “giants” as the Bill and Melinda Gates Foundation and the Ford Foundation) - UK spend on international causes is modest. However this Report firmly places the Ashmore Foundation on the map of UK foundations as one to be watched and noted.

The Report concludes with certain messages of relevance and interest for the Ashmore Foundation with its burgeoning strategy:

- Internationalism in foundation funding is growing, bringing with it greater responsibility to assess issues of legitimacy and effectiveness within the scale and challenge of the global context
- As the contribution of private philanthropy within the international context grows, there is an increasing need to understand how its contribution can be most effective and what its role should be in relation to other agencies including government, multinational aid and the private sector
- Clearly one of the greatest strengths of private foundations are their independence; it has been argued that a most effective deployment of their limited funds is concentration on marginalised, contentious, underfunded and/or new and innovative approaches which may include the development of technical expertise, infrastructure and capacity
- The challenge of such diverse approaches rests in the extent to which foundations are able and committed to adding value by sharing learning (including failures), bringing initiatives that work to scale, promoting effective practice and even influencing policy

Many questions arise for foundations grappling with what effective practice means for Civil Society Organisations working at the grassroots and how impacts of funding can be assessed. There are no simple answers, but awareness of these questions informs decision-making and the development of certain tactics – including the new collaboration with the STARS Foundation – going forward.

STARS Impact Awards 2012

In Autumn of 2011 the Ashmore Foundation agreed to a collaboration with the STARS Foundation, through financing of the 3 Asia Impact Awards for NGOs working in the areas of health, education and protection in 2012. The STARS Impact Awards identify and support local organisations in developing



countries that achieve excellence in the provision of services to disadvantaged children and that demonstrate effective management practices. The approach is underpinned by a rigorous selection process, developed with PricewaterhouseCoopers LLP, each Impact Award combining US\$100,000 of unrestricted funding with tailored consultancy support and a package of media benefits, offering organisations the flexibility they need to respond to local challenges and plan for the future.

The Foundation-Foundation partnership has the potential to give the Ashmore Foundation exposure to a wide range of impressive and entrepreneurial NGOs as well as STARS' expertise that they have built up over past years and it has allowed STARS to scale up its reach by increasing the number of Awards it intends to offer globally to 14 in 2012. The collaboration further promotes the notion of effective practice for NGOs, which complements the approach taken by the Ashmore Foundation and signals the importance (and scarcity) of flexible funding for proven causes.

In celebration of this partnership in 2012, a vote on a small grant to 2011 winners of the STARS Impact Awards was opened to employees of Ashmore in December 2011. The vote resulted in a grant of £5,000 each to Bwindi Community Hospital (Uganda) and Manav Seva Sansthan (India). We look forward to a close relationship with the STARS Foundation and their excellent team in 2012.

Featured New Grants

Aangan Trust (India)



The Ashmore Foundation is funding the Aangan Trust in India to set up and run 8 youth centres which will benefit up to



Review

Jan 2012

2,880 young people in slums of Bhopal (Madhya Pradesh) and Lucknow (Uttar Pradesh) as part of Aangan's "Chauraha" programme.

The Chauraha programme works on reducing adolescent boys' dangerous or anti-social and offending behaviour (gang affiliation, dangerous work in factories or garbage dumps, substance abuse, violence and fighting) by identifying and mitigating key risks and building on strengths and opportunities. The programme is part of Aangan's wider work to address the issues faced by 40% of India's children fight a daily battle against abuse, violence, neglect and exploitation. Although laws and institutions to safeguard these children exist, implementation is extremely poor. Aangan works on strengthening protection mechanisms for the individual child in need, both in the community and in state-run institutions – with the firm belief that each child's safety and protection is the first step for any kind of development.

The core of Aangan's approach is to innovate, pilot, demonstrate and implement models that are cost effective, scalable and feasible within the existing infrastructure and services so that they simply cannot be ignored. In 2009 Suparna Gupta, founding director of Aangan, was awarded the prestigious Ashoka Fellowship.

Through the Chauraha programme, Aangan receives referrals of troubled teens from respective police stations, community services, Observation Homes and peers. The charity works with youngsters individually; they are assessed during weekly home visits involving parents, helped to outline a life plan and supported to implement at least Step 1 of plan. Boys also join monthly activities of peer-run Aangan Youth Centers which include educational/vocational classes (e.g. English or Computer) and assisted study time. This is combined with modules to reduce risky behaviours such as anger management classes, projects to solve a community problem as well as fun activities such as dancing, film screening and sport events. Aangan works on and tracks (both through scores and qualitatively) six risk-related criteria including family protective mechanisms, education/vocational involvement, decrease in arrests or self-reported offending behaviour, ability to handle peer pressure more effectively and other changes in individual behaviour and self perception.

