



Growing Businesses That Matter

YUNUS SOCIAL BUSINESS - GLOBAL INITIATIVES

A photograph of Professor Muhammad Yunus, an elderly man with white hair, wearing a light-colored suit jacket, seen from the side. He is looking towards a group of women in a rural setting. The women are wearing colorful headscarves (purple, blue, and pink) and are gathered around a table with various items, possibly food or craft supplies. The background shows trees and a bright, sunny day.

7 Countries

20 Social Businesses

200+ Entrepreneurs Supported

800+ Jobs Created and Sustained

\$5.7 Million Deployed to Social Businesses

10,000+ Impacted Customers

Please note that all figures in this report are as of December 31, 2013
and all monetary amounts are in US Dollars.



AT A GLANCE

Yunus Social Business – Global Initiatives (YSB) is a social accelerator that incubates and finances local entrepreneurs to build solutions from the ground up. YSB is active in seven countries where local country teams source, coach and mentor entrepreneurs. YSB subsequently finances the most promising social businesses while also providing post-investment support.

Prof. Muhammad Yunus

Nobel Peace Prize Laureate,
Co-Founder and Chairman of
Yunus Social Business – Global Initiatives

Over the years, I have created many businesses. I learned from my experience with microfinance the power business has to solve social problems, and that this is universally applicable to all sectors. So whenever I wanted to solve a human problem, I tried to think of how to use a business approach to address it. These were new kinds of companies, to help others rather than to make money for ourselves. Whatever profit we made from the companies, we reinvested to make them grow and solve even more problems. I started calling this type of company a social business.

The concept of social businesses has been the missing piece in the framework of the business world. The present day money-centric capitalism cannot continue. In light of the financial and many other crises, we need to rethink the fundamentals of our economic system, a system that has failed again and again to address basic problems of our world, such as poverty, inequality, disease, unemployment, and environmental degradation amongst many others. In relation to the size of the problems, traditional charitable work can only ever play a small role to fix them. But social businesses can be much bigger, because they recycle money many times and keep growing, solving problems all along the way.

Through my own experiences I have seen how social businesses are a good way to combine the efficiency of market-based competition with philanthropic goals. I have created many social businesses in Bangladesh, such as Grameen Danone, Grameen Veolia, BASF Grameen, Grameen Shakti, Grameen Intel, Grameen GC Eye Care Hospital, to name a few. They have proven their effectiveness in solving pressing problems and have grown and become stronger.

The mission of Yunus Social Business Global Initiatives is to spread this success to other parts of the world, via the innovative “Incubate and Finance” concept. We are confident that social businesses will become an attractive option for more and more social business entrepreneurs, existing businesses, fund managers, foundations, bilateral and multi-lateral development agencies, governments and philanthropic lenders.

I hope you will be our partner in this exciting journey towards transforming business from sole profit making to problem solving of the world’s most pressing social issues.

Table of Contents

About Us	6
Our Initiatives	8
Our Social Businesses – Examples	10
Our Approach: How We Incubate	12
Our Approach: How We Finance	14
Our Global Management Team	16
Portfolio Overview	20
YSB Haiti Overview	22
YSB India Overview	24
YSB Colombia Overview	26
YSB Albania Overview	28
YSB Brazil Overview	30
YSB Tunisia Overview	32
YSB Uganda Overview	34
Partnerships and Events 2013	36
Outlook	40
Support Us	42



YSB Co-Founders CEO Saskia Bruysten (L) and CFO Sophie Eisenmann (R) with YSB Chairman and Nobel Peace Prize Laureate Professor Muhammad Yunus (C)

Saskia Bruysten

Co-Founder and CEO of Yunus Social Business Global Initiatives

Dear Partners,

Inspired by the success of social businesses in Bangladesh, we decided to co-found YSB to replicate this success globally. Taking our cues from the business world, we created the “Incubate and Finance” approach in order to target early-stage and growth social businesses. We believe that they can benefit from access to capital and business advice in the same way a normal business start-up would from a business incubator. At the same time, and similar to a venture capital fund, we offer philanthropic lenders the opportunity to invest in a carefully selected portfolio of social businesses in our target countries.

Our team of diverse professionals is driven by the same principles as the social businesses we finance. We pursue social impact first and foremost, but with the financial prudence of the private sector.

Since late 2011, we have come a long way, financing 20 social businesses and expanding into seven countries across the world. With new country initiatives such as Tunisia and Uganda coming into full operation in 2014, we are excited about the pace at which we are spreading the social business concept in several countries.

At the heart of our work lies the deep desire to bring together different players from different backgrounds to create innovative, sustainable solutions to the most pressing needs of our time. We look forward to partnering with you on this journey.



ABOUT US

What is Yunus Social Business

WHAT IS A SOCIAL BUSINESS?

A social business is a company created with the sole purpose to solve a social problem in a financially self-sustainable way.

Social businesses are becoming an important tool for economic and social development in many countries.

While social businesses are in many aspects similar to traditional commercial businesses, they are different in either their specific products or services that are tailored to solving a specific social or environmental problem. They can also be different in the way they focus on maximizing benefits to stakeholders along the value-chain, including distributor or supplier micro-entrepreneurs and employees, in contrast to maximizing shareholder value.

Through this model, a good social business combines an unwavering focus on meeting social needs with entrepreneurial energy, market discipline and a great potential for replicating and scaling successful enterprises.

As a leader of the social business movement, Professor Yunus has over the past 30 years pioneered more than 40 social businesses in Bangladesh alone. Some of these are among the largest companies in the country. Today, the UN, the EU, development agencies, NGOs, multinational corporations and academic institutions broadly acknowledge the concept.

“Social business is a powerful concept at the intersection of the social and business realms. The objective is to apply the professionalism and efficiency of the business world to solving the world’s most pressing social problems. And to do so in a self-sustaining way, providing for choice and personal responsibility for those who benefit from it.”

Ulrich Villis, European Leader Social Impact Practice,
The Boston Consulting Group.

WHAT IS YUNUS SOCIAL BUSINESS ?

Co-founded by Nobel Peace Prize Laureate Professor Muhammad Yunus, Saskia Bruysten and Sophie Eisenmann, YSB is a social accelerator. It replicates the success in Bangladesh, and draws upon the social business experience of the wider Grameen family, to work with local entrepreneurs to build solutions from the ground up.

YSB applies business approaches to the world of social development. It has developed an innovative ‘Incubate and Finance’ methodology, which bridges the gap between social businesses and philanthropic lenders and donors.

YSB has an on-the-ground presence in several countries, where its local country teams search for, coach and mentor entrepreneurs to create strong, investment-ready social businesses. YSB provides financial support predominantly in the form of soft loans to the most promising social businesses. Post-investment, YSB provides on-going advice and support as well as peer-to-peer exchange with other social business entrepreneurs.

In doing so, YSB grows businesses that matter.

The YSB global and local teams are a diverse mix of experts, with experience in entrepreneurship, consulting, venture capital, business incubation, finance and international development. YSB further has a large pool of expert volunteer consultants that contribute to its global and local operations.



2010 Haiti

The YSB Haiti office was opened with the support of our founding partner SAP. The first social business financed in Haiti was a training center for business skills in Port-au-Prince in 2011. Currently, the team manages a portfolio of 7 social businesses.



2011 Colombia

YSB Colombia was created in 2011; it manages a portfolio of 2 social businesses to date. It has also created a “Social Business Center for Excellence in Cultivation” as a joint-venture with the potato giant McCain.



2011 India

YSB India was launched in 2011 in Mumbai, and 6 social businesses have received financing to date. Two loans have been repaid in full so far, with additional refinancing of one in order to scale the recipient social business.

2012 Albania

YSB Albania began operations in April 2012 with the support of the Albanian National Government. YSB Albania has financed 3 social businesses to date and, in 2013, ran a nationwide televised show on social businesses to identify the best entrepreneurs.



OUR INITIATIVES

YSB offices and programmes around the world



2013 MARCH Tunisia

In partnership with the African Development Bank, Tunisia was the first in a series of African countries to replicate the social business concept. The first businesses are in incubation stage; an accelerator program has been developed in cooperation with Yale University and will be launched in 2014.



