



children and families cope with the devastating impact of the HIV & AIDS epidemic lies We identify inspiring grassroots organisations within the communities most affected.

that have already demonstrated effective ways of helping the most vulnerable in their communities using scarce resources to effect most change, then provide financial assistance and project management advice to help them scale up and reach many more vulnerable children affected by HIV & AIDS.

We know that locally-owned responses are most likely to bring about real results and a sustainable long-term impact. So, we allow Partners to direct their own work and do not prescribe a singular approach. Allowing them freedom is key to their success and enables them to develop solutions that are owned and maintained by the communities they seek to help. How we work with our Partners is key to their success [see p4].

We capitalise on the best-performing organisations, directing more resources to them and enabling them to reach additional vulnerable children for proportionately less investment. Throughout our 17 years of operation, we have been consistently impressed by the maturity of these local community responses [see p10] and the difference they achieve in the lives of each vulnerable child and family they reach [see p12].

However, our portfolio of 50+ Partner Our close-knit community of donors and the organisations have shown innovation, resolve and dedication as they have risen to these challenges [see p6]. Their efforts have highlighted opportunities to us and new ways to deliver greater impact in the year ahead [see p8].

flexible funding they entrust to us is key in enabling these organisations to achieve their potential [see p14]. Our Trustees & Patrons cover all of our operating costs so we are able to direct every penny of our supporters' donations to projects on the ground, providing the greatest social impact for their charitable investments.

THE EGMONT TRUST THE YEAR AHEAD

HOW

In every community across Egmont's six countries of focus (Kenya, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe), inspiring and dedicated local people have responded to the devastating impact of HIV & AIDS. Driven by passion and their own experiences, they have developed interventions that work in the resource-scarce environments and communities in which they live

Our comparative advantage – derived from decades of experience in the region and sector – is our ability to find and fund the very best organisations within this maturing market. Here's how we do it

IDENTIFY

There are over 10,000 registered local development organisations in Kenya alone¹. There are many, many more across Egmont's six countries of focus.

Using their knowledge of the local context and close links with the communities they work in, the best of these organisations are able to direct aid to those most in need and bring about powerful, cost-effective results. Yet, they often fly under the radar of the larger international funders.

Using our in-country staff, local networks of contacts, face-to-face meetings, tele-conferencing and project site visits, we sift through the plethora of grassroots organisations to find those achieving real, tangible results for those most affected by HIV & AIDS: women and children.

It is from this vast pool of potential Egmont draws our Partners.

ASSESS

Since 2005, we have investigated more than 1,000 grassroots organisations. Each community is unique and affected differently, and so are the responses we fund, adapted to the local context, environment and people. Each must be assessed on its own merits and its efficacy proved ahead of the release of funds.

Using our rigorous assessment processes, we separate the wheat from the chaff and select organisations with the potential for scale, run by motivated leaders we can trust; in short, people that we can do business with.

Better results at this stage means fewer resources spent on project management and oversight throughout implementation, achieving greater cost-efficiency and impact for our donors' investment.

Last year, 126 organisations applied for funding. Only 12 passed our rigorous assessment processes and joined the portfolio.

SCALE UP

Our Partners' activities – by their grassroots nature – start small and can be expanded with guidance and targeted investment.

Egmont employs a flexible, graduated grant structure to ease this scale up process. New Partners enter the portfolio at the lower level and we work with them to refine their approach, delivering impact at scale and reaching more vulnerable children for proportionately less investment.

Effective Partners with proven results are then selected for increased levels of funding, reaching greater numbers of those affected.

Last year, we graduated 18 Partners in our portfolio to a higher level of funding.

DEVELOP

Projects are assessed on a regular basis and Partners are provided with advice on how to improve existing activities. Crucially, as each Partner moves up Egmont's grant structure, they are expected to identify gaps in their projects and develop new ways they can help their beneficiaries.

For example, Partners that help improve nutrition through agricultural activities might look to help families market and package their agricultural produce for greater profits. Partners that educate young people in how to avoid HIV may look to empower these adolescents to become mentors and spread their new-found knowledge amongst their peers.

In this way, Egmont fosters the development of mature, capable local organisations.

