

**“ We make a living  
by what we get,  
we make a life by  
what we give ”**

Winston Churchill

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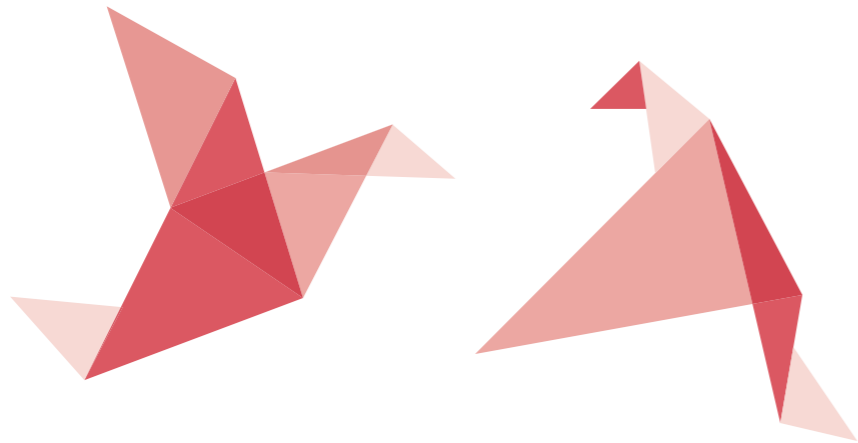
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# 01

## Foreword



### A new impetus for a new decade

Giving our time or money plays a significant part in all of our lives, regardless of how much we decide to give. Over the last 20 years, Europe has seen strong growth in the number of new foundations created. In Switzerland alone, a foundation is registered every day. However, a less-known fact is that in any given year, for every three foundations formed, two are dissolved or merged. In this light, what are the key issues that ensure a foundation's success? And what is the most suitable structure to organise one's philanthropy?

For the last 10 years, Swiss Philanthropy Foundation has supported the development of philanthropy in Switzerland by helping donors create and manage philanthropic funds.

Funds hosted by Swiss Philanthropy Foundation offer an attractive alternative to setting up an independent private foundation. This solution gives donors an opportunity to learn how professionally run, structured philanthropy works, while making their life easier, as the Foundation takes charge of administering the fund. Donors gain access to a support structure that enables them to become more personally involved in the projects they support through their grants.

With 25 philanthropic funds created since 2006 and around 100 projects funded worldwide each year, the Foundation is one of the few organisations in Switzerland equipped with such a breadth of expertise and experience. This has allowed us to enrich and broaden our service offering to meet donors' unique needs. Today, the Foundation is entering a new stage. The year 2015 ushered in several important changes in the Foundation's structure and governance, as we have consolidated the management team and reinforced our local and international partner ecosystem. We therefore begin our second decade with ever-growing enthusiasm and ambition, in the firm hope that our actions will help foster an increasingly open and accessible philanthropy.

Swiss Philanthropy Foundation has reached this milestone thanks to the many exceptional men and women we have met along the way and whose desire

to give during their lifetime has inspired us. We are especially grateful for their continued interest in our Foundation.

In the words of Winston Churchill, "We make a living by what we get, we make a life by what we give." Both empathy and generosity coincide with philanthropy. We hope you will enjoy learning about the Foundation as much as we enjoy working for it, with the help of our outstanding management team and committed Board. We take this opportunity to thank them for their dedication.

**Etienne Eichenberger**  
Chairman

**Didier Cherpitel**  
Secretary

# 02

## The Foundation

Swiss Philanthropy Foundation was created in 2006 as a non-profit hosting foundation to provide philanthropists with a simple, cost-effective way to achieve their charitable objectives.

### Vision

Times are changing and we now encourage philanthropists who wish to get more involved either on an individual basis or with their families, following and directly experiencing the impact of their grants.

### Mission

By creating, hosting and managing philanthropic funds, Swiss Philanthropy Foundation enables philanthropists to realise their long-term commitments.