CASA (Mexico)

The Ashmore Foundation has recently approved a new grant of £25,000 for the Centre for the Adolescents of San Miguel



of Allende (CASA) for their peer counselling health programme for underprivileged youth in Mexico. CASA is a grassroots non profit organisation that has been serving the poor, particularly adolescents, rural women and families in Mexico through health, social services, education and environmental outreach programs since 1981. Their mission is "to contribute, with quality and warmth, to improving the living conditions of the most vulnerable populations, through health, education and cultural actions, promotions of sustainable development for human rights with a gender perspective".

In Mexico, despite economic advancements, many rural communities suffer from a lack of basic services and job opportunities. Incidences of domestic violence in Guanajuato state where CASA operates are extremely high (national reports suggest as high as 67% of women have been affected), birth rates are high (partly due to unplanned teenage pregnancies) and the infant and maternal mortality rates are increasing.

CASA has nine programme areas providing a holistic package of interventions, including Mexico's first (and still only) government-accredited midwifery school, a Family Health Clinic and Maternity Hospital, peer counselling in schools, theatre and radio education to tackle social issues, library and reading programmes, violence prevention and an Early Childhood Development Centre. CASA's work is rooted deeply in a knowledge and understanding of grassroots but reaches beyond the borders of the state in which it works to impact policy at the national level.

Initial funding from the Ashmore Foundation will help CASA to extend their existing peer counselling model, which trains and empowers youth to deliver services including community health (family planning, nutrition, ecology, basic health



Review

Jan 2012

services and referrals), violence prevention workshops, educational theatre and radio programmes addressing social issues including sexual health, drug abuse, HIV and more. The full programme (of which the Ashmore Foundation is contributing 15%) will directly benefit 47,637 and a further 238,185 indirectly.

Trickle Up and Freedom from Hunger (India)

The Ashmore Foundation has approved funding of two complimentary grants to Trickle Up (£50,000) and Freedom from Hunger (US\$50,000) addressing poverty amongst some of the most marginalised communities in India through livelihoods training, seed capital and microfinance with add-ons such as education and health protection.

India, while emerging as a vibrant trillion-dollar economy, still has the world's largest concentration of people in poverty: more than 700 million people live on less than US\$2 a day and more than 300 million live on less than US\$1.25 a day (the threshold for extreme poverty). In the states where Trickle Up and Freedom from Hunger work—including West Bengal, Orissa, and Jharkhand—extreme poverty rates are as high as 50% and maternal mortality rates are among the highest in the world.

Trickle Up's programs target the extreme or "ultra" poor who are too poor to qualify for microcredit, providing direct services to fund, train and provide extensive follow-up coaching to community organisations working directly with beneficiaries. These organisations are enhanced to be able to provide a relevant and powerful series of services for the ultra poor including livelihoods training, seed capital grants and savings group support. The package of support is designed to meet the particular needs of this segment of society, who have minimal capital, including little or no education whatsoever.

The network of existing grassroots organisations through which Trickle Up works serves 4,000 women across more than 80 villages. Funding from the Ashmore Foundation is being directed to help these women to establish livelihoods that increase household income and promote asset growth, access to formal finance through peer-based savings and lending groups and in turn improve the health, nutritional status and quality of life of entire families.

Freedom from Hunger primarily targets communities in need of microfinance with microcredit and essential add-ons including education and health protection. Microfinance –



particularly commercialised microfinance - receives mixed press, but can provide a valuable poverty reduction tool if conducted in an ethical manner, loans given to those who have been properly assessed and combined with adequate support or resources as may be required to address individual or household constraints. Women's ability to succeed in business is restricted by their care giving responsibilities, for example, which is exacerbated by poor health and repeated health crises in the poorest households. Microfinance clients need and request services to protect themselves from illness and to manage the impact when illness occurs.

Funding to Freedom from Hunger will contribute to scale up of existing operations in India delivering combined microfinance and health services through 22 MFIs (an increase of 12) and related institutions in West Bengal, Orissa, Bihar and Jharkand, Andhra Pradesh, Karnataka and Tamil Nadu.