Germany

YSB – Global Initiatives in Frankfurt coordinates all project countries across the globe, serves as a shared services provider to all countries and develops YSB’s overall strategy. The team drives process standardization, quality control, and knowledge exchange across all countries and makes the final investment decisions. Global partnerships that benefit all countries are initiated through YSB Global Initiatives, as are global fundraising activities and investor relations.

2013 MARCH Brazil

In March 2013, YSB Brazil was launched to spread the social business concept throughout Brazil; Rio was officially declared a ‘Social Business City.’ The local accelerator program will commence in 2014.



2013 NOVEMBER Uganda

In partnership with the African Development Bank, YSB Uganda was started in November 2013, and the first business was incubated. By 2014, a structure will be developed to finance the first social business.



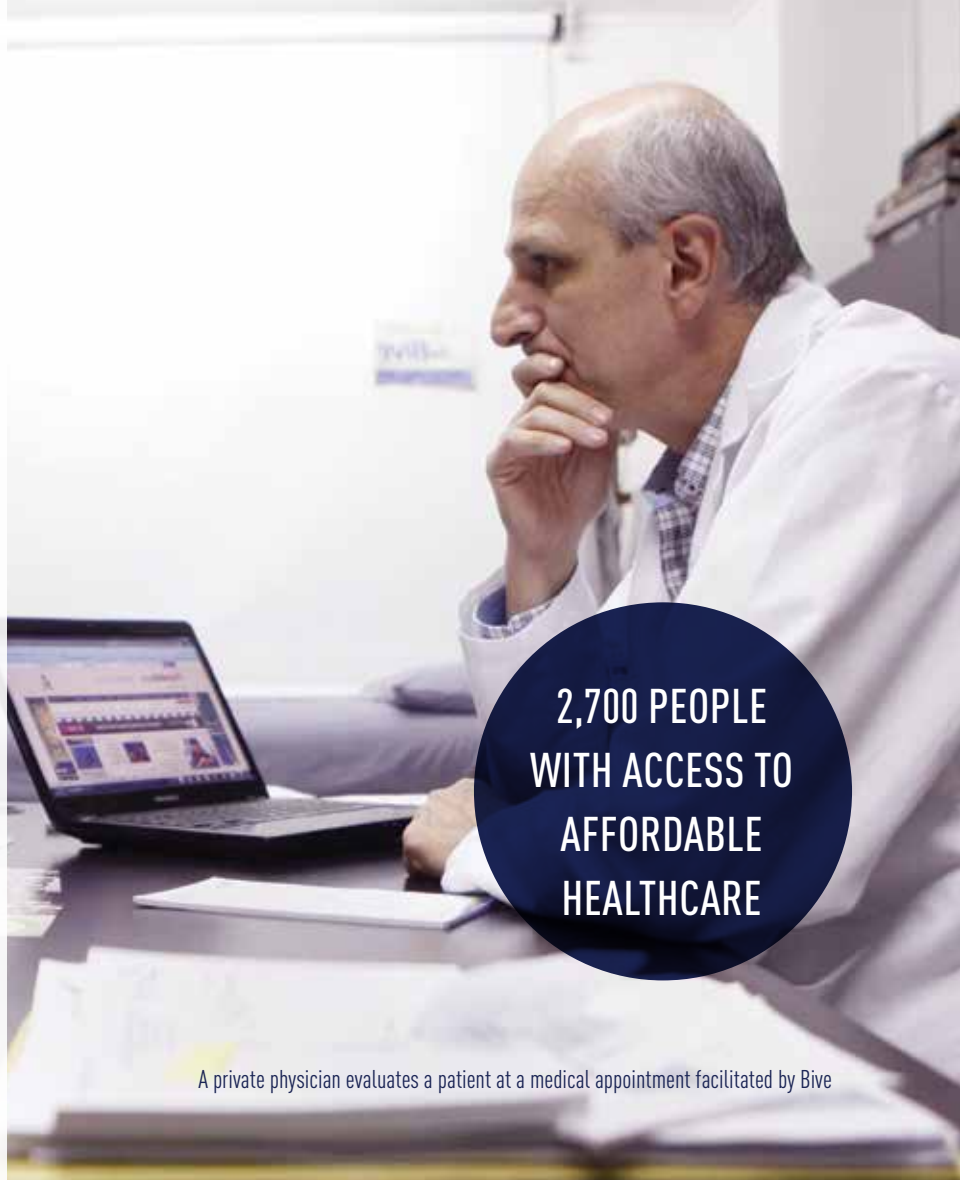
Bive, Colombia

*Increased healthcare access
for low-income families*

Denial of services and medications, long waiting times, and difficult administrative procedures are huge obstacles for access to healthcare for the poor in Colombia. This translates into a higher occurrence of preventable disease, delayed diagnosis, increased spending on high complexity treatments and lower quality of life. Bive has created a network of providers that offer discounts and immediate care with a focus on the poorest of the poor. A Bive membership plan not only provides general access to care, but also discounts of up to 68% on the price of private providers and a guaranteed medical appointment within 7 days.

OUTLOOK

- Targeting 9,500 users within the next year
- Expanding to new regions in Colombia



**2,700 PEOPLE
WITH ACCESS TO
AFFORDABLE
HEALTHCARE**

A private physician evaluates a patient at a medical appointment facilitated by Bive



**135 JOBS
CREATED FOR
WOMEN IN RURAL
ALBANIA**

Rozafa, Albania

Jobs for rural women

Women in rural areas in Albania have very limited opportunities for formal employment. Rozafa is a marketing and distribution company for traditional handicraft products from selected and trained women-run workshops around the country. By selling to domestic and international clients, Rozafa provides stable market access to small rural businesses run by and employing women.

OUTLOOK

- 5-8 new major clients expected for 2014
- New product line with European fashion label “Mammu”
- Online sales expected to start in mid-2014

YSB Albania's financing allows for increased women's employment at traditional handicraft rural workshops

Our Social Businesses

Examples from our portfolio

Pain O Quotidien, Haiti

Healthy, affordable nutrition

Pain O Quotidien (POQ) is a modern pastry production facility providing high quality nutritious bread in St. Marc and its surrounding areas. This social business develops local food production in a country that relies massively on food imports. POQ is designed for community impact: the ingredients are sourced locally, benefiting the chain of small distributors and their families.

PROVIDING
800 FAMILIES
WITH AFFORDABLE
NOURISHMENT

SUPPORTING
50 WOMEN STREET
VENDORS



OUR APPROACH

How we incubate

HOW WE INCUBATE

YSB invests in people, in their dreams and in their abilities. A social business – like any business – is shaped, fostered and strengthened by the team behind it, not the other way around.

We live in a highly dynamic environment where surely believed facts can be invalidated overnight. If the unexpected strikes, if assumptions do not hold true, if the very basis of a business plan is invalidated, the strongest asset that can turn a venture around is the flexibility and strength of the founding team.

We therefore work hard to identify the most promising entrepreneurs that have a clear vision, a strong profile and a deeply rooted desire to create an impact within their communities.

Once we have identified entrepreneurs, we work hands-on and side-by-side with them and their founding teams, through our local teams of business-development experts. Our emphasis on business incubation and acceleration – both structured and as-needed coaching, training and other support services – helps the entrepreneurs and founding teams build their social businesses.

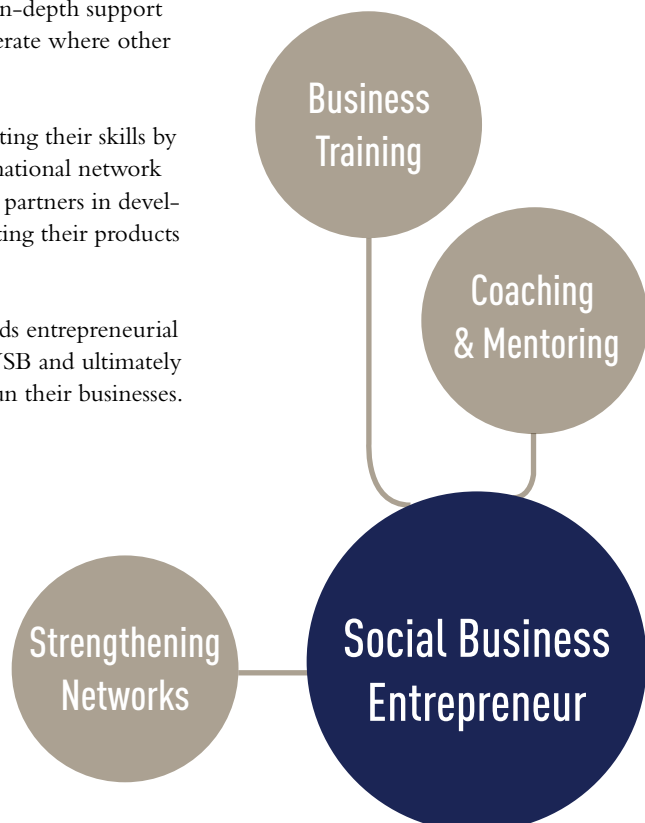
Our support, pre-investment, helps us better assess the risks and potential of financing those businesses. Our post-investment support allows us to safeguard the capital by ensuring the success of the social business. It is this in-depth support to and knowledge of the social businesses that allows us to operate where other lenders typically refuse to go.