LINK

Throughout the relationship with each of our Partners we encourage them to link together through our peer-learning initiatives. These efforts help to share best practice across the portfolio, develop networks between Partners, highlight other funding options and identify collaborative opportunities amongst themselves and other local agencies.

By linking our Partners together, we facilitate the propagation of effective methods across the portfolio but also provide the forum for new, innovative responses to be developed.

Last year, we linked 28 organisations through peer-learning initiatives.

DIVEST

Each investment in our Partners requires an exit strategy. Partners are helped to secure additional funding from other sources and provided with guidance on making themselves more attractive to international donors. Where project expansion or development does not make economic sense, we scale back support, freeing up resources to invest in new communities and other innovative projects.

This approach enables us to stay at the forefront of the response to the epidemic.



PORTFOLIO REVIEW

LAST YEAR, EGMONT SUPPORTED 60 PARTNERS ACROSS OUR SIX COUNTRIES OF FOCUS: KENYA, MALAWI, MOZAMBIQUE, TANZANIA, ZAMBIA AND ZIMBABWE. TOGETHER, THEIR COMMUNITY-OWNED AND LOCALLY-LED GRASSROOTS PROJECTS REACHED 91,724 VULNERABLE CHILDREN AND FAMILY MEMBERS AFFECTED BY HIV & AIDS

HERE'S WHAT WE LEARNED FROM THEIR SUCCESSES, CHALLENGES AND FAILURES...

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EGMONT PARTNER SITES (2021)

INNOVATION PARTNER

EXITED THE PORTFOLIO

CORE PARTNER STRATEGIC PARTNER

The coronavirus pandemic continues as an additional shock to the region, but with significantly fewer mortalities than elsewhere. Other endemic diseases, such as HIV and malaria, remain far greater concerns (see right). In Egmont's countries of focus, HIV & AIDS remains the leading cause of death.

For our Partners and the communities they seek to help, the greatest impact over the past year has been the secondary effects of the restrictions designed to curb the spread of COVID-19: depressed economies, school closures and limits on social gatherings have all brought about negative effects in the lives of orphans and vulnerable children and the families that are struggling more than ever to care for them. The challenges for our Partners have grown.

Before the pandemic, one-fifth of children aged 6-11 were not in education and the region was home to the largest population of outof-school children in the world1. During the past year, disruption to education saw this figure rise to 40% of all school age children². A recent report shows that illiteracy amongst ten year olds has grown to 70%³. More of our Partners are engaged in work designed to increase access to education, including the use of innovative new out-ofschool learning approaches to cope with the frequent school closures.

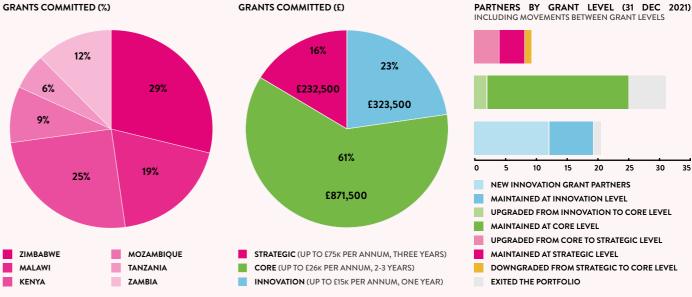
Family incomes have been hit hard. Close to half the population in Egmont's countries of focus live below the international poverty datum line of \$1.90 a day (2011 PPP). The past year has seen savings and family assets depleted. Our Partners - particularly in urban environments have had to introduce new socially distant ways of working with families to increase their incomes. Consequently there has been a dip in the number they can reach. As life has become harder for those struggling most, and the protective environment afforded by schools has been eroded, social problems have undergone a resurgence. Domestic violence, child neglect, early marriage and sexual abuse have all increased in frequency. The most significant swing in our portfolio is the number of Partners now engaged in work designed to prevent these incidences and address their effects.

On Egmont's part, travel restrictions have not reduced our ability to find and recruit new and effective Partner organisations. A pivot to increased virtual interaction has helped us to maintain our portfolio and the easing of intra-continent travel has seen local staff and network contacts resume physical project site visits. In total, 60 Partner organisations were supported over the year, with 12 of these being entirely new to the Egmont network. We closed the year with 53 active Partners running projects as we scaled back support to eight organisations in the bottom ranking

Part of the strength of our portfolio is our Partners' alacrity in adapting to changing circumstances and the evolving context on the ground - and Egmont's rigorous but flexible funding approach enables this. The development of the portfolio over the past year has borne witness to the effectiveness of this approach. For the year ahead, Egmont and our Partners will have to grapple with the additional workload needed to deal with the recovery process.