Developments within the Ashmore Foundation

New trustees

In October 2011, two new employees of Ashmore joined the board of trustees: Fatma Kamara and Martin Tully. Both bring extensive business knowledge and skills. In addition, Fatma brings experience of humanitarian initiatives on the ground in Liberia and Sierra Leone, voluntary work with underprivileged youth in the US as well as fundraising, whilst Martin has been involved in fundraising for numerous international charities. Cemil Urganci stood down after 3 years of service.

In January 2012, the Foundation's first independent trustee, James Carleton, joined the board of trustees. James is a lawyer with Farrer & Co and brings legal and specific grant-making trust and foundation experience which will no doubt be highly valuable.



New trustees are appointed for an initial term of two years.

Showcasing of Grantees: Charity Talks

In 2011, we began the first charity talks in the offices of Ashmore; an opportunity for grantees to showcase their work amongst Ashmore employees. The first two talks were given by Afrikids and by the Philippine Community Fund. We hope to make this a regular installation at Ashmore which provides an opportunity for employees to learn more about social initiatives in the Emerging Markets whilst enabling charities to broaden their links to Emerging Markets professionals.

The first charity talk of 2012 will be given by Trickle Up on their work supporting the “bottom billion” in India in February.

Matched Funding Extension

Existing matched funding arrangements, by which Ashmore will match up to £2,000 per year from employees donating to the Ashmore Foundation, have recently been extended. Employees can now have up to £500 a year in contributions (either fundraised for or donated directly) to grantees matched by the Foundation as part of the strategy to encourage increased support for selected causes.

Summary of 2011 Grants

Partnership

- Children of the Andes** (Colombia - education): £20,040
- Afrikids** (Ghana – health): £69,736
- Pragya** (India – health): £28,896
- Room to Read** (Cambodia – education): £12,000
- ACEV** (Turkey – education): £20,000
- Nu3 Foundation** (Colombia – health): £28,500
- Philippine Community Foundation** (Philippines – health and education): £23,543
- Path Foundation Philippines** (Philippines – health): £35,000
- Freedom from Hunger** (India- livelihoods): US\$50,000
- Trickle Up** (India - livelihoods): £50,000
- Aangan Trust** (India – education): £25,000
- CASA** (Mexico – health): £25,000
- Futbol con Corazon** (Colombia – education): £34,558
- British Red Cross** (Turkey – emergency relief): £25,000

Small

- Impact Foundation** (India – health): £4,950
- TEGV** (Turkey – education): £4,600
- Plan** (Global – general): £5,000
- ACE Africa** (Kenya – health): £3,000
- Shared Interest Foundation** (S. Africa – social enterprise): £5,000

- Feed the Minds** (India – social enterprise): £5,480
- Cecily’s Fund** (Zambia – education): £3,000
- Bwindi Community Hospital** (Uganda - health): £,5000
- Manav Seva Sansthan** (India – health): £5,000

Ashmore Foundation FAQs

What areas does the Ashmore Foundation support?

The Ashmore Foundation supports organisations which work to achieve specific health, education and livelihoods outcomes quality of life for disadvantaged and vulnerable communities in the Emerging Markets. The Foundation currently has in place 10 priority locations to which the majority of funding will be channelled. We are particularly interested in supporting results-focused organisations which are meeting a clear need in an effective manner, which have a strong knowledge of and representation by the local community and which empower people to help themselves.

The Foundation will review recommendations from employees of Ashmore against established criteria so long as they are eligible and fit with priorities. The Ashmore Foundation primarily takes a proactive approach to the work we wish to support, thus the success rate for unsolicited applications – particularly for larger grants - is low. Charities invited or wishing to make an unsolicited application should read the Funding Guidelines which are available at www.ashmoregroup.com/corporate-investor-relations/the-ashmore-foundation/.

What will the Foundation not support?

The Foundation does not normally fund: activities not based in the Emerging Markets; individual sponsorship; work that has a low impact and/or is not addressing a clearly defined need for disadvantaged people; work that is the responsibility of governments, or which is substantially funded by them; work that is overtly political or religious in nature; or retrospective funding.

What level of support will the Foundation provide?

The Foundation has two separate grants schemes, Small (for grants up to £5,000) and Partnership, which has no upper limit but usually provides between £20,000-£70,000 per year. Partnership grants may be for up to three years, for projects, core or capacity though it is more usual for the Foundation to fund a restricted project in the first year.

How are decisions made?

Applications are sorted and reviewed by the Foundation Director. Recommendations are put to trustees, who must approve all grants.