### Values

#### Independence

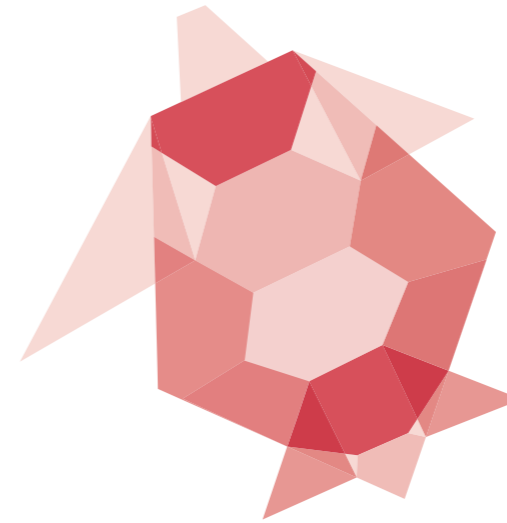
We are independent from any banking institution and public or private company.

#### Professionalism

Our Board Members serve on a voluntary basis and have extensive experience in running foundations and implementing philanthropic projects. Our highly skilled management team oversees the Foundation's operations and finances.

#### Simplicity

Our solutions are quick and easy to set up and can be adapted to meet philanthropists' specific needs and requirements.



### What is a hosted philanthropic fund?

The personal philanthropic funds hosted by Swiss Philanthropy Foundation offer an attractive alternative to a traditional private foundation. They are simpler to set up and manage than a private foundation and have lower running costs.

Personal philanthropic funds not only offer the same advantages as the hosting foundation, but also free philanthropists to focus on their philanthropy and engage with issues they care about, since all administrative tasks are handled by the Foundation.

They are suitable for individuals and families, as well as groups of foundations wishing to work together.

Each fund is managed by a steering committee, which includes the founder, one or more members chosen by the founder, and a representative of the Foundation Board. The steering committee decides on all grant allocations.

## 03

## Commitment &amp; accountability

We are committed to upholding a high standard of accountability towards the Foundation's donors, beneficiaries and partners. Every time we invite a donor to host his or her fund with us, we are reminded of our duty to act in an exemplary fashion towards our community and authorities, while feeling humbled by donors' high ambitions for their philanthropy.

The Foundation continued to grow in 2015, creating several new funds and further developing its activities. This steady growth reflects the professionalism and sense of responsibility of our management team and Board towards donors, as well as the trust they place in us.

**Philanthropic funds**

For nearly ten years, we have worked hard to build the Foundation into a highly respected, trustworthy and stable partner for donors.

A token of the Foundation's success is that the number of hosted funds increases every year and that 80% of these are entrusted to the Foundation for a period of over 10 years. Over the past decade, the Foundation has distributed nearly 20% of hosted assets to support philanthropic projects in Switzerland and abroad. In 2015 alone, it distributed 7.5 million francs in grants.

The Foundation also facilitated hundreds of donations from Switzerland to organisations in Europe in 2015, through Transnational Giving Europe, a cross-border network of leading European foundations and charities, of which Swiss Philanthropy Foundation is the sole Swiss representative.

The duties of the Foundation include ensuring that the disbursement of grants complies with the Foundation's aims, performing due diligence on recipient organisations, and implementing and monitoring projects in an effort to meet donors' high standards and expectations.

**Governance**

The professionalisation of non-profit governance goes hand in hand with higher standards of accountability towards donors, supervisory authorities and grant recipients. Consequently, the Foundation has adopted a "Good Governance Charter" to ensure our decision-making process is professional and transparent at all times, and that it complies with current legislation. The charter was validated by the Center for Philanthropy Study at the University of Basel.

All Members of the Foundation Board have proven expertise in civil society and the private sector, and serve on a strictly volunteer basis. To ensure the Foundation's activities follow current best practices and to anticipate potential risks, especially in legal and financial matters, the Board maintains a close dialogue with the authorities and regularly seeks advice from the Foundation's partners.

Lastly, the Foundation is committed to remaining independent from financial and other institutions, while cultivating long-term relationships with quality partners. By meeting these high standards, we plan to continue to carry out our mission with the same unwavering commitment to accountability.