We further assist our entrepreneurs in growing or complementing their skills by helping them find partners for their growth. Our strong international network helps to bring in experts from various fields, quickly find new partners in developed markets and support businesses in promoting and marketing their products and services.

The close partnership between YSB and the entrepreneur builds entrepreneurial capacities, strengthens the ties between the entrepreneur and YSB and ultimately builds the confidence amongst entrepreneurs to successfully run their businesses.

“It is so great that YSB and the mentors are here to help us. Sometimes you need assurance that you are going in the right direction.”

YSB Albania Entrepreneur





OUR APPROACH

How we finance

HOW WE FINANCE

While a traditional investor invests for financial gain, a philanthropic lender provides a loan to benefit society. A philanthropic lender's goal is to maximize social return on his or her loan and is thus motivated to support the most effective social businesses.

Yunus Social Business – Global Initiatives is registered as Yunus Social Business Funds gUG in Germany, and is structured as a non-profit. It pools philanthropic capital from donors and philanthropic lenders to finance social businesses that have been selected and prepared by the YSB country teams.

Our loans are generally structured as long-term soft loans, sometimes combined with a small equity portion, leading to a minority stake in our portfolio companies. The loans feature below-market-conditions and grace periods of up to two years, to give the social businesses breathing room at the start.

As the social businesses pay back the capital, YSB re-finances other social businesses, and/or returns it to philanthropic lenders in proportion to their share of the total capital contributed, up to the nominal value of their initial investment.

DUE DILIGENCE AND FINANCING CRITERIA

Before receiving any capital, each social business undergoes a detailed, fact-based, three-level due diligence process. After the local team has completed a first feasibility assessment, a review committee screens each business case and makes recommendations for further analysis. In an iterative process, the review committee – as an independent body – works together with the country team to make further recommendations to entrepreneurs to advance their business plans. After this process, business cases that are deemed finance-ready are presented to the investment committee, a global body that makes final financing decisions. Different team members serve on the review committee and the investment committee in order to ensure objectivity.

The finance committee makes its decisions based on the following criteria:

- Entrepreneur and Team
- Social Impact
- Financial Sustainability and Risk Profile
- Replicability and Scalability
- Maturity

OUR UNIQUE “INCUBATE AND FINANCE” MODEL

YSB runs its operations with the discipline of an investment fund, and we expect our social businesses to operate as market-based private-sector companies. We do not donate to the social business we work with; we instead have an ‘Incubate and Finance’ model that that we believe maximizes the long-term impact of philanthropic capital in the following ways:

- Financing through lending rather than donations leads to the efficient and revolving use of capital: each dollar is recycled multiple times, creating more impact each time;
- Social businesses are financially self-sustainable, so they continue to generate impact even after the initial loan is repaid;
- Requiring social business solutions to be at least break-even, ensures that they are more easily scalable and replicable.

*“A charity dollar has only one life,
a social business dollar can be invested over and over again.”*

Prof. Muhammad Yunus, Nobel Peace Prize Laureate, Chairman of YSB



Prof. Muhammad Yunus

Co-founder and Chairman

Professor Muhammad Yunus co-founded YSB Global Initiatives, and currently serves as the Chairman of the Board for YSB Global Initiatives.

He is additionally the founder of Grameen Bank. Today, Grameen Bank has over 8.4 million members—97 per cent of who are female—and has lent over US\$12.5 billion since its inception. In 2006, the Norwegian Nobel Committee jointly awarded the Nobel Prize in Peace to Professor Yunus and Grameen Bank “for their efforts to create economic and social development from below.”

Since 2006 Professor Yunus has focused on spreading and implementing the concept of social business. He has written three books about micro-lending and Social Business: “Banker to the Poor” (2003), “A World Without Poverty: Social Business and the Future of Capitalism” (2008) and “Building Social Business” (2010).

Among Professor Yunus’ many awards and honors he has received all three highest US Civilian awards (Presidential Citizens Medal, the Presidential Medal of Freedom and the Congressional Gold Medal). Thereby he is one of only seven people in history that has received these awards, along with recipients Martin Luther King Jr., Mother Teresa or Nelson Mandela. In 2009, Forbes named Professor Yunus one of its “10 Most Influential Business Gurus.”

OUR TEAM

Our Global Management Team

Saskia Bruysten

Co-Founder & CEO



A leader in the social business movement, Saskia co-founded YSB together with Nobel Peace Prize Laureate Prof. Muhammad Yunus and Sophie Eisenmann. Saskia has been featured on the Wired Smart List 2013, contributed widely to the Huffington Post, and Forbes, and co-authored a report with the Boston Consulting Group on the experiences of building large scale social business joint ventures in Bangladesh.

Saskia was appointed to the EU Commission's expert group on social business and has assisted Prof. Yunus on Ban Ki-Moon's UN MDG Advocacy Group as well as Sir Richard Branson's B-team. Saskia is the youngest Generation CEO member and a Young Leader of the Atlantik Brücke. She has lectured at several universities and speaks regularly at high profile events.

Prior to YSB, Saskia was the Co-CEO of the Grameen Creative Lab and a management consultant at the Boston Consulting Group. She holds an MBA from the European Business School in Germany and an MSc in International Relations from the London School of Economics and Political Sciences.

Sylvain Ferriere

Program Director Africa



Sylvain heads up and shapes YSB's activities in Africa. Prior to YSB, Sylvain worked as a consultant in Argentina for Endeavor, a NGO dedicated to identifying and supporting high-impact entrepreneurs and then as general manager for the fashion design business of an Endeavor entrepreneur. He has also served as a consultant for the Boston Consulting Group in Paris. Sylvain holds a M.Sc. in Mathematics from Imperial College in London and a M.Sc. in Management from HEC in Paris.

Sophie Eisenmann

Co-Founder & CFO



An expert in creating social business funds and executing investments into social businesses, Sophie is responsible for setting up country initiatives in Haiti, Colombia and Albania as well as multiple various consulting projects for corporate social businesses.

Before co-founding YSB together with Prof. Yunus and Saskia Bruysten, Sophie held the position of COO of Grameen Creative Lab. Prior to that, she worked for Siemens Management Consulting in Munich as well as GE Capital in London, Amsterdam and Munich. She holds an MBA from the European Business School in Germany and an MBA from INSEAD, Fontainebleau and Singapore.

Karen Hitschke

Director Funds & Investments



Karen has extensive expertise and experience in fund structuring, investment processes and fundraising.

Prior to YSB, she was the Chief Financial Officer at Affectis AG and an advisor to Swiss Business Angel Network B-to-V. Karen has also served for several years as an investment manager at Apax Partners and as a consultant at McKinsey & Co. She holds an MBA from INSEAD, Fontainebleau, and a M.Sc. in Biology from the University of Constance.

The YSB Global Management team is supported by YSB Program Director of Albania, Daniel Nowack, who has served as Finance Director for a startup incubator and has prior experience in corporate finance for Merck & Co. University of Cambridge graduate Teddy Sun supports YSB in Partnerships; she was formerly an investment banking analyst at London's RBC Capital Markets. Dafina Bekaj, with an MA in Accounting and Finance, serves as Group Controller working on SAP operations; she has worked prior in accounting at Tally Services and at microfinance institution BZMF.

