

Photo credit: Save the Children



Save the Children Global Ventures Children's Impact Multiplier Fund

First Annual Report | 2023

A NEW APPROACH TO DELIVERING IMPACT FOR CHILDREN

Children today face the most complex challenges in generations. Millions are dying from preventable causes and face poverty, violence, disease, hunger, climate change and conflict. While development funding and programming are crucial, they alone cannot fully address the challenges children face. Amid these circumstances, innovation is more critical than ever before. We must foster new ways of working and create new solutions to ensure that every child survives, learns and is protected from harm.

As one of the world’s largest child-focused agencies, with a footprint in over 116 countries and founded on groundbreaking ideas about child rights, Save the Children is uniquely positioned to drive innovation for children’s wellbeing. However, we recognise that true innovation takes time and patient capital to scale an idea to a successful enterprise. Too often, promising, impactful startups struggle to secure the capital they need. Most government and philanthropic grants prioritise compliance over outcomes. Low tolerance for risk on the part of donors and short-term payment structures do not nurture development of new technology-based business models.

At Save the Children, we recognise our responsibility, as industry leaders, to support greater innovation. It is one of the reasons we created Save the Children Global Ventures (SCGV): to offer more nimble, innovative approaches to access patient capital and large bilateral and multilateral funders to scale for impact. Our family of impact funds have already begun to help exceptional, child-focused startups access capital needed to scale.

The Children’s Impact Multiplier Fund, which we launched in October 2023, is an innovative, donation-backed, open-ended, impact investment vehicle. A pioneer in

child-lens investing, the Fund intentionally considers the needs and rights of children when making investment decisions and measuring impact. The Fund focuses on providing patient capital to social enterprises and innovative projects benefiting vulnerable children in low- and medium-income countries.

During its first year in 2023, the Children’s Impact Multiplier Fund received support from Save the Children members, who provided crucial seed capital. In addition, Save the Children members contributed ownership stakes in Carbon Neutral and ThinkMD. The Fund also made its first investment, providing concessional debt finance to the early childhood development sector in Rwanda and South Africa, with support from USAID. This investment was recognised as a finalist in the 2023 Product Exhibition of Blended Finance Innovations and Practices led by the Global Impact Investing Network (GIIN).

Throughout 2023, SCGV developed an impressive pipeline of child-focused investment opportunities that we believe can transform education and health outcomes for underserved children. We invite you to support the Children’s Impact Multiplier Fund and join us in helping to transform outcomes for children worldwide.



Eve Kerubo
Head
Children’s Impact
Multiplier Fund



Paul Ronalds
CEO
Save the Children,
Global Ventures



OVERVIEW

Save the Children is Taking a Global Leadership Position in Social Impact Investing

While philanthropy, official development assistance and government grants are critical sources of development funding, in their traditional forms they are not sufficient to solve the urgent issues children face. At the same time, an increasing number of donors seek to use their philanthropic and investment capital to support more entrepreneurial approaches. In a world where children face multiple crises, it is critical that the aid and development sector responds by offering new ways for supporters to provide the capital needed to drive change for children.

Save the Children is among the world's leading child-focused agencies with a footprint in over 116 countries. Through programming, emergency responses and advocacy, Save the Children has worked tirelessly to improve the lives of marginalised children for more than 100 years. In 2022, Save the Children, along with its partners, directly impacted over 48.8 million children.

Save the Children Global Ventures (SCGV) was launched in 2022 to spearhead Save the Children's efforts to leverage new forms of funding to support marginalised children. Today, SCGV's impact funds provide various types of capital to child-focused innovations, including patient capital, concessional capital (via the Children's Impact Multiplier Fund) and commercial capital (via other impact funds). In 2023, SCGV co-developed the first-ever framework for child-lens investing. Through the application of a 'child-lens', SCGV investment decision-making integrates considerations of children's rights and well-being across all investment processes to advance positive outcomes for children.