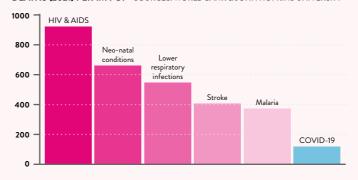
2021 IN NUMBERS



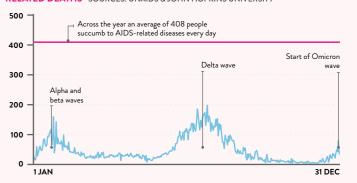


LOCAL DISEASE PROFILE

TOP FIVE CAUSES OF DEATH IN EGMONT COUNTRIES (2019) AND COVID-19 DEATHS (2021) PER 1M POP SOURCES: WORLD BANK & JOHN HOPKINS UNIVERSITY

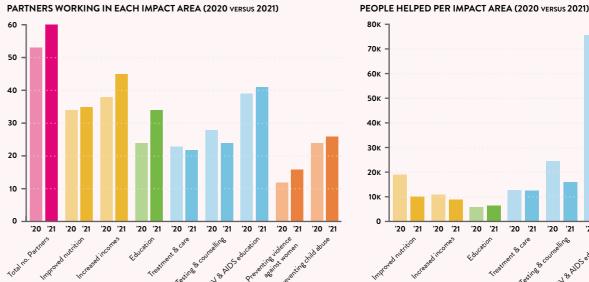


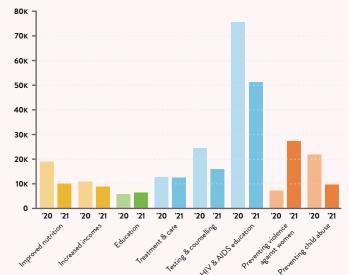
DAILY COVID DEATHS IN EGMONT COUNTRIES AND AVERAGE DAILY AIDS-**RELATED DEATHS** SOURCES: UNAIDS & JOHN HOPKINS UNIVERSITY



IMPACT

Egmont supports our Partners in their many varied approaches. Our rigorous reporting systems enable us to build a picture of the impact they are achieving across the portfolio. We assess and categorise results into our eight Impact Areas, which allows us to share with our supporters the impressive reach and difference our Partners are making year-on-year. Beneficiaries are helped in a variety of ways, for example projects that target reducing violence against women will frequently also work to increase the incomes of the women they work with, reducing their vulnerability to domestic violence and abuse.





1. World Bank Data (2021) 2, 3. UNICEF, Africa Services Unit THE EGMONT TRUST THE YEAR AHEAD









OUR REVIEW OF THE PORTFOLIO'S PERFORMANCE OVER 2021 LEAVES US WITH CLEAR CONCLUSIONS ABOUT OUR PRIORITIES FOR THE COMING YEAR

STRUCTURE OF THE PORTFOLIO

Our portfolio approach enables us to direct funding where it will make the most difference. Over the next year, we will focus on these three ways of maximising impact:

Balance of grants: We will support Partners capable of using larger grants to do so, enabling them to achieve greater impact while proportionately reducing our own overheads.

Geographic focus: We want to rebalance the portfolio slightly by finding ways to attract more Partners in Mozambique and Tanzania, addressing our lower presence in these countries while focusing on projects

that respond to the recent surge in the already high number of HIV infections amongst children in these two countries.

Collaborative linkages: We will continue to encourage Partners to help and learn from each other, supporting them to consider projects in collaboration, and to build on each other's knowledge and experience to achieve greater impact.

TYPES OF INTERVENTION

We want to look particularly for projects which will address the additional hardship faced by vulnerable children and families dealing with the loss of breadwinners amid the dual impacts of HIV & AIDS and COVID-19:

Empowering women to resist violence against them: In communities where men make the decisions and hold the money, it is harder for women to resist behaviours that can lead to infection.

Preventing child infection: Especially reducing incidence of mother-to-child transmission of HIV.