**Financial management**

To ensure a high standard of financial management, the Foundation has formed a Financial Committee made up of two Members of the Foundation Board and one independent member. A management charter clearly defines the Committee's organisation. The Financial Committee is charged with ensuring that the various banks charged with managing each fund's assets follow the specified mandate.

The Committee has retained an external service provider to monitor banks' asset management processes, including performance, fees and implementation of the chosen strategy.

Finally, as a member of Sustainable Finance Geneva and Swiss Sustainable Finance, the Foundation supports the development of sustainable finance in Switzerland.

## 04

## Key figures since 2006



## Key figures for 2014 and 2015

As at 31 December:

	2014	2015
<b>Hosted assets</b>	103.4 million	103.2 million
<b>Donations disbursed</b>	11.5 million	7.5 million
<b>Philanthropic funds created</b>	4	3
<b>Total philanthropic funds hosted</b>	21	25

# 05

## Milestones



### 2006 Swiss Philanthropy Foundation is born

Swiss Philanthropy Foundation is established to support the development of philanthropy by making it more accessible to a larger number of donors in Switzerland. The foundation is based on an existing structure named Mediantis.

### 2007 First personal philanthropic fund created

A donor from Geneva creates the first personal philanthropic fund to support sustainable solutions to combat childhood poverty in Geneva (through grants to Swiss organisations including Paidos and Caritas). The fund has a limited lifespan of four years.

### 2008 The Foundation joins Transnational Giving Europe to enable donors to support projects across Europe

The TGE network currently has 18 members in 18 countries. In 2015, it facilitated around 4,500 donations to 314 organisations in Europe with a total value of 8 million euro.

### 2010 First thematic fund created to focus on health

The Foundation sets up a first thematic fund with a focus on health and awards its first grant to a European research programme on Crohn's disease at the University Hospital Zurich.

### 2012 First collaborative fund created with support from the Bill & Melinda Gates Foundation.

On the initiative of several large donors, the Foundation sets up a collaborative philanthropic fund to provide funding to programmes to reduce and eventually eliminate polio and meningitis. The fund has awarded grants to the WHO in Geneva, among others.

### 2013 10<sup>th</sup> fund created with Chanel Corporate Foundation in cooperation with WISE - philanthropy advisors

This dedicated, time-limited fund created by the recently formed Chanel Foundation has enabled 580 women in Vietnam to increase their income from handicrafts and funded training on legal and health issues for 14,400 women.

### 2014 The Foundation is a founding member of Swiss Sustainable Finance

The Foundation joined 64 other key players from the Swiss sustainable finance community and civil society in supporting the activities of a new network dedicated to sustainable finance. In Geneva, the network is represented by Sustainable Finance Geneva.

### 2015 Financial Committee formed within Swiss Philanthropy Foundation

The Foundation Board adopted a " Good Governance Charter " and formed a Financial Committee to ensure its assets are properly managed.

▲ personal philanthropic fund hosted  
▲ thematic philanthropic fund hosted

### "Promoting Philanthropy" thematic fund created

The fund supported the first annual conference of the European Venture Philanthropy Association, the largest event of its kind in Europe, thanks to donations from eight institutional donors (the Oak, Albatros, Sésam, Trafigura and Womanity foundations, and Friends of Fondation pour Genève).

**Note :** some personal philanthropic funds have been closed since their creation.

# 06

## Donors & beneficiaries

“

As owners of a family-run business in the luxury industry of which I am CEO, my family and I decided to focus on disadvantaged women, especially in Africa. We had limited time to devote to this project, so we decided to create a fund with Swiss Philanthropy Foundation, the Fonds Adler pour les femmes. This enabled us to quickly transform our charitable intentions into an effective and professionally run project.

