



Annual Report

Year ended 31 December 2010



Administrative Information

Registered Office: Steinengraben 5
CH-4003 Basel
Switzerland

Auditors: Testatoris AG
Töpferstrasse 5/ Postfach 4255
CH-6002 Luzern
Switzerland



Structure, Governance & Management

Human Dignity Foundation (HDF) is a Swiss registered charity established in 2004. The foundation is a pro-active grant-making foundation and does not carry out any other activities.

The foundation is governed by a board of five Directors including the Chairman; two of the directors were appointed in 2010.

A strategic review in 2009 led to the board's decision to become a limited life foundation. The expected lifespan is ten to fifteen years during which the foundation will spend both its income and its capital to achieve its objectives. The foundation does not actively fundraise.

In October 2010 an Executive Director was appointed to lead HDF through the development and implementation of an agreed strategy.

Taking advice from the Executive Director and other advisers the Directors make all decisions regarding the approval or otherwise of grant applications. Day-to-day management of the foundation is undertaken by the Executive Director.

During 2011 HDF will develop a clearly articulated strategy and ensure appropriate policies and procedures are in place.

Risk Management systems are in place to mitigate exposure to major risks and further risk management work will be done in 2011.

Objective

The objective of the foundation is to improve the lives of poor people in developing countries. This is achieved by funding holistic projects that focus on education, health, women's empowerment and integrated development. The foundation has a particular interest in the needs of children.

Grant-making Policy

For the most part HDF solicits applications rather than accepting submissions from unknown entities. The Board reviews and approves or declines grants on the basis of sound, written documentation. We individually monitor each funded project through annual review. Multi-annual commitments are made to existing partners where that is deemed to be appropriate for both the project and the partner.

Our Work in 2010

During 2010 HDF approved one grant to a new partner (Foundation Nepal), one grant to an existing partner (Protea Education Project) and delivered on two existing commitments to a partner (Amnesty International).

Two members of the board undertook monitoring visits to South Africa (Protea), the Netherlands (Amnesty International) and Belgium (Amnesty International) and were satisfied that those projects are progressing well.

In 2009 HDF had approved funding for Concern Worldwide to implement an education project in Niger. During 2010 there were security and hunger concerns that necessitated the temporary cessation of the project. HDF's ongoing commitment to the project will be reviewed in early 2011.

| Grantee | Country | Project | Funding in 2010 US\$ | Description |
|-----------------------|--------------|----------------------------|----------------------|--|
| Protea Education | South Africa | Zisukhanyo Schools Project | 1,783,719 | IT education in 16 primary schools in Western Cape |
| Amnesty International | EU | End FGM | 482,000 | Advocacy and awareness to end the practice of female genital mutilation across the EU. |
| Amnesty International | Sierra Leone | Social Justice | 158,000 | Community-based advocacy and awareness to empower women and end FGM |
| Foundation Nepal | Nepal | Integrated development | 40,080 | Multi-sectoral community development in Humla district |
| Grand Total | | | 2,463,799 | |

Plans for 2011

During 2011, subject to board approval, HDF will focus on the following:

- Strategic framework 2011 to 2021
- Finance policy & procedures
- Risk management policy
- Investment strategy that meets HDF's ethical and liquidity requirements
- A minimum of five new grants
- A minimum of two new strategic partnerships
- Grant-management procedures and policies

Investment Strategy

HDF pursues a conservative investment strategy in conjunction with external investment advisers to meet the following investment criteria:



- Security of capital
- Spread of risk
- Generation of income to contribute to project funding commitments

The investment strategy is reviewed on a continuous basis to ensure that these investment criteria are being met.

Commitments to fund projects are only entered into to the extent that funds are available. HDF agreed to become a spend-down foundation in 2009; as more projects are identified for funding the investment portfolio will be appropriately managed to ensure availability of cash.