A FAMILY OF DEEP IMPACT FUNDS



Commercially-Structured Impact Funds

In 2020, Save the Children launched its first commercially-structured impact fund, 'Fund I', which raised AUD \$7.5 million. Since then, over 60% of this capital has been invested in seven ventures: Dataro, Inquisitive, Intellischool, Ngutu College, Oho, ThinkMD and Zeraki Analytics.

By focusing on investments in health, education and child protection – areas where Save the Children possesses extensive technical expertise and global networks – the aim is to accelerate the social impact of startups while delivering robust financial returns. This approach enables support for promising ventures, fostering greater societal change at an accelerated pace.

A second, Australia-based, commercially-structured 'Fund II', focused on the Asia-Pacific region, was launched in 2023.

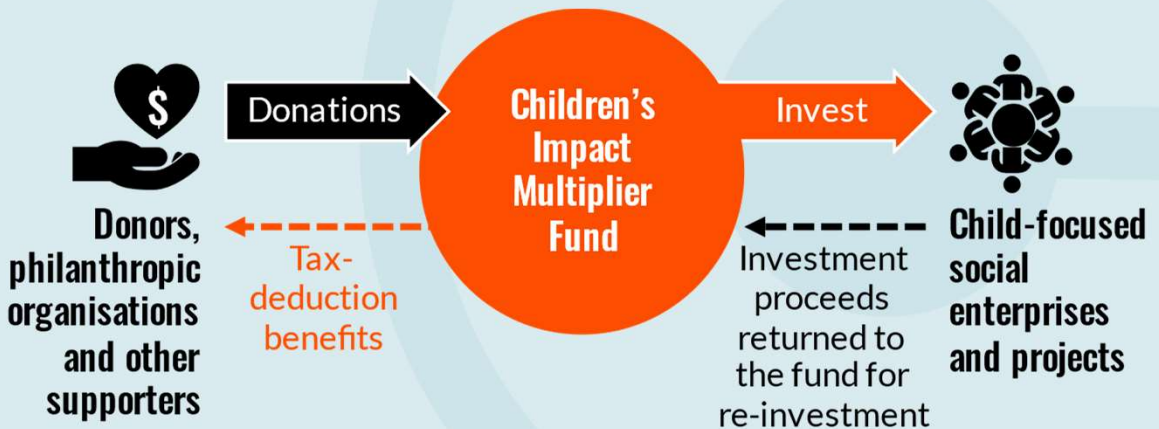
Looking ahead, SCGV's plans to launch an Africa focused fund ('Fund III') in 2024, with a focus on children's education, health and nutrition.

The Children's Impact Multiplier Fund

Established in October 2023, with seed funding and support from Save the Children members, the Children's Impact Multiplier Fund, is a Switzerland-based, open-ended, revolving fund whereby all investment returns are recycled into future impact investments. The Fund seeks philanthropic support to create a permanent pool of patient, catalytic capital that is deployed to social enterprises and projects. SCGV seeks to make investments with the goal of crowding-in other capital from private, philanthropic, or government sources to deliver multiplied impact for marginalised children at greater scale.

How the Fund works:

- *Charitable fundraising:* The Children's Impact Multiplier Fund raises charitable donations through Save the Children member organisations. The donations are tax deductible in applicable countries.
- *Invest:* The Fund makes investments in social enterprises and projects that prioritise children's well-being.
- *Investment proceeds:* Investment proceeds from the social enterprises and project are returned to the Fund.
- *Recycle (re-invest):* The funds are recycled / reinvested into new opportunities, thereby generating longer-lasting, multiple rounds of impact.