*Allen Adler, Fonds Adler pour les femmes, Geneva*

“

My siblings and I were still in our teens when our parents encouraged us to start giving charitably. At the time, we didn't have a family foundation. The Personal Philanthropic Fund solution offered the flexibility and discretion we needed to start our philanthropy at a young age, with help and advice from Swiss Philanthropy Foundation and WISE. Their support enabled us to give a new dimension to our family's wealth.

*Sara Ojje, Fonds Famille Ojje, Geneva*

The fund supported the implementation of large-scale projects in Brazil, Columbia, Cambodia and Laos, among others.



The Fund financed fistula operations for 1,621 Tanzanian women.

“

As bankers, we were looking for a simple and efficient way to make a long-term impact through our philanthropy. In 2010, when we first started working with Swiss Philanthropy Foundation, few people had heard of Personal Philanthropic Funds. We have collaborated with them on several projects since then, allowing us to act quickly and effectively to improve the lives of vulnerable people and achieve results far beyond what we expected when we first started.

*Francesco D'Amico, Quilvest, Zurich*



The fund has supported 30 programmes in more than 23 countries in Latin America and Africa, as well as in France.

“

Collaboration among grant making foundations is one of the most effective ways for philanthropy to work towards transformative social change. While vitally important, collaboration can also be a challenge. The Swiss Philanthropy Foundation has provided Partners for a New Economy with the platform it needs to enable its four family foundations to jointly engage in strategy development and grant making.

*Leslie Harroun, Partners for a New Economy, Gland*

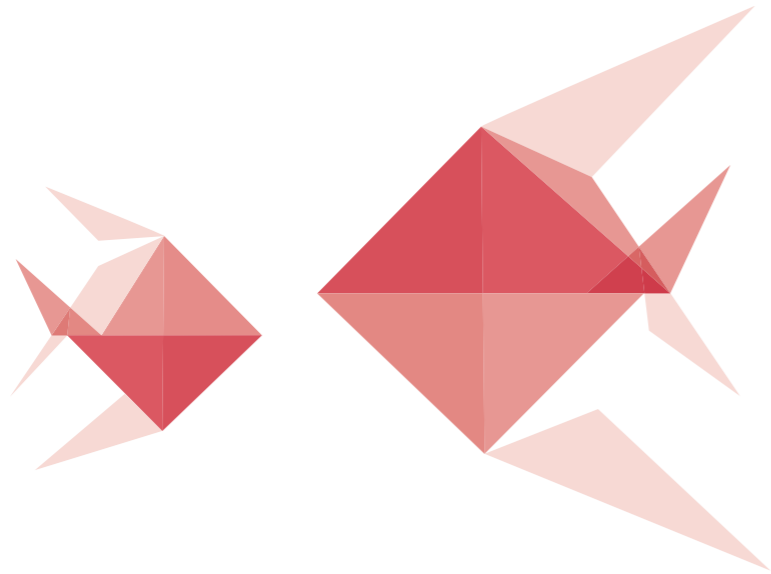
The fund focuses on sustainable development, and as of 2015 will make grants for research on an alternative monetary system that fosters human wellbeing and environmental balance.





## 07

## Personal philanthropic funds



**The alternative to a traditional private foundation.** Personal Philanthropic Funds enable donors to support charitable projects without incurring the high costs and administrative burden of a private foundation.

Interview with **Guillaume Fatio**, Vice Chairman of the Board, and **Sabrina Grassi**, Administration Manager.

#### What was the genesis of personal philanthropic funds?

**Guillaume Fatio** : We came up with this solution because some clients were looking for a simple, quick and efficient way of creating a mini-foundation to support specific projects over a limited time period. Personal philanthropic funds are a good option for donors who want flexibility. They also have the advantage of being more discreet than a foundation : only Swiss Philanthropy Foundation and the supervisory authorities know who the donor is, whereas foundations are required to publish donors' names. Personal philanthropic funds are also popular with philanthropists who want to get more personally involved in managing their philanthropy.

#### In 2015, Swiss Philanthropy Foundation created three new personal philanthropic funds. Can you tell us a bit more about them?