Shkelzen Marku

Country Director Albania



Shkelzen heads YSB's activities in Albania. Prior to YSB, Shkelzen was Executive Director of the Mountain Area Development Agency (MADA). He also worked as Director General of Agriculture and Rural Development Policies in the Ministry of Agriculture in Albania. He is a co-founder and president of the Partnership for Development Foundation, and a visiting professor at the Economics and Agribusiness faculty of the Agriculture University of Tirana and the Economics faculty of the European University of Tirana.

Shkelzen holds a PhD in Rural Economic Development Policies (AUT, Albania), a MSc in Management of Rural Development Policies (CIHEAM-IAM, Montpellier, France), and an Agriculture Engineering Diploma (CNEARC, Montpellier, France).

Aarti Wig

Country Director India

Aarti has developed and led the India operations of the YSB movement since its inception, first as Country Director of the Grameen Creative Lab and now as part of Yunus Social Business. She helped create the YSB Fund Mumbai and currently manages it. Aarti has also advised several Indian universities, corporations and non-profits on creating social businesses. Previously, Aarti worked as an investment banker at JP Morgan in Mumbai.

Aarti holds a Master's degree in Finance from the London School of Economics.



Rogério Oliveira

Country Director Brazil

Rogério co-founded and heads up operations of YSB Brazil. He has 12 years of experience in leading teams in the areas of product development, business units implementation and enterprise start-ups within companies such as Warner Bros, Johnson&Johnson, Nestlé, UOL and BRMALLS. Rogério is also the founder of Movimento Buena Onda - an accelerator for social businesses focused on creating happiness, social or environmental impact.

Rogério holds an MBA from HEC Montreal and teaches 'Happiness as a Business Strategy' at Perestroika, a Brazilian innovation school.



Andrea Perez Castro

Country Director Colombia

Andrea is responsible for heading YSB's Activities in Colombia. Prior to YSB, Andrea served as Assistant to the Executive Directors for Central America and Belize at the Inter-American Development Bank. She is also co-founder and external relations coordinator at Mentoring International. Prior, she was project manager and industrial engineer at Tindal. Andrea holds an Industrial and Systems Engineering Bachelor's of Science from Virginia Polytechnic Institute State University and an MBA from Georgetown University.



OUR TEAM

Country Directors

Claudine Francois

Country Director Haiti

Claudine oversees YSB Haiti's activities, and is in charge of its financial and administrative management as well as its international and local partnerships. A Haiti native, Claudine holds a degree in Business Administration and Accounting, with experience working and living in the US, Africa and Haiti.

Prior to YSB Haiti, Claudine was a senior accounting professional with demonstrated expertise in general accounting, internal audit, budgeting and human resources management functions. She has served in different private sector and humanitarian clusters in Haiti with 18 years of experience collaborating with senior management and conducting human resources strategic planning in order to support and further corporate social and development goals.



Fares Mabrouk

Country Director Tunisia

Fares leads YSB's operations in Tunisia. Prior to joining YSB, he founded the Arab Policy Institute, a Tunis-based think tank. Fares also previously founded and ran a number of SMEs based in North Africa, focused on mobile banking, oil logistics, and journalism. He played an important role in founding Al Huffington Post Maghreb and was a thought leader in the region's recent and on-going revolution.

Fares is a visiting professor at Sciences-Po in Paris, where he teaches statistics and data analysis. In 2010, he was selected as a Yale World Fellow. He obtained a Master's degree in Public Administration from Harvard University's Kennedy School. At the start of his career, Fares obtained a degree in Economic and Statistics from the National School of Statistics and Economic Administration in Paris.



Eriab Kiiza

Country Director Uganda

Prior to joining YSB, Eriab worked as Coordinator of Uganda Country Capacity Building Program, as Director of Enterprise Development at Enterprise Uganda Foundation Limited, and as Investment Office at Uganda Investment Authority. He implemented various business development projects funded by international agencies in Eastern and Southern Africa, and executed financial inclusion interventions targeting small businesses, women and youth in Uganda. Eriab is an "International Entrepreneurship Expert" accredited by the United Nations Conference on Trade and Development.

Eriab holds a Master's and Bachelor's degrees in Economics and an ACCA Diploma in Financial Management.





**\$5.7 MILLION
DEPLOYED**

**20 SOCIAL
BUSINESSES**

**10,000+
CUSTOMERS
SERVED**

**\$100,000
IN RE-PAYMENTS
RECEIVED**

PORTFOLIO OVERVIEW

Financing Strategy

PORTFOLIO OVERVIEW

Since its inception in late 2011, YSB has deployed \$5.7 million to 20 social businesses; directly financing and committing over \$2M. An additional \$3 million has been mobilized by YSB from co-investors.

More than 800 jobs have been created and/or sustained so far and over 10,000 customers have been served essential products and services. As our portfolio companies expand, these numbers will also grow significantly.

The local country teams generally determine impact areas, shaped by entrepreneurs' solutions to their local region's most pressing problems. Taken as an aggregate, in 2013, the social businesses YSB supported were in the following areas: Taken as an aggregate, in 2013, the social businesses YSB supported were in the following pre-dominant areas: 'Education' (39%), 'Health' (31%) and 'Women and Marginalized Groups' (15%).

Most of YSB's social businesses are early-stage ventures, with the majority of loans disbursed in 2013. Therefore, repayments have been low as expected. Three companies have reached the end of the grace period so far. Two have fully repaid their loans, and the third is on track with its payments. In total, YSB has received more than \$100,000 in repayments.

PORTFOLIO MANAGEMENT AND MITIGATING RISKS

As YSB partners closely with its social businesses from very early in the process, we are able to identify areas of relative weaknesses in terms of skills and abilities on the part of the entrepreneurs. Therefore, we are not only able to make better financing decisions, but we also take action to close those gaps through either training or complementing the founding team with the necessary skills.

It is our core philosophy to provide post-investment support to social businesses in order to enable sustainable growth. While this support is generally provided on an as-needed basis, monthly reporting requirements enable us to closely monitor the advancement of the business along previously determined milestones and intervene whenever needed.

Generally, most post-investment support provided to our businesses is advice on topics such as legal requirements, accounting and process standardization, although we have also taken on a more strategic and hands-on advisory role for some portfolio companies which have experienced operational or financial difficulties.

IMPACT MEASUREMENT

Social businesses are created with the sole purpose to create an impact by solving a social problem. Impact measurement is thus essential to our work.

Currently, YSB relies on output indicators about our portfolio companies as proxies for assessing the actual positive impact of our businesses. In alignment with IRIS metrics as outlined by Global Impacting Investing Network (GIIN), we require all our portfolio companies to report their monthly, quarterly and annual Key Performance Indicators (KPIs) that we have identified as being relevant, as well as their business-development milestones and an overall business assessment. These KPIs are set together with the entrepreneurs during the investment process.

In the future, we will also increase our efficiency in collecting relevant data and monitoring our progress through an SAP-based solution that provides web-based reporting opportunities for entrepreneurs in all countries. This will further strengthen our monitoring processes through the ability to collect data via handhelds even from remote areas.

“Private sector development is the key to Haiti’s sustainable economic growth and YSB has the tools and proven capacity to contribute to the long term development of Haiti.”

Claudine François – Country Director

1,700+ IMPACTED
CUSTOMERS

LAUNCH OF
HAITI FOREST
INITIATIVE

250+ JOBS
CREATED AND
SUSTAINED

SOCIAL BUSINESS PORTFOLIO

YSB Haiti has a portfolio of 7 social businesses in Haiti, which have received more than \$1 million in financing from YSB. More than \$300,000 has been mobilized from YSB's co-financers. These social businesses include:

- Bakery Mariaman, which provides employment opportunities while its proceeds financially support a local school
- Leogane, which raises chickens locally in a country that relies heavily on chicken imports, while its proceeds financially support a local school
- La Gonave, which raises local chickens locally while its proceeds financially support a local school
- Pain O Quotidien, which produces regular and fortified bread while distributing its products through a network of female micro-entrepreneurs
- Etre Ayisyen Entrepreneurial Institute, which focuses on teaching entrepreneurial skills to Haitian youth in order to create jobs in the Haitian formal sector
- Sesa, which supports the cultivation of edible jatropha trees to process fruits into biofuel and reduce Haiti's energy and animal feed import dependence
- Poulailler de Nicolas (FATEM), which rears local chickens and creates local employment, while its proceeds financially support a local school

YSB Haiti's major partners include DEG, SAP, PADF and Deutsche Bank.