Economic empowerment: Families and communities have lost many of the economically productive generation to HIV & AIDS. They need help to escape their economic precariousness. One new theme may be supporting Partners to explore ways of increasing the marketing clout of local producers, and models of social enterprise such as manufacturing sanitary pads.

Nutrition: Better farming can improve nutritional status. Better feeding means children learn better and, where necessary, allows their HIV treatment to work more effectively.

Education: COVID-related school lockdowns have reminded us how much more vulnerable children can be when deprived of the safe space that school can offer, exposed to sexual violence and child labour. The plight of children whose families cannot afford to send them to school and those living on the street is worse still. Helping Partners to extend school opportunities to those at risk of losing them will make it harder for HIV & AIDS to survive into another generation.

SUSTAINABILITY

The results of what we have funded should live on after our support has ended. So, we will take forward activity to promote sustainability:

Energising local civil society: A civil society in which the energy and commitment our Partners show can flourish is likely to provide the best environment for tackling the scourge of HIV & AIDS. Supporting these Partners, and encouraging more to emerge is the best way we can contribute.

Helping Partners find more donors: We do not want Partners to become dependent on us, particularly not those whose projects are scalable beyond the level we can fund. So we will help them make themselves more appealing to other donors.

There are risks we have to manage. We can do little to mitigate those at national or international level, such as changes in health or education policy or reduced commitment to support those actually infected by HIV. But Partners often face local challenges: the need for a positive attitude from traditional local elders or other stakeholders; opponents seeking to reassert traditional habits; more bumps on the COVID journey. Within the projects themselves, leadership can get stale or lose its way. We will use our dialogue with Partners to help them address such challenges.

This list does not include the most direct threat to our continued operation: **the availability of funding.** We continue to need to convince donors that we represent a good way to enable their generosity to have impact. We believe that our ability to pick capable Partners and guide them to achieve to their full ability, our flexibility in responding to changing needs and our own low overheads, make us an ideal channel for anyone who, like us, wants to make a difference.

THE EGMONT TRUST THE YEAR AHEAD

AN EGMONT PARTNER

ACTION FOR SUSTAINABLE DEVELOPMENT

ACTION FOR SUSTAINABLE DEVELOPMENT (ASUD) WORKS TO IMPROVE THE AGRICULTURAL OUTPUT AND BUSINESS ACTIVITIES OF IMPOVERISHED FARMING FAMILIES IN NORTHERN MALAWI, ENABLING THEM TO SEND THE VULNERABLE AND AIDS-AFFECTED CHILDREN IN THEIR CARE TO SCHOOL

HERE'S WHY WE FUND THEM

Malawi is extremely poor. A quarter of households are unable to meet their basic nutritional needs and as a result, over half of all children are chronically under-nourished and show stunted physical development. Living this close to the edge – especially for those children infected with HIV – means one bad harvest can be a threat to life.

For the 30,000 strong population of Mzimba District, where ASUD is based, life depends on the rain. As is the case across Malawi, families in Mzimba are overwhelmingly engaged in small-scale farming activities. In the dry season in northern Malawi, precipitation can be as little as 0.3mm a month for 4-5 months. Malawians call this time of year, 'the lean season'.

What drew Egmont to ASUD was its response to this difficult issue for the communities of Mzimba, as climate change continued to worsen the situation. Rather than provide nutritional hand-outs, like many other agencies and the Malawian

government, ASUD had piloted and proven the efficacy of a new planting method in Mzimba: deep-bed farming.

Designed to minimise water runoff, maximise water retention, and prevent a new hard compacted layer from developing under the ground thereby allowing roots, water and air to penetrate downwards, deep-bed farming encourages water to percolate into the ground and remain there long after the rains have stopped.

These new agricultural techniques were paired with training on how to grow a variety of new crops that would provide a good mix of income and nutrition for the families that ASUD worked with. Soya beans were grown as a cash crop while a wide variety of other nutritious, indigenous crops such as amaranth, pumpkins, sweet potatoes and bananas were grown for family consumption and to reduce the risk of crop failure in any one product.