**Sabrina Grassi** : Swiss Philanthropy Foundation pursued its development and consolidated its position in Western Switzerland by creating three new personal philanthropic funds this year, with initial assets totalling over 3 million francs. Two of the funds were established for a minimum period of five years, while the third has no defined time limit. The causes they support include education, medical research and the environment. One of the three is a new type of personal philanthropic fund known as a collaborative fund, in which four large foundations have come together to support sustainable development projects. By leveraging resources and grants, and encouraging

partnerships between key players, collaborative funds help increase a project's impact.

#### What assistance do you provide to donors?

**Sabrina Grassi** : Our main goal is to identify the best solution for each donor, then help them define and implement their philanthropic project. We spend time meeting with them and suggest professional solutions that meet their requirements. The funds we host all pursue similar aims to those of Swiss Philanthropy Foundation in areas such as health, social and humanitarian aid, education, the environment and the arts.

#### What are the three advantages of a personal philanthropic fund?

**Sabrina Grassi** : Its impact, cost and flexibility. A personal philanthropic fund enables donors to focus their efforts on their philanthropy, while we handle accounting and administration. Running costs are lower too, since they are shared among the various funds we host. Finally, funds are simple to set up and can be modified at a later stage. Each fund is managed by a steering committee, which is responsible for choosing recipient organisations and determining the size of grants, thereby ensuring the fund's good governance.

#### 2015 milestones

- Creation of three new personal philanthropic funds.
- Closure of one fund after 6 years of activity with 1,658,500 beneficiaries reached in around 20 countries, including France.
- Creation of a collaborative fund for four foundations (MAVA, Oak, Marisla and KR).

## 08

## Thematic funds

**Combine your donations with the Foundation's assets.** Thematic funds offer a way for donors to contribute to existing thematic funds managed by the Board of Swiss Philanthropy Foundation.

Interview with **Didier Cherpitel**, Secretary of the Board, and **Maurice Machenbaum**, Member of the Board.

#### What was the genesis of the Foundation's thematic funds?

**Didier Cherpitel**: Swiss Philanthropy Foundation's thematic funds were created to meet specific needs in several countries, but also to meet the needs of donors who wanted to contribute anonymously to an existing project rather than start one of their own. These funds are an excellent way to achieve greater impact by pooling contributions from several donors. Moreover, they allow Swiss Philanthropy Foundation to diversify its activities and associate donors on a common project.

#### Swiss Philanthropy Foundation's most recent thematic fund focuses on education and training. Why this theme?

**Maurice Machenbaum**: Most foundations working in the area of social aid aim to reduce poverty. The most effective strategy for achieving this is to give people more opportunities to break the vicious cycle of poverty. Both our experience and the literature show that access to formal employment, especially in an urban context, has a huge impact on poverty reduction. Investing in education for youth, preparing them for employment (by training them in both technical and soft skills), finding job placements for them and assisting them during their transition to the workforce is "profitable".

The cost of such a programme is reasonable, it offers support for a limited time only, and it significantly increases participants' autonomy. Employed youth and their families benefit in several ways: a regular source of income enables the young person to plan for the future, support their family and set an example for their

siblings and the community at large. It also builds their self-esteem, pride and discipline, while broadening their social network, which helps open new doors and makes them less vulnerable to life's setbacks.

#### How do you measure the impact of a thematic fund?

**Maurice Machenbaum**: Swiss Philanthropy Foundation has a strategic partnership with WISE – philanthropy advisors for its thematic funds. Before making its first grant, the fund defines a set of common indicators based on best practices, which are used to measure and compare the performance of the various projects it supports, while allowing for differences in the environments in which they operate. For donors, who are concerned mainly with final outcomes, it is relatively easy to measure how many young people who formerly had no access to decent work are now in formal long-term employment, for instance, and at what cost. Six to twelve months after job placement, we follow up to ensure beneficiaries are still stably employed.