SOCIAL BUSINESS PIPELINE

YSB Haiti's Port-au-Prince office continues to receive business plans from all over Haiti; YSB Haiti has however developed a regional hub strategy which supports two local antennas launched in the region in the North (Cap Haitian) and one in the South (Cavaillon). These serve to develop local entrepreneurs in more remote areas and spread the social business concept in the country.

LAUNCH OF HAITI FOREST INITIATIVE

The Haiti Forest Initiative is a social business ecosystem that is supported by Sir Richard Branson, the Virgin Foundation and the Clinton Foundation. It has a two-fold purpose: to increase tree cover and re-generate the environmental benefits of trees, and to improve the livelihoods of smallholder farmers, who are key to breaking the deforestation cycle, thereby igniting a re-forestation dynamic.

COUNTRY SNAPSHOT

- 2013 GDP growth of 3.5%, vs 2.4% in the Caribbean region
- Pro-business government, untapped resources, cheap workforce and strategic location
- Over US\$10B of foreign assistance pledged to rebuild
- 77% of population below national poverty line
- 2% tree coverage

OUTLOOK 2014

- 3 social businesses approved and prepared for financing
- 6 new social businesses under due diligence
- Micropark social business to be designed, developing industrial activity in rural regions
- 1 new regional antenna to be opened (Central Plateau)
- \$100,000: Largest loan ever raised on KIVA launched

THE LOCAL TEAM YSB Haiti's Country Director Claudine François is a Haitian who has served as a senior accounting professional in different private sector and humanitarian clusters in Haiti. Head of Investments Clémentine Lalande has served as a Project Leader at Boston Consulting Group and worked for the CEO of Action Contre la Faim, a French NGO fighting malnutrition. Ipena Lucien serves as a Senior Business Consultant, while Philippe Lagrenade, Nathalie W. Guerrier Nécence and Demetrio Torrez Fernandez work on incubation efforts within YSB Haiti as Social Business Consultant. Rebecca Augustin provides administrative support.

6 SOCIAL
BUSINESSES



200,000 PEOPLE
REACHED

400 JOBS
CREATED



“India’s unique combination of an aspirational entrepreneurial population with massive social problems makes it a fertile ground for social businesses.”

Aarti Wig – Country Director

SOCIAL BUSINESS PORTFOLIO

YSB India’s social businesses are financed by the Yunus Social Business Fund Mumbai (YSBFM). Since 2011, 6 social businesses received financing of almost \$580,000, addressing a range of social issues in India focusing mainly on health, sanitation and micro-entrepreneurship. YSB has further mobilized \$2.4 million from its co-financers.

YSB India’s portfolio includes financing of the following social businesses:

- Sankara Eye Care Hospital*, which provides eye care services through cross-subsidizations to those in need
- Sakhi Retail, which empowers rural women as sales agents of socially relevant products
- eKutir Wash, which improves sanitary conditions in rural areas through a microentrepreneurship business model
- SPARC, which designs and builds toilets in co-production with the community
- Milaap/ Guardian, which provides microloans to build water connections within the community
- Bhagini Nivedita Gramin Vigyan Niketan (BNGVN), which improves villagers’ livelihoods by creating work opportunities through microloans

To date, YSBFM has received complete repayments from 2 of the social businesses.

ESTABLISHING A PRESENCE IN INDIA

YSB India remains committed to spreading the social business concept in India, and presence on a TV show in 2013 increased broad awareness of the concept, as did 3 conferences and roundtables hosted by Professor Yunus.

Over 2000 participants were reached through 20 workshops around South Asia. Support of 3 business plan competitions per year has led to screening of over 3000 applications.

**YSB contributed 14% of the financing round for this specific social business*

COUNTRY SNAPSHOT

- Population 1.237 billion
- 30% of the population below poverty line
- 4th largest economy in the world
- 65% of population younger than 35
- 30% of the world’s microfinance borrowers are in India

OUTLOOK 2014

- 5 social businesses under due diligence
- Exploring a 2nd Social Business Fund in collaboration with India’s premier management school (IIM-A) and one of India’s leading business groups
- Exploration of a social business pilot with a global footwear company

THE LOCAL TEAM Yunus Social Business India’s Co-Founder and Country Director Aarti Wig has worked as an investment banker at JP Morgan, and has consulted with several Indian universities, corporates and non-profits on creating social businesses. The Yunus Social Business Fund Mumbai (YSBFM) is overseen by S.K. Shelgikar, Founder and Chairman of YSBFM and B.N. Kulkarni, Grameen Director.



8.000 +
CUSTOMERS
SERVED

4,440+ PEOPLE
REACHED THROUGH
EVENTS

JOINT VENTURE WITH
MCCAIN TO IMPROVE
LIVELIHOOD OF SMALL
PRODUCERS

“Our challenge today is to spread the Social Business concept, reaching new regions and increasing our social impact in Colombia.”

Andrea Pérez Castro – Country Director

SOCIAL BUSINESS PORTFOLIO

YSB Colombia was originally founded as Grameen Caldas in 2011, and has since financed 2 social businesses at a total of \$150,000; an additional \$100,000 has been mobilized from YSB’s co-financers.

These include:

- Bive, which facilitates and improves access to high-quality, immediate and affordable health care for middle and low income families through a network of providers that offer discounts and immediate care
- Vitalius, which advocates for nutrition amongst children through developing and selling fortified food products

SOCIAL BUSINESS PIPELINE

YSB Colombia designed Campo Vivo, a social business that partners with small potato producers in order to improve their living conditions, signing a JV contract with McCain for Colombia.

ESTABLISHING A PRESENCE IN COLOMBIA

YSB Colombia has held 12 workshops, 3 large conferences and 12 special events, including the forum “Colombia without poverty – the power of Social Business” with special guest Professor Muhammad Yunus. Over 4,400 people were reached with YSB Colombia’s participation in 6 expo fairs.

COUNTRY SNAPSHOT

- 4th largest economy in Latin America
- Population 46.6 million
- 34% of the population lives in poverty
- 13,6% of children suffer from chronic malnutrition
- Only 45% of the population can afford health insurance coverage

OUTLOOK 2014

- Launch of JV with McCain for \$2.5 million in Colombia
- Implementation of 2 new social businesses in textiles and fish products with ANSPE in order to generate income for women in Pueblo Viejo, Magdalena

THE LOCAL TEAM YSB Colombia Country Director Andrea Pérez Castro has prior experience at IADB and is an experienced project manager and operational excellence specialist. Senior Business Consultant Christina Hunn has worked with Grameen Bank and led street children programs in Argentina. Andres Trujillo and Natalia Cuartas are Social Impact and Communications Business Consultants with prior experience at UNICEF and as a journalist. Joachim Schwendenwein serves as Director of JV and Consulting, while Social Business Consultants Ingrid von Schiller, Carlos Vizcaino and Julio Gutierrez provide additional social business support for JV partnerships.



150+
ENTREPRENEURS
SUPPORTED

135 JOBS
CREATED

INVESTED
OVER \$250,000
IN 2013

“We bring a new ideal of entrepreneurship to Albania and the Balkans that aims at solving the region’s problems through inspiring new social businesses. We believe that truly meaningful entrepreneurship can only flourish in an environment of idea sharing and collaboration. We believe that building trust in others and confidence in oneself are the keys to creating such an environment.”

Shkelzen Marku – Country Director

SOCIAL BUSINESS PORTFOLIO

In 2013, YSB Albania funded and supported the launch of 3 social businesses with more than \$260,000 in financing, with a further \$34,000 mobilized from YSB’s co-financers.

- E Jona, a bar and event location for disabled people;
- Seniors’ Home, a high-quality elderly home where care for the elderly is virtually non-existent; and
- Rozafa Social Business, a marketing company for handicrafts, ensuring a higher and more stable income for rural women

ESTABLISHING A PRESENCE IN ALBANIA

A series of events and conferences, including 14 conferences and workshops and 11 public presentations, reached out to 2,400+ participants. Additionally, a social business plan competition was aired on national TV as a social business reality show and reached a large TV audience in Albania.