For this first intervention, Egmont provided funding of £15,455. The 70 families supported realised just over £27,000 from the sale of their produce. ASUD ensures that this increase in income is utilised for the betterment of the children in the families' care, monitoring educational attendance rates and providing nutritional training and cooking demonstrations to families caring for HIV+ children, ensuring that their needs are met.

ASUD has since been supported by Egmont to expand into a new area in Mzimba and help 180 new families caring for more than 700 children. Egmont also linked ASUD with other Partners to learn from their approaches. This has resulted in the introduction of new elements to its intervention such as food processing and marketing to increase profit margins, and training households on food preservation and storage to ensure families have plenty of food for the lean season and do not have to rely on hand-outs and charity.

PARTNER INFO

PARTNER NAME

ACTION FOR SUSTAINABLE DEVELOPMENT

LOCATION

MZIMBA, NORTHERN MALAWI

LENGTH OF RELATIONSHIP

CURRENT GRANT LEVEL

AMOUNT INVESTED

TOTAL PEOPLE HELPED

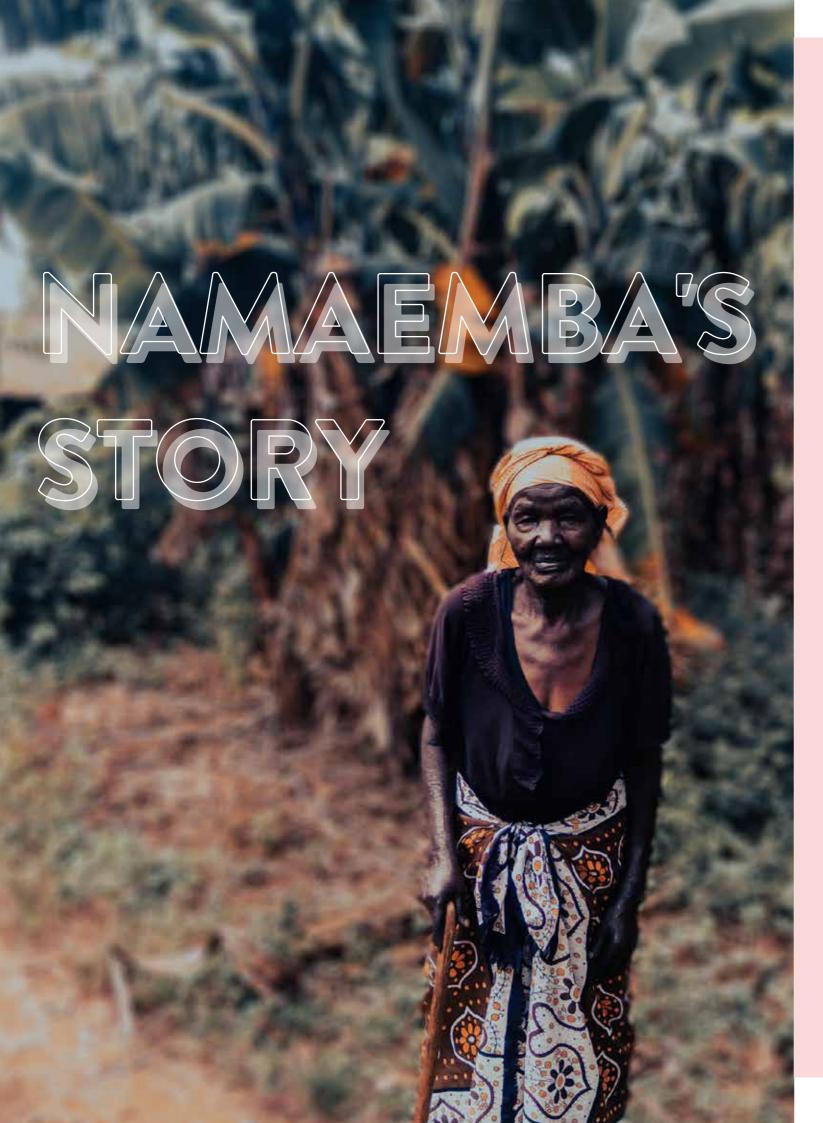
IMPACT AREAS

IMPROVED NUTRITION
INCREASED INCOMES
ACCESS TO EDUCATION
HIV & AIDS EDUCATION









AT 85 YEARS OLD, NAMAEMBA HAS FOUND HERSELF 'MOTHER-AGAIN' TO HER THREE GRANDDAUGHTERS AFTER LOSING TWO OF HER CHILDREN TO AIDS

Near Buhayi village close to the Kenyan shores of Lake Victoria, Namaemba had managed to purchase a small plot of land on which to grow a modest harvest and supplement her very small – and often delayed – monthly pension payment. Namaemba knew that her retirement would not be easy, but she had prepared as best she could to provide for herself in her old age.