#### What are the advantages of a thematic fund?

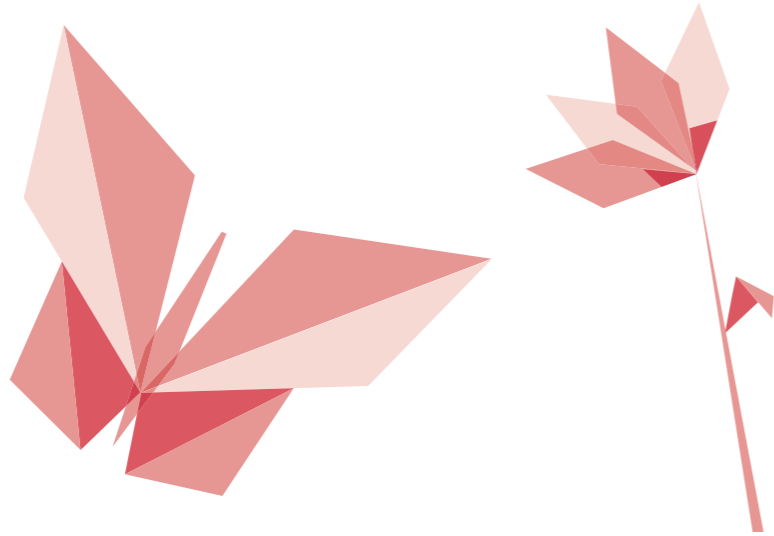
**Maurice Machenbaum**: Thematic funds support projects in several different contexts and regions. This allows them to apply successful experiences and models from one project to the others, improving their overall quality and impact on final beneficiaries. By contributing to the fund, donors can increase the impact of their donations across all the projects supported by the fund, regardless of the amount they give. The multiplier effect is very strong.

#### 2015 Milestones

- The new Education and Employment fund will reach 36,500 beneficiaries through eight new projects in six countries.
- Strategic co-financing with a Swiss foundation for a project in Tanzania.
- The Social Impact fund will reach 10,000 beneficiaries.

## 09

## European cross-border donations (TGE)



**Giving in Europe.** The Transnational Giving Europe (TGE) network enables philanthropists to give to organisations throughout Europe as easily as when donating in their country of residence. It thus supports the development of philanthropy and facilitates cross-border giving in Europe.

Interview with **Paul Caroly**, Member of the Board, and **Ludwig Forrest**, TGE Coordinator.

#### How does the Foundation Board determine where to send the donations it receives?

**Paul Caroly:** Swiss Philanthropy Foundation joined the Transnational Giving Europe network in 2008. The Foundation Board supports cross-border giving in compliance with Swiss law and tax regulations, as well as the principles of our Good Governance Charter. The Bureau meets every quarter to decide on the allocation of donations received from donors in Switzerland for organisations based in the network's 17 member countries. We carry out preliminary due diligence on each intended recipient organisations to confirm it is the effective beneficiary.

#### What are the advantages of TGE versus other types of fund?

**Paul Caroly:** TGE offers a simple and efficient solution for Swiss-based individuals to make donations to organisations elsewhere in Europe which are tax-deductible in Switzerland. TGE requires no particular follow-up or involvement on the donor's part, since network members are responsible for due diligence and processing of donations.

#### What results did TGE achieve in 2015?

**Ludwig Forrest:** In 2015, 4,500 donations totalling almost 8 million euro were transferred to 314 charities active in the areas of education, training and the arts, in 18 European countries. We also saw two excellent new developments in the past year: TGE maintained a stable base of small and medium-sized donors, which

clearly shows that it meets a recurring need, namely "I am a European donor; I want to support a cause in another country; I use TGE because the network functions well, offers a secure environment and allows me to deduct the charitable donation from my taxes". Secondly, a growing number of organisations are using the TGE network, including some very prominent institutions.

#### How can TGE continue to develop the network?

**Ludwig Forrest:** In 2015, we discussed how to improve the network with regard to its operations and communications, and how to better define our values, purpose and mission. In a second stage, we plan to simplify procedures, enhance the visibility of cross-border giving and improve the quality of services we offer to donors and recipients. Croatia recently joined TGE, and several other countries are planning to apply for membership soon.

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