COUNTRY SNAPSHOT

- Albania is the poorest country in Europe
- Considered a tourist destination that is an “Undiscovered Jewel of the Balkans”
- Average monthly income of 240 Euros

OUTLOOK 2014

- Launch of intense accelerator program in partnership with Swedish Postcode Lottery, UN Development Program Albania, Deutsche Bank, Lund University and various local companies and organizations
- Up to four new social businesses to receive financing in 2014

THE LOCAL TEAM YSB Albania Country Director Shkelzen Marku, has led key agricultural projects in Albania for over 20 years, served in the government as a director and advisor and worked with the World Bank, UNDP and IFAD. Melanie Perisse is YSB Albania’s Head of Investments; prior to YSB, she was with Boston Consulting Group and the World Food Program in Africa. Social business consultants Ermira Repaj and Leonard Dalipi complement the team with strong finance, startup and academic backgrounds.

YSB BRAZIL
LAUNCHES
OPERATIONS

RIO DECLARED
SOCIAL BUSINESS
CITY

YSB Brazil's Country Director Rogério Oliveira facilitates a local workshop that promotes the social business concept amongst entrepreneurs

ESTABLISHING OPERATIONS IN BRAZIL

YSB Brazil was launched in March 2013 and has a highly qualified and senior team, as well as high-level local partnerships with BCG Brazil, Via Varejo Foundation, Red Bull Institute, Mattos Filho and Rio de Janeiro City Hall.

YSB Brazil remains committed to spreading the social business concept through its 5 main pillars, including establishment of incubation and acceleration programs, establishment of a social business financing vehicle, and a focus on education, consultancy and public programs. YSB's education efforts include implementation of social business teaching programs and social business labs while its partnership with City Hall aims to optimize the public budget. Joint operations with Mandalah and the Flag Group focus on consultancies with Brazilian organizations.

“Brazil, as one of the countries with highest inequality levels worldwide, provides the perfect environment to develop social businesses. I believe that Brazil has the necessary financial and technological resources to solve its unacceptable social problems.”

Rogério Oliveira – Country Director

COUNTRY SNAPSHOT

- Possesses vast natural resources and has a population of more than 200 million
- South America's chief economic power
- Inequality remains relatively high for a middle income country
- Extreme regional differences, especially in social indicators such as health, infant mortality and nutrition.

OUTLOOK 2014

- Incubation of 16 social business in São Paulo and Rio de Janeiro
- Establishment of national social business legal and financing vehicle
- Fundraising road show during 2014
- Development of a 3 year plan with Rio de Janeiro City Hall to establish Rio as a Social Business City
- Sponsorship from Red Bull Institute to create 10 incubators in partnership with universities in Brazil
- Incubation of “Yunus & Youth,” a new global mentoring program for young social business entrepreneurs

THE LOCAL TEAM YSB Brazil's Country Director Rogério Oliveira has significant experience leading teams within companies such as Warner Bros, Johnson and Johnson, Nestle, UOL and BRMALLS. Educational and Institutional Relations Manager Ricardo Rodrigues Mastroti has several years of managerial experience at P&G, Aracruz Celulose, InterCement and Camargo Correa Group. Head of Investments and of the Incubation process, Julia Menezes Profeta was the founder of an Innovation E-magazine and has worked for companies such as Johnson&Johnson, Robert Bosch GmbH, Itau BBA, Rocket-Internet in Brazil and advised several start-ups to structure their businesses in the country. Victor Pucci and Julia Abreu work on the incubation process in São Paulo and Rio de Janeiro.

A photograph of two women in traditional Tunisian attire. The woman on the left wears a pink headscarf and a dark, patterned garment. The woman on the right wears a red headscarf with a floral pattern and a red and black checkered garment. They are standing in front of a blue wooden door. Two dark circular callouts are overlaid on the image, containing text.

500+ PARTICIPANTS
AT TUNISIA'S 'NATIONAL
CONFERENCE ON SOCIAL
BUSINESS'

YSB TUNISIA
LAUNCHES
OPERATIONS

“In such a defining moment in Tunisian history, we need to re-think development, entrepreneurship and our entire economic model.”

Fares Mabrouk – Country Director

ESTABLISHING OPERATIONS IN TUNISIA

On the invitation of founding partner African Development Bank, YSB Tunisia began its operations in 2013, with the goal to promoting and creating an environment within which social businesses can thrive in Tunisia.

Three permanent members of the team joined in mid-2013. It has been fund-raising extensively to date, with major initial partners including the Japanese Trust Fund and the African Development Bank. YSB Tunisia has also established a local Steering Committee composed of key opinion leaders and experts from business and civil society to advise the local team.

SOCIAL BUSINESS PIPELINE

The first social business have been incubated and will be finance ready in 2014.

ESTABLISHING A PRESENCE IN TUNISIA

A ‘National Conference on Social Business’ in Carthage officially launched YSB Tunisia, and was attended by over 500 participants, with the key presence of Professor Yunus and African Development Bank President Doctor Kaberuka.

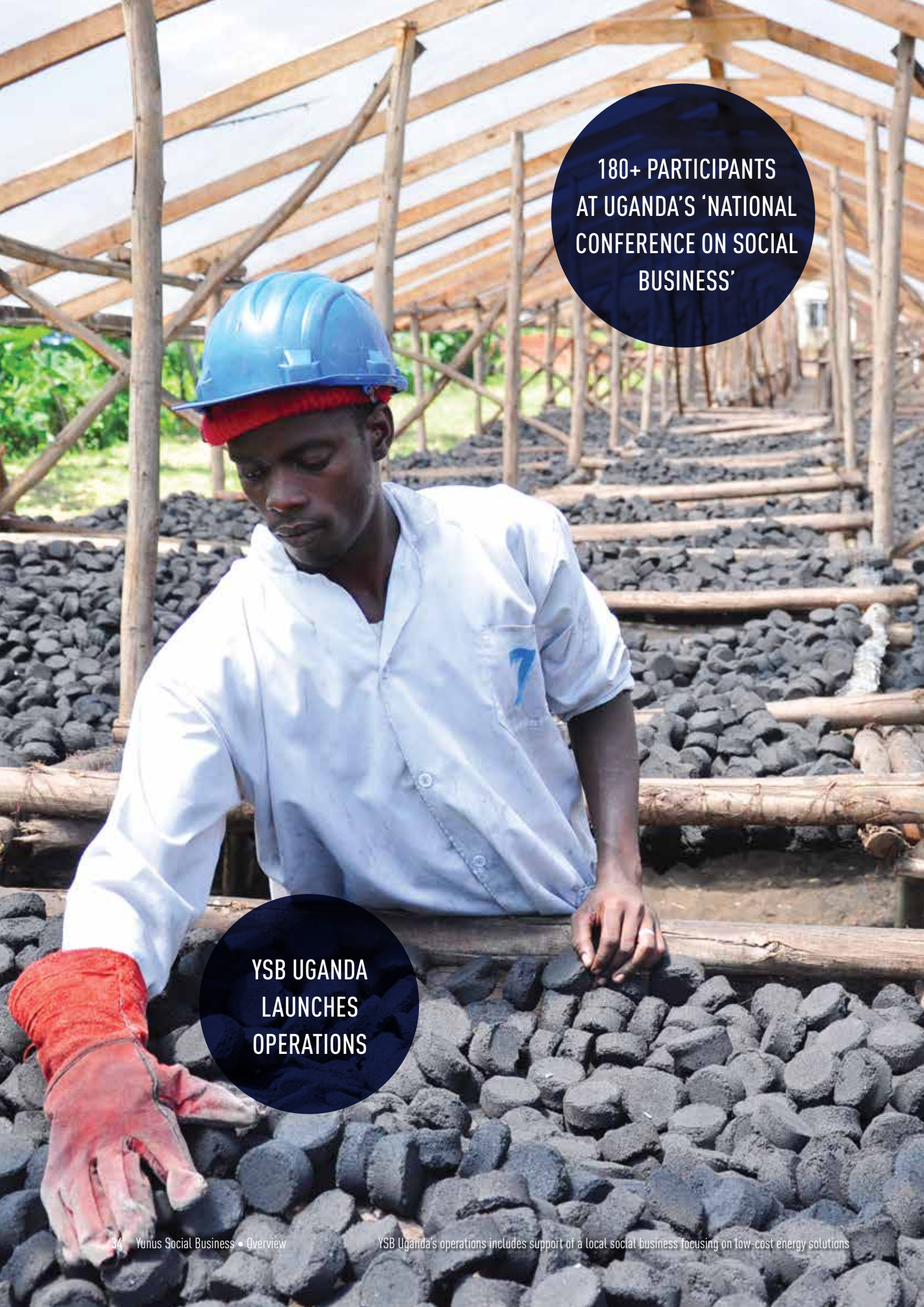
COUNTRY SNAPSHOT

- Population 10.8 million
- 15% Unemployment
- 30% of recent university graduates unemployed (up from 14% in 2005)