Unfortunately, in Kenya the AIDS epidemic continues to wreak havoc across the generations, leaving in its wake lost loved ones, parents and breadwinners. Over the past decade, 471,000 people within its borders have lost their lives to AIDS-related illnesses. The majority of deaths occur in early to mid-adulthood, when people are starting families and providing for their children. Those they leave behind are most often cared for by extended family members – the local social safety net. But with over 690,000 AIDS orphans living in Kenya today, this social safety net has been stretched and increasingly it is the elder generation who finds themselves caring and struggling to provide for their younger relatives.

For Namaemba, as with many grandparent-headed households, the small crop she is able to cultivate is both a source of income and food. With three extra mouths to feed it was not enough. Often eating only one meal a day, each portion of food eaten is a reduction in much needed income. A school uniform not purchased, a coach fare to the local clinic unable to be bought, a hole in the roof of their small house not patched. For Namaemba's grandchildren, who are HIV+, missing a course of their vital anti-retroviral treatment can have significant consequences on their health.

Fortunately, Egmont has supported the Child Opportunity Trust (COT) to help families like Namaemba's. The project is targeting 400 orphaned and vulnerable children that come from HIV affected families. COT has formed ten support groups consisting of 25 guardians and 40 children in each. These support groups meet bi-

weekly to discuss parenting skills, how to look after HIV+ children and to make sure that all the children are safe and attending school. Child Opportunity Trust first identified Namaemba early last year and immediately enrolled her onto their Egmont-funded project. Namaemba and her grandchildren were in dire need of this immediate support.

COT aims to help families to help themselves, but recognise when rapid action is needed. Namaemba and her grandchildren were provided with nutritional support so that they could regain their strength. COT now provides support for the grandchildren to travel to the local clinic and collect their medication so that they remain in good health. They have also been supported by Egmont to provide – in the near term – for the three girls to attend school, ensuring that they do not miss any more of their education and are able to prepare for the future.

Namaemba herself has been enrolled in a local village saving and loan scheme established by COT. She receives business training and is able to take out loans against her savings to pursue income generating ventures, such as securing more seed to plant during the off-season when family budgets are typically stretched. Thanks to this support, Namaemba is now able to provide more than one meal a day to her grandchildren. The girls no longer fear being turned away from school or going hungry and teachers report significant improvements in their school work.

Whilst the family has made great progress, there is still more work to be done to ensure these improvements are sustainable. In the next phase of the project, Child Opportunity Trust will be working with the support groups to establish communal businesses such as peanut butter production, poultry farming and pastry making. Namaemba is looking forward to this and being able to provide more for her three grandchildren as 'mother-again'.



THE EGMONT TRUST THE YEAR AHEAD





RORYPOWEISALONG-ONLYPORTFOLIOMANAGER FOCUSING ON EUROPEAN GROWTH STOCKS, AND JOINED MAN GLG IN JULY 2014. PRIOR TO THIS, HE FOUNDED POWE CAPITAL MANAGEMENT AND MANAGED EUROPEAN FUNDS FOR 12 YEARS.

HE HAS BEEN AN EGMONT TRUSTEE SINCE 2005.

WHAT ATTRACTED YOU AS A DONOR?

The devastation caused by AIDS on families and communities in sub-Saharan Africa was hard for any onlooker to digest. As fortunate parents of two young children at the time, my wife and I were drawn to Egmont for its single-minded objective of working to improve the lives of those children and families both directly and indirectly affected by this wrecking-ball disease.

I remain convinced today by Egmont's approach of backing local people who understand first-hand how to address long-lasting unmet needs within their own communities. Instead of coming up with on-high proposals, the Trust supports inspirational and effective people who have on-the-ground and pragmatic initiatives which achieve results.