Fund name	Children's Impact Multiplier Fund
Domicile	Switzerland
Investment objective	To make deep-impact investments in social enterprises, innovative finance vehicles and other projects that present exceptional opportunity for positive impact for vulnerable children
Contributions to the Fund	Donations / non-recoverable grants
Fund structure	Evergreen fund (open-ended, perpetual) overseen by SCGV
GEO reach	Global with focus on low- and medium-income countries
Investment themes and sector focus	Healthcare, education, child protection and cross-sectional areas that support these themes
Investment instrument	Debt, catalytic equity, guarantees
Typical ticket size of investments	USD \$250,000 - 1,000,000
Use of investment proceeds	Reinvested /recycled back into the Fund for further investments
Impact measurement and management	SCGV's impact management framework centres around child-lens investing with bi-annual reporting
Annual operating costs	Capped at 3% of capital under management (reduced as the size of the fund increases)

2023 Fund Highlights

- Save the Children supports the Children's Impact Multiplier Fund as an anchor donor.
- The Fund's strategy is finalised, leveraging SCGV's unique child-lens investing approach
- The Fund secures investments in ThinkMD and Carbon Neutral.
- During 2023, Think MD identified more than 2,500 children and 3,500 newborns with danger signs. Totals since 2018 are 41,346 and 7,861 across 10 countries.
- Carbon Neutral carried out biodiverse reforestation establishment at two properties, covering 2,105.0ha at Wandalong and 594.1ha at Dalgouring.
- Carbon Neutral and SCGV completed a carbon markets scoping study of the Asia Pacific and developed three nature-based solutions for children project concepts in Nepal, Vietnam and Pakistan.
- SCGV commits up to USD \$1 million to an early childhood development (ECD) blended finance project in Rwanda and South Africa. The initiative aims to provide 200 early childhood centres in Rwanda and South Africa, supporting 6,000 children, with a mix of grants and concessional capital to improve infrastructure, staffing and operations.
- The ECD blended finance project was a finalist in the Product Exhibition of Blended Finance Innovations and Practices led by the Global Impact Investing Network (GIIN).
- Commencement of external fundraising activities for the Fund.



SCGV's Child-Lens Investing Framework

SCGV is pioneering child-lens investing, which intentionally considers the needs and rights of children in making investment decisions and measuring impact. Through our impact investing, measurement and management (IMM) framework, we place impact objectives for children at the center of the Children's Impact Multiplier Fund's strategy. The Fund's impact management process begins before SCGV invests in a company, involving significant engagement at the outset to ensure that potential investees deliver exceptionally high impact for children.



Photo credit: Save the Children



INVESTEES UPDATES

In 2023, Save the Children members, Save the Children Australia and Save the Children U.S., transferred their shareholding in two companies to the Children’s Impact Multiplier Fund: Carbon Neutral and ThinkMD, adding to the fund’s initial equity portfolio.

SCGV also agreed to invest up to USD \$1 million out of the Children’s Impact Multiplier Fund to co-launch a loan facility for early childhood development (ECD) centres in Rwanda and South Africa.

Name	Sector / theme	Headquarters	Implementation region	Type	Investment value
 THINKMD™	Health	USA	Global	Equity	USD \$200,000
 carbonneutral	Climate	Australia	Global	Equity	USD \$164,389
ECD Blended Finance Facility	Education	N/A	Rwanda, South Africa	Concession debt (3% return)	Up to USD \$1million

Nurse Gladys Chepkohr uses ThinkMD technology to screen Emanuel (age 4) at a Nairobi, Kenya clinic

Photo credit: Georgina Goodwin





SDG Indicator Goal 3. Ensure healthy lives and promote well-being for all at all ages

Company snapshot

ThinkMD is global medical company co-founded by two pediatric physicians in the U.S. to address shortcomings in child diagnostics and indirectly reduce the burden of the growing shortage of healthcare professionals in low-resource settings. The company has developed a clinical decision tool that is helping frontline community health workers in low-income countries improve maternal and child health diagnostics. The simple-to-use application, accessed with or without internet access on any device (e.g., smartphone or tablet), is a machine learning-enabled clinical risk assessment solution used by anyone to perform clinical assessments on patients.

Why invest

Save the Children can leverage its large global development footprint to expand ThinkMD's solution throughout the developing world. Save the Children has partnered with ThinkMD for several years in Bangladesh, Indonesia and Kenya. Across these three countries, ThinkMD's technology has been used by over 400 healthcare providers. It has generated 17,572 quality clinical encounters and 366,399 clinical assessments through various Save the Children programmes. ThinkMD's technology vastly improves the capacity of frontline health clinics and can provide healthcare administrators, NGOs and health ministries with real time data on possible outbreaks or other clusters of health-related cases. Save the Children and ThinkMD continue to collaborate on potential opportunities in Sierra Leone and beyond.