OUTLOOK 2014

- First financing of a social business, Regueb Rural Transportation (RRT), which provides secure and comfortable means of transportation for women agricultural workers and skills to strengthen their negotiating power and social benefits
- Legal establishment of local financing vehicle
- Launch of an intense two-month Accelerator Program in April 2014 with a culmination in a Demo Day

THE LOCAL TEAM YSB Tunisia’s Country Director Fares Mabrouk is a serial entrepreneur, and a Yale World Fellow with an MPA from Harvard. Social business consultants Pedro Telleria and Camille Courtaud have expertise in financial services, strategy, change management and organizational development through their work in both the profit and non-profit sectors, including at Roland Berger management consulting.



180+ PARTICIPANTS
AT UGANDA'S 'NATIONAL
CONFERENCE ON SOCIAL
BUSINESS'

YSB UGANDA
LAUNCHES
OPERATIONS

ESTABLISHING OPERATIONS IN UGANDA

YSB Uganda began its operations in 2013 as a pilot program with the African Development Bank devoted to promoting and creating an environment within which social businesses can thrive in Uganda. It welcomed its first team members, a National Coordinator and a Social Business Consultant in the second half of 2013. YSB operations in Uganda are overseen by a Steering Committee comprising representatives from banking, the private sector, research/academia, agribusiness and social entrepreneurship sector.

SOCIAL BUSINESS PIPELINE

The first information workshop with social business entrepreneurs was held in the fourth quarter of 2013, and was attended by about 30 potential social business entrepreneurs. Out of these, 14 social businesses entered the investment due-diligence process.

ESTABLISHING A PRESENCE IN UGANDA

In July 2013 a national conference and workshop on social business was held in Kampala, which was attended by over 180 participants. YSB Uganda continues to increase social business visibility through engagement with various partners, including the government, the private sector, and development partners.

“We give Ugandans the necessary tools and financing to become successful social business entrepreneurs.”

Eriab Kiiza - Country Director

COUNTRY SNAPSHOT

- Population 37 million
- 55% of the population is under 18 years old
- 31 out of 100 Ugandans are engaged in some form of entrepreneurial activity
- Uganda is characterized by a relatively vibrant entrepreneurial culture

OUTLOOK 2014

- Design and establishment of a legal structure for financing the most promising social businesses
- Launch of an intense accelerator program in 2014
- Prepare for financing 2 social businesses involved in providing low-cost energy solutions and honey products
- Delivery of 2 incubator programs
- Submit appraisal report to AFDB for non-objection of \$50,000 in financing of green bio energy to focus on youth employment, creation of an enabling environment for social businesses to thrive, and rural livelihoods for the poor.

THE LOCAL TEAM YSB Uganda's Country Director, Eriab Kiiza, has over 20 years experience in facilitating and mentoring private businesses through Uganda Investment Authority and Enterprise Uganda. He also helped set up SME mentoring programs in several African countries. Social Business Consultant Siraje Bazibu has worked as Grants Officer in grant management institutions for SMEs and Civil Society Organizations, and has experience in business advisory services and support for MSMEs.



A group of enthusiastic university students and potential social business entrepreneurs meet with Professor Yunus in Rio de Janeiro, Brazil

CREATING AWARENESS

In 2013, YSB was involved in numerous events around the world to educate and inform entrepreneurs, development organizations, foundations, policy makers and global leaders about the potential of social business for international development. These events spanned from local workshops to a number of high-level functions with renowned representatives, with tangible results for local communities and partners. A few highlights include:

World Economic Forum, Davos, Switzerland

Like every year, YSB attended the World Economic Forum to develop partnerships and share our work with thought leaders. YSB further hosted an event together with Wikipedia founder Jimmy Wales and model and activist Lily Cole on social business solutions for developed nations.

UN Millennium Development Goals Event New York City, USA

Hosted by UN Secretary General Ban-Ki Moon, YSB was a key participant at the UN Millennium Development Goals (MDG) Innovation Summit in New York that brought together leaders from the private and public sectors to demonstrate innovations to accelerate progress on the MDGs. Participants included Jeffrey Sachs, Ray Chambers and Ted Turner.

African Development Bank and National Conferences on Social Business in Uganda and Tunisia

In partnership with the African Development Bank, YSB has launched a social business movement in Africa. Social business has become part of AfDB's 10-year strategic plan across the African continent. Our initiatives in Tunisia and Uganda serve as pilots for further countries to follow, and one-day national conferences were held in both countries to serve as kick-off events for YSB's activities. More than 500 participants from various stakeholder groups (government, development agencies, NGOs, representatives of large national and international companies and civil society) engaged in lively debates on social business ideas.

PARTNERS & EVENTS

Partnerships and Events 2013

STRATEGIC PARTNERSHIPS

Deutsche Bank: Financing social businesses in Haiti

Deutsche Bank Americas Foundation has provided a loan facility of \$1 million for our social businesses in Haiti and we are looking to expand to other geographic regions over time.



myclimate: Piloting an environmental Social Business Fund based on carbon offsets

We have reached an agreement to launch the first climate social business structure to leverage carbon offsets to finance social businesses. First pilot projects will be implemented in 2014.



USAID: Collaborating to scale social businesses

USAID and YSB are partnering to identify, incubate and finance social businesses around the world. USAID supports YSB's "Invest and Finance" model as part of the U.S. Global Development Lab's focus on sourcing, testing, and scaling innovative local solutions to advance the Agency's goal of ending extreme poverty by 2030. The partnership, announced by USAID Administrator Dr. Rajiv Shah and Professor Mohammed Yunus in 2013, will start in Haiti this fall and will yield best practices for incubating high-impact social businesses.



Swedish Postcode Lottery Foundation: Developing blueprints for social business incubation in Sweden

The Swedish Postcode Lottery has partnered with YSB to foster the role of social business in Europe and develop best practices that can be replicated in a developed world context. SPCL is therefore supporting our global activities for best practice, research and partnership building, as well as our activities in Albania.



KIVA: Opening small-scale financing opportunities for social business for anyone

We have partnered with the crowd-funding platform KIVA.org to enable individuals around the world to lend to social businesses with microloans as small as \$25, with our social businesses receiving some of the largest loans ever financed through KIVA. Rozafa, our first social business to participate in crowd-funding, received \$25,000 within 24 hours, which was one of the largest loans ever crowd-funded on KIVA.org. We are now working on larger campaigns for 2014.





Deutsche Bank mentors provide live coaching through webcam to YSB Albania entrepreneurs in Tirana, Albania

“The private sector has an important role to play. As a primary driver of innovation, investment and job creation, Social Business is well placed to help accelerate progress towards the Millennium Development Goals by the agreed deadline of 2015.”

Ban Ki Moon, UN Secretary General

CORPORATE PARTNERSHIPS

The Boston Consulting Group: Setting Benchmarks for Corporate Engagement in Social Business

In 2013, we co-authored a study with BCG on “The Power of Social Business” evaluating best practices and key success criteria for corporations engaging in social business and analyzed ten social businesses. The report has been featured widely in the press and at conferences. Furthermore, YSB and BCG have an ongoing partnership for corporate volunteering.

APCO Worldwide: Creating Awareness for Social Business Worldwide

The global communication and consulting agency kindly offered its services to YSB on a pro-bono basis to help with the development and execution of our communication and partnership strategies with donors and philanthropic lenders.

Freshfields Bruckhaus Deringer: Developing Legal Models for Social Business

The international law firm kindly provided extensive pro-bono legal support. Freshfields Bruckhaus Deringer assisted us in developing our funding structure for the social businesses in order to optimise it, in particular, from a German tax and regulatory perspective.

