

Julius Bär  
FOUNDATION

# ANNUAL REPORT 2020



‘Things that work’

Dear reader,

There is a farm in Namibia called ‘Gubasen’<sup>1</sup>, which means, ‘When you fall down, get up again – and never give up.’ These are words for the fortunate among us to remember at a time when the coronavirus continues to wreak devastation. We at the Julius Baer Foundation believe it is more important than ever to honour and support people who embrace Gubasen – those who are able to persevere, and especially those who help others to get up again.

In the following pages you will meet Gubasen’s owner Rosa and other changemakers at work on projects that embody our core values of courage, motivation and sharing. Our partnership in such projects demonstrates our steadfast support of ‘things that work’: innovative, sustainable approaches to some of the greatest challenges of our time. The events of the past year have only added to these challenges in countries like Brazil, South Africa and Namibia, where several of our partners are active. The Foundation, in a coordinated effort with Bank Julius Baer, is proud to have responded swiftly with grants last spring to organisations assisting on the pandemic’s front lines. At the same time, we broadened our geographic focus and narrowed our content focus to two core areas in 2020: Wealth Inequality and Solutions Replacing Plastics.

We are committed to becoming a global resource for those who aim to reduce inequalities of wealth and opportunity. Accordingly, we hired a Senior Wealth Inequality Programme Manager, Nathalie Jean-Baptiste, last March to lead this process. Our Wealth Inequality projects now emphasise both the acquisition of marketable skills that characterised our Vocational Training projects, and the integration of participants from diverse socio-economic backgrounds into long-term collaborations that benefit all stakeholders.

Mindful of the extent to which plastics have polluted our land, air and water, we have resolved to concentrate our environmentally focused core area on them. Thus, Recycling PLUS has become Solutions Replacing Plastics. The Foundation supports projects that integrate people at work on these solutions, from fishermen and researchers to designers and manufacturers. Some are extending the use of existing plastics through collection, recycling and repurposing, while others are helping to reduce our dependence on fossil fuels through the development and promotion of commercially viable plastics made from biodegradable sources such as seaweed.

We shared news of our programmes and expertise throughout 2020 with colleagues and their clients at Julius Baer, via intra- and internet, various publications, online presentations and interviews. We hope you will join us in 2021 for special events, including Foundation Talks and Philanthropy Roundtables – online and in person, as circumstances allow.

Giving is a deeply human need. Giving well adds immeasurably to the pleasure of doing well, as it connects our prosperity to meaningful, positive change – to ‘things that work’ in urban Brazil, at schools in South Africa, or even on a farm in Namibia called Gubasen. We thank you for being a part of the Julius Baer Foundation. We thank you for giving with us.



**Romeo Lacher**  
Board President  
Julius Baer Foundation



**Christoph Schmocker**  
President  
Julius Baer Foundation

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Gabriela and Natalie benefitted from FA.VELA’s programme Corre Criativo. It led to a substantial revenue increase of their production company Renca, generating income for 80 young freelancers and 35 professionals.

<sup>1</sup> Gubasen, a Damaran term, has a click-consonant at its beginning, represented by ‘||’. Thus, the proper spelling is ||Gubasen. The ‘||’ has been omitted in our text to avoid confusing readers who are not familiar with this orthography.

# ABOUT US

Since 1965 the Julius Baer Foundation has dedicated itself to making meaningful and impactful contributions to society. Firmly committed to the Foundation's vision and mission, our philanthropic strategy aligns our expertise and resources to the most relevant needs of today's world. We are convinced that, especially in a post-Covid world, these initiatives are absolutely necessary.

## 1965

Walter J. Baer founded the Julius Baer Foundation. Since then, the foundation has expanded its reach to contributions all around the world.

### Our vision

We envision a society in which the privileged and the disadvantaged enrich each other's lives by working together in collaborations that benefit everybody involved. We also envision a society whose economic aspirations are sustainable, recognising the environment as the vital underlying resource of our prosperity.

### Our mission

We promote voluntary exchange between the privileged and the disadvantaged to reduce inequality of wealth and opportunity. We do this by supporting and investing in initiatives designed to reduce wealth inequality by bringing people of different socio-economic groups into collaboration that creates value for all involved and their environment.

We promote sustainable economies that protect the environment from pollution through plastics. We do this by supporting and investing in visionary business models that build on alternative 'Solutions Replacing Plastics' or on circular economies recycling it.

### Our core areas

In alignment with our philanthropic priorities, we strategically bundle our efforts in the two core areas of 'Wealth Inequality' and 'Solutions Replacing Plastics'. The remaining 'Vocational Training' projects have become an integral part of 'Wealth Inequality' measures.

### Our values

We are committed to reflecting on our values and ensuring our practices are consistent with them. They serve as orientation in our actions, our behaviour and our decisions.

#### Courage

We have the courage to support visionary partner organisations and recognise their potential.

#### Motivation

We take a motivational approach to collaborating with our partners and stakeholders.

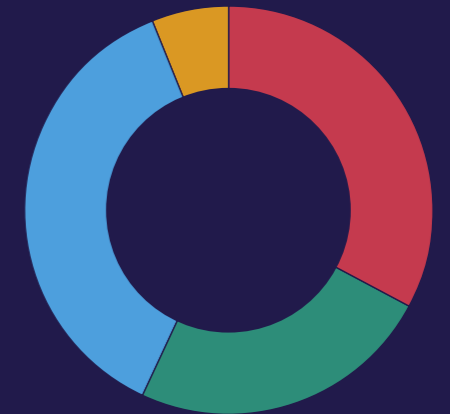
#### Sharing

We believe in the power of sharing our knowledge, our expertise and our network.

# FACTS & FIGURES

CHF  
**3.3 million**

in donations spent  
+14% compared to the previous year



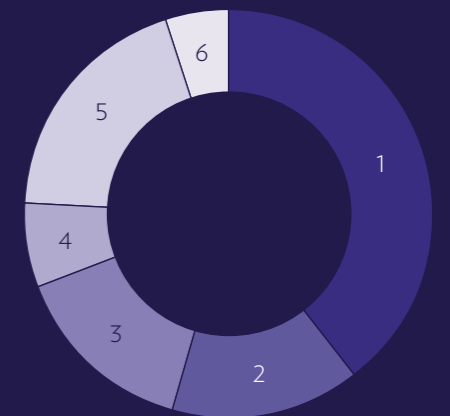
CHF  
**100k**

average grant amount per project / year



### grant amounts

2020: CHF 3,292,150  
2019: CHF 2,886,000  
2018: CHF 2,493,757



**100%**

of donations are fully invested in the specific project. All administrative costs are covered by Bank Julius Baer.

### grant amounts per region