Photo credit: Georgina Goodwin



ThinkMD's simple to use application can be used on any device

Impact measurement (as of February 2024)

- An estimated 19,804,500 clinical assessments in over 10 countries
- 294 clinical diseases and condition risks assessed
- 8.7 million clinical risk assessments for adolescents, children, newborns and pregnant/new mothers
- ThinkMD's platform used by 3,467 community healthcare workers and teachers in the last reporting quarter
- Utilises World Health Organization (WHO) guidelines
- Translated into more than 15 languages
- Peer-reviewed research suggests that when using the technology, less-educated community health workers are between 80-95% as effective as a physician in diagnosing health issues
- The company is in the process of rolling out this technology across more than 50 countries, to reach 25 million Quality Health Encounters (QHE) by 2027.



SDG Indicator Goal 13. Take urgent action to combat climate change and its impacts
SDG Indicator Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Company snapshot

Carbon Neutral is a carbon solutions provider and reforestation developer helping individuals, businesses and charities become carbon neutral and develop 'nature-based' climate solutions, which involve conserving, restoring and better managing ecosystems to reduce carbon impact.

Why invest

Climate change is a fundamental threat to children's rights, especially impoverished children all around the world and is the greatest threat to their survival, learning and protection. Nature-based solutions (NbS) are increasingly regarded as among the most powerful and cost-effective tools for climate action. Investing in nature helps provides multiple benefits including climate mitigation and adaptation, disaster resilience and sustainable livelihoods for communities. Carbon Neutral's technical expertise in carbon reduction and its partnership with Save the Children will contribute to new and improved Save the Children programming and positive environmental impacts for children.



Carbon Neutral works with Save the Children to reforest mangroves in Vietnam, reducing CO₂ in water and benefiting children and their communities

Impact measurement (as of February 2024)

- Over 20 years of experience in the carbon industry
- Created Australia's first online carbon calculator
- Planted over 30 million trees covering 18,000 hectares since inception. In 2023, carried out biodiverse reforestation establishment at two properties: Wandalong covering 2,105 Hectares and at Dalgouring covering 594 Hectares
- Developer of Australia's largest biodiverse reforestation carbon sink
- First Australian project to achieve prestigious Gold Standard certification
- Carbon Neutral is in the process of establishing a sanctuary within the Yarra Yarra Biodiversity Corridor
- In 2023, Save the Children in collaboration with Carbon Neutral completed a carbon markets scoping study of the Asia Pacific and developed the first 3 nature-based solutions for children project concepts in Nepal, Vietnam and Pakistan.

ECD Blended Finance Facility



SDG Indicator Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Thriving early childhood development (ECD) centers can create lasting, positive impact on children's lives

Impact opportunity

According to the World Bank's Human Capital Index, a child born today is expected to reach only 56% of their full adult productivity due to outcomes of poor health and education. Early childhood development (ECD) has tremendous potential to create a positive, multiplier impact on children's lives. However, there is a significant gap in the uptake of such services globally. Five million children (ages 3-5 years) in Rwanda and one million children in South Africa do not have access to early learning programmes. Most of these children are from low-income households and live in poor communities.

SCGV is enacting impact investments to address this gap through a blended finance project that addresses the financing needs of ECD centres in Rwanda and South Africa, combined with capacity building and other technical support.

Why invest

The loan facility will support early childhood development in Rwanda and South Africa with up to USD \$1million in concessional (below market rate) debt at 3% for ECD centres over approximately four years. The facility is backed by a 5% first loss guarantee from USAID CATALYZE.

Evidence-based research shows that a positive childhood experience has transformative effects:

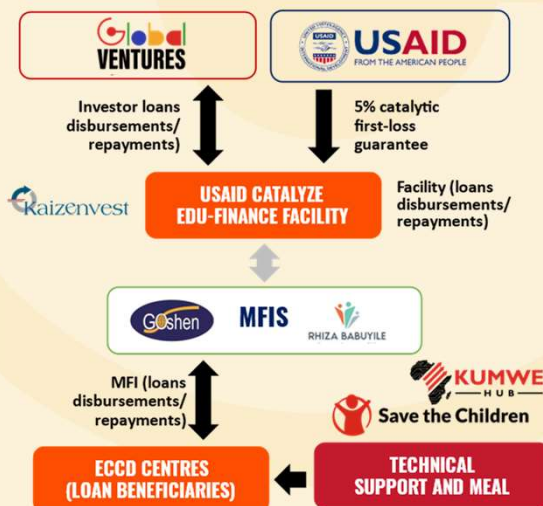
- Every \$1 invested in children generates outsized societal returns between USD \$4-\$16
- Increasing preschool enrollment for children in lower- and middle-income countries to 50% can result in up to USD \$14 - \$34 billion in lifetime earnings gains while promoting workforce health and gender equity (source: Nobel Prize winning economist, James Heckman)
- Childcare investments can potentially reduce the global gender pay gap by 8.6% or USD \$527 billion (source: Eurasia Group).

The partnership

The project's goal is to deploy affordable loans to 200+ ECD centres through experienced, local microfinance institutions (Goshen in Rwanda and Rhiza Babuyile in South Africa). USAID CATALYZE will provide first loss cover with Save the Children Rwanda's impact innovation team, Kumwe Hub, providing technical support to ECD centres. Emerging markets asset manager Kaizenvest will oversee the facility, putting up their own capital alongside other private investors (target return to investors is 3%).

Expected impact measurement

- Improved development outcomes for 6,000 children in 200 ECD centres
- Enhanced ECD centre infrastructure; improved quality of learning environments
- Increased participation of women in the labor force
- A more sustainable ECD finance ecosystem.



INVESTMENT PIPELINE

SCGV sources opportunities for the Children’s Impact Multiplier Fund through several channels:

- Save the Children’s extensive global network of programmes, offices, partners and donors that are offering vehicle or project investments.
- Portfolio companies of SCGV’s commercially-structured funds offering growth financing opportunities for children.
- Accelerator and incubator programmes at the forefront of innovation for children.

An early preview of possible Children’s Impact Multiplier Fund investments under consideration, as of March 2024, is as follows:

	Target countries	Capital type needed	Company snapshot and solution
HEALTHCARE	Kenya	Patient capital	A chain of hospitals that provides safe, affordable, high-quality and dignified maternity care for low-income families, improving health outcomes for mothers and newborns.
	Burundi, Democratic Republic of Congo, Kenya	Mezzanine Debt	A social enterprise managing a data-driven procurement platform that connects healthcare providers directly with manufactures – thereby removing middlemen from the value chain for an average cost savings of 40%. The team currently services 400+ hospitals and healthcare providers across four countries.
	Developed in Switzerland targeting implementation in low- and medium-income countries	Patient capital	A startup decentralising the diagnosis, monitoring, and management of respiratory diseases (e.g., asthma, pneumonia, COVID-19) with an AI-powered, pocket-sized medical device that records and transmits biosignals to a smartphone or tablet. The device can be used offline and helps eliminate reliance on highly trained healthcare professionals.
EDUCATION	Kenya	Mezzanine / Concessional debt	A non-banking financial institution that provides loans to schools serving low- and medium-income communities across Kenya. Loans can be used for working capital, to build classrooms, buy school buses, and pay teacher salaries. The organisation has supported over 150 low-income schools already and also provides technology, capital, and reward programmes to help expand access to education.
	Ghana, Kenya, Nigeria, South Africa	Patient capital	An EdTech platform that offers educational resources, networking and support for teachers. The platform offers training modules that lead to teaching degrees and special credentials, ultimately improving student access to quality teachers.

Photo credit: Save the Children



GOVERNANCE & MANAGEMENT

Board / Investment Committee

Members of our board are leaders in private equity, impact investing and child rights. Their vision helps to inform and direct our mission and strategy.

[Abhishek Agrawal, Founder Director](#)

Abhishek Agrawal is a seasoned technology investor with a track record of success. He previously built the growth equity investment platform for Microsoft co-founder Paul Allen's Vulcan Capital, serving as Managing Director and Global Head of Growth Equity. Prior to this, Abhishek was at General Atlantic, a global growth equity firm, and Lazard Technology Partners, an internet and technology-focused venture capital firm. He currently serves on the Advisory Board of Capricorn Investment Group, a multibillion-dollar investment firm.

[Inger Ashing, Founder Director and CEO of Save the Children International](#)

Inger Ashing, CEO of Save the Children International, is a seasoned child rights advocate with over 25 years of experience at Save the Children. From founding her youth organisation at age 12 to serving on multiple boards, she has dedicated her career to amplifying children's voices and advancing their rights globally.

[Phidias Ferrari, Director](#)

Phidias Ferrari advises Swiss and international clients on corporate transactions, M&A, private equity, and venture capital deals. He also handles regulatory matters for banks, fintech companies, and investment firms. Additionally, he assists companies with various corporate and commercial issues across different industries.

[Fernanda Lima, Director](#)

Fernanda Lima is a Partner and Co-head of LeapFrog's Asian financial services team, specialising in private equity investments. With over 20 years of experience, she has led diverse teams and managed portfolios across Asia. Fernanda joined LeapFrog from Developing World Markets, a US-based pioneer and a sizeable impact asset manager, where she was Managing Director. She invested and managed private equity investments for two funds. Her portfolio companies have spread across Cambodia, China, India, Indonesia, Singapore, Sri Lanka and Vietnam.

[Raymond Mankowitz, Founder Director and Board Chair](#)

Raymond Mankowitz, an executive with 18 years at McDonald's, now advises in sectors including private equity, fintech, FMCG, and NGOs. Recognised for his communication skills and advocacy for corporate sustainability, he serves on multiple boards and is a Founder Director and Chair of Save the Children Global Ventures. Additionally, as a board member of Sweden-Israel Chamber of Commerce, he fosters synergies between Tel Aviv and Stockholm.

[Teresa Mbagaya, Founder Director](#)

Teresa Mbagaya, Principal at Imaginable Futures, drives global education initiatives. Formerly Education Lead for Microsoft in Africa, she pioneered digital learning solutions across 10 countries. Recognised by Forbes and Choiseul 100 Africa, Teresa serves on multiple boards, including Save The Children International and Generation Kenya, and advises on education platforms.

Lead Team

Our global team brings diverse experience in innovative finance and impact investing combined with a deep understanding of what it takes to achieve impact for children in the world's most challenging places.

[Paul Ronalds, Founder and CEO](#)

Formerly CEO of Save the Children Australia, he is a pioneer in social enterprise and innovative finance. Paul's background includes corporate law and founding e-commerce ventures. He is recognised for his impact in the Australian Impact Investment Awards.

[Preeth Gowdar, Chief Investment Officer](#)

Preeth specialises in impact investing and innovative finance. With experience at Palladium Impact Capital and Lok Capital, he has led diverse global projects in capital raising and investment strategy. Preeth's background includes roles at Accenture and Ernst & Young.

[Eve Kerubo, Head, Children's Impact Multiplier Fund](#)

Eve brings extensive experience in the private sector, government, and INGOs. Formerly with World Resources Institute and lungo Capital, she specialized in impact investment into African debt and equity transactions. Eve began her career at PricewaterhouseCoopers before venturing into entrepreneurship.

[Aadit Devanand, Associate Director, Innovative Finance](#)

Aadit brings broad experience in finance, impact investing, and entrepreneurship. He began as an audit professional at Deloitte, then worked on significant investment banking deals at Bank of America-Merrill Lynch. Aadit co-founded Altflo, India's first portfolio intelligence platform, and led transaction diligence at KOIS for impact investments in Asia and Europe.

To learn more, please visit our website
at www.scgv.org or contact:

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