SAP: Implementing State-of-the-Art Systems for Impact Measurement and Portfolio Management

Intrigued by the idea of scaling and optimizing investment processes for social business, our long-term founding partner and donor in Haiti, SAP, provided a tech donation to implement an SAP solution for fund management, monitoring and evaluation.

PARTNERS & EVENTS

Partnerships and Events 2013

“Our collaboration with Yunus Social Business is emblematic of our new model for development - a model that harnesses partnership and innovation to advance sustainable solutions to some of the toughest challenges we face.”

USAID Administrator Rajiv Shah



INITIATING EXCEPTIONAL SOCIAL BUSINESS PROJECTS

Haiti Forest Initiative: Innovative Approaches towards Reforestation in Haiti

In Haiti, YSB has joined hands with Sir Richard Branson, Virgin Unite and The Clinton Foundation to set up the Haiti Forest Initiative. In developing a social business ecosystem, the initiative has two main objectives: 1) Increase tree cover and regenerate the environmental benefits of trees and 2) Improve livelihoods of smallholder farmers who are the key to breaking the deforestation cycle, thereby igniting a reforestation dynamic.

It will be an innovative bottom-up approach to reforestation, setting up a chain of interlinked social businesses that aim to create markets in agroforestry products, such as fruits, nuts, and oils. The social businesses not only cultivate, but also engage in processing, thereby ensuring that economic value is created all along the value-chain and retained in the Haitian economy.

Florida Ice and Farm Company: Fighting Malnutrition in Costa Rica

YSB launched its first corporate social business joint venture, Nutrivida, with Costa Rican leading beverage company, Florida Ice and Farm Company for \$1 million. The joint venture produces and sells enriched cereals, soups, and drinks to combat malnutrition, particularly targeting children under the age of five in Costa Rica.

HOW YOU CAN PARTNER WITH YSB

YSB is always looking for partners that can provide valuable services such as tax advisory, accounting, management consulting and other support services to strengthen capacity building for our entrepreneurs. Please contact us to learn more.



STRATEGIC OBJECTIVES

Social business and YSB have grown in significance but also in maturity. The concept of social business, as learned from successful experiences in and lessons from Bangladesh, has proven to provide long-term, sustainable solutions to development. YSB's 'Incubate and Finance' methodology has begun to create tangible additional social impact. Now, we aim to further scale our social footprint, enable more and more entrepreneurs to turn their ideas into reality and impact many more people – with a bold goal of annually financing 4–6 social businesses in each of our countries.

We have identified three areas that are critical to achieving our bold objectives:

1. Building Partnerships
2. Creating Best Practice Examples for Incubation
3. Ensuring Operational Readiness

BUILDING PARTNERSHIPS

We have been successful in starting relationships with key players in various sectors and geographies. The YSB network is growing steadily and we are grateful for the level of support we have received from all our partners. Going forward, we want to strengthen and nurture our existing partnerships by systematically building close relationships. We will continue establishing new relationships to even better serve our social businesses.

BEST PRACTICES

We are constantly testing innovative, improved concepts to achieve our objectives. With the start of our acceleration programs in Tunisia, Uganda and Albania, we are exploring a new option of supporting and selecting entrepreneurs through intense training, coaching and testing programs. With an online idea generation portal in Albania, we are trying to leverage social media tools to further spread the idea of social business and build a virtual community of social business supporters. Constant monitoring of these activities and evaluation based on objectives and milestones will help us identify the most promising cases and further improve our operational efficiency.

ENSURING OPERATIONAL READINESS

While we are excited to grow our activities, we are also preparing our organization to support rapid expansion. We have already standardized and streamlined our financing processes in 2013 and will continue to identify and realize synergies across our organization. The implementation of the SAP platform will be a cornerstone of these efforts.

We are further intensifying our HR activities to strengthen talent acquisition and retention in all our geographies as we strive to acquire the best possible professionals for our operations. Various initiatives aim at sharing and managing knowledge across the organization to strengthen our advisory capacities for entrepreneurs, key stakeholders and policy makers alike.



SUPPORT US

Help Us Create Social Impact

HOW YOU CAN SUPPORT US IN CREATING SOCIAL IMPACT

While a traditional investor invests for financial gain, a philanthropic lender provides a loan to benefit society. A philanthropic lender's goal is to maximize social return on his or her loan and is thus motivated to support the most effective social businesses.

While we do not ourselves donate to the social businesses we work with, we gladly accept donations as well as loans to support our incubation work and finance our social businesses.

In supporting us, you can truly achieve sustainable social impact. You can help grow businesses that matter, and effectively help build solutions from the ground up, in different ways:

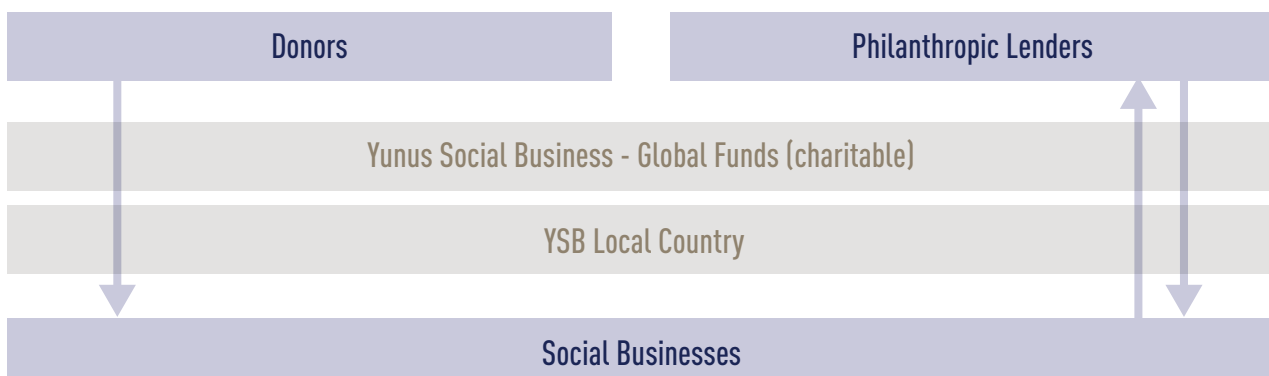
AS A DONOR

In contributing to YSB through donations to its incubation process, your money sources, trains, coaches and mentors entrepreneurs to develop social businesses across seven countries. In doing so, you support the development of local innovative solutions that trigger a global social change.

Your donations will thus both increase the amount of support that local teams can provide to entrepreneurs to conceptualize, implement, and grow their social businesses as well as increase the number of entrepreneurs able to receive such support. In all cases, the donor will receive a donation certificate that, depending on the donor's circumstances, may make the donor eligible for a tax refund.

Some of your donations will go towards financing social businesses. These donor contributions are generally leveraged as capital for social businesses and your money thus directly grows businesses that matter. Through their aspirations to reach financial self-sustainability, social businesses make highly efficient use of donations as they "recycle" each dollar invested. This creates long-term social impact instead of short-term relief.

YSB'S FINANCING MODEL



AS A PHILANTHROPIC LENDER

In supporting YSB as a philanthropic lender, your money finances social businesses that create local market-based solutions to global problems. In doing so, you finance business models that are creating global social change.

A loan for a social business will span a period of approximately 10 years. Capital is provided in the form of interest-free non-recourse loans. Such capital will then usually finance different social businesses within a period of 12 to 18 months. First repayments from social businesses are expected to start from year 3 onwards and will be distributed back to philanthropic lenders. It is expected that any loan will be fully repaid within 10 years.

For philanthropic lenders or donors, our model has specific advantages:

- Lending or giving to YSB ensures a more efficient and accountable use of capital as compared to traditional philanthropy;
- The YSB fund-like structure ensures that philanthropic lenders can diversify across countries and sectors.



For further information and details, please reach out to us at contact@yunussb.com

WWW.YUNUSSB.COM

Yunus Social Business
Niddastraße 63
60329 Frankfurt am Main
Phone: +49 69 905590 30

YSB would like to express its gratitude to the following for their photographs of our work: Gabriel Leitão (in Albania, Brazil, Tunisia, Uganda and Germany), Manuela Castaño (in Colombia), Brand Haiti (in Haiti) and our local country teams for additional photos in India and Germany. Design: Fré Sonneveld.