It is a business-like approach which resonates with my own portfolio management experience in the financial world where success relies upon backing people who have unique and effective operating models. Another parallel would be how Egmont's trustees have skin-in-the-game and make sure the charity is fully accountable to its donors, not just in terms of the control and coverage of its operating costs, but also in relation to the

transparency provided on Partner progress. How many children have benefited from improved nutrition? Is school attendance improving? Is sexual education becoming de-mystified and accessible? Are families more self-sufficient? Are these improvements sustainable? For Egmont this is a continuum, which is all about finding local partners with impactful, repeatable and scalable ideas.

DO YOU SEE ANY CHALLENGES WITH THE MODEL?

There are two main risks. The first of these is that the public awareness of HIV & AIDS diminishes in the face of new crises affecting the planet. Thankfully, we have many donors who are consistent supporters because they understand the long-lasting legacy of the disease. But Egmont can never take its financial backing for granted, and so it must keep drawing attention to the colossal unmet need as the epidemic continues to ruin families and whole communities.

What is striking is how the Trust is creating a network effect whereby Egmont's reputation is attracting new Partners with fresh proposals which throw yet more light on the scope to improve people's lives. This is desirable but it presents a second risk. The Egmont model

will be challenged if it spreads itself too thinly. This is why the Trust remains vigilant in both sticking to sub-Saharan Africa and not proliferating the number of partners we back. This highly selective and disciplined approach is surely the best way to bring about long-lasting improvements in the lives of those we are there to help.

WHAT OPPORTUNITIES LIE AHEAD?

As a Trustee, I am extremely excited that Egmont is now offering larger Strategic Projects to Partners. Although inevitably some will not live up to our expectations, these are offset by those which go from strength-to-strength, demonstrating the scalability of their initiatives. We back their success with additional funding, particularly if they are scratching the surface of what is being addressed.

Also think about the potential if Egmont succeeds in its strategy of facilitating Partner-to-Partner dialogue, so that they share their learnings while also offering one another crucial peer support. Egmont is there for them, but in the end we want our partners to help themselves and help one another. We are forever humbled by their achievements.

THE EGMONT TRUST THE YEAR AHEAD



Egmont's approach provides cost-effective impact for donors and their charitable investments. Our Trustees and Patrons cover all of our operating costs so your donation is able to be directed in full to projects on the ground helping to improve the lives of vulnerable children affected by HIV & AIDS.

Bank transfers and standing orders: Please use the following details: Clydesdale Bank plc, Sort Code 82-11-07, Account Number 40078611. Standing order forms are available on our website.

Cheques: Please make cheques payable to 'The Egmont Trust' and send to The Egmont Trust, 11 Cathedral Road, Cardiff CF11 9HA.

Online: please visit our website, or get in touch: info@egmonttrust.org

Our fundraisers have done some incredible things to raise money for children affected by HIV & AIDS. Whether it's climbing Mt. Kilimanjaro, cycling from one end of Madagascar to another or a fun run with friends and family, our supporters are always finding new ways to fundraise for our Partners.

THE EGMONT US FOUNDATION

The Egmont US Foundation is a US non-profit organisation, tax exempt under Section 501(c) (3) of the US Internal Revenue Code and provides a tax-efficient way for US residents to support the life-changing impact this charity is achieving through its work.

Please visit The Egmont US Foundations website for more details: egmontusfoundation.org Join our Ambassador programme and publicise the work and impact of our Partners. We strive to keep our costs low and do not carry out large fundraising events or campaigns. Our Ambassadors 'spread the word' and link us to interested trusts and foundations, businesses and individuals. If you'd like to support Egmont in this way, please get in touch.

ENGAGE YOUR BUSINESS

Egmont is keen to create strong partnerships with companies and their staff. Our fundraising team will work to maximise your engagement with Egmont, no matter how large or small your business, and raise awareness of your commitment to social responsibility.

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Egmont respects your privacy! Our privacy policy is available on our website. To update your mailing preferences please contact us.

Some names and identifying details have been changed to protect the privacy of individuals. All photos in this Annual Review depict Egmont projects and beneficiaries and are used for purely illustrative purposes. Egmont is a USD grant-making organisation. Figures in this document are recorded in GBP, which is ascertained from the BoE spot rate on the day the grant is committed. All figures correct as of 31st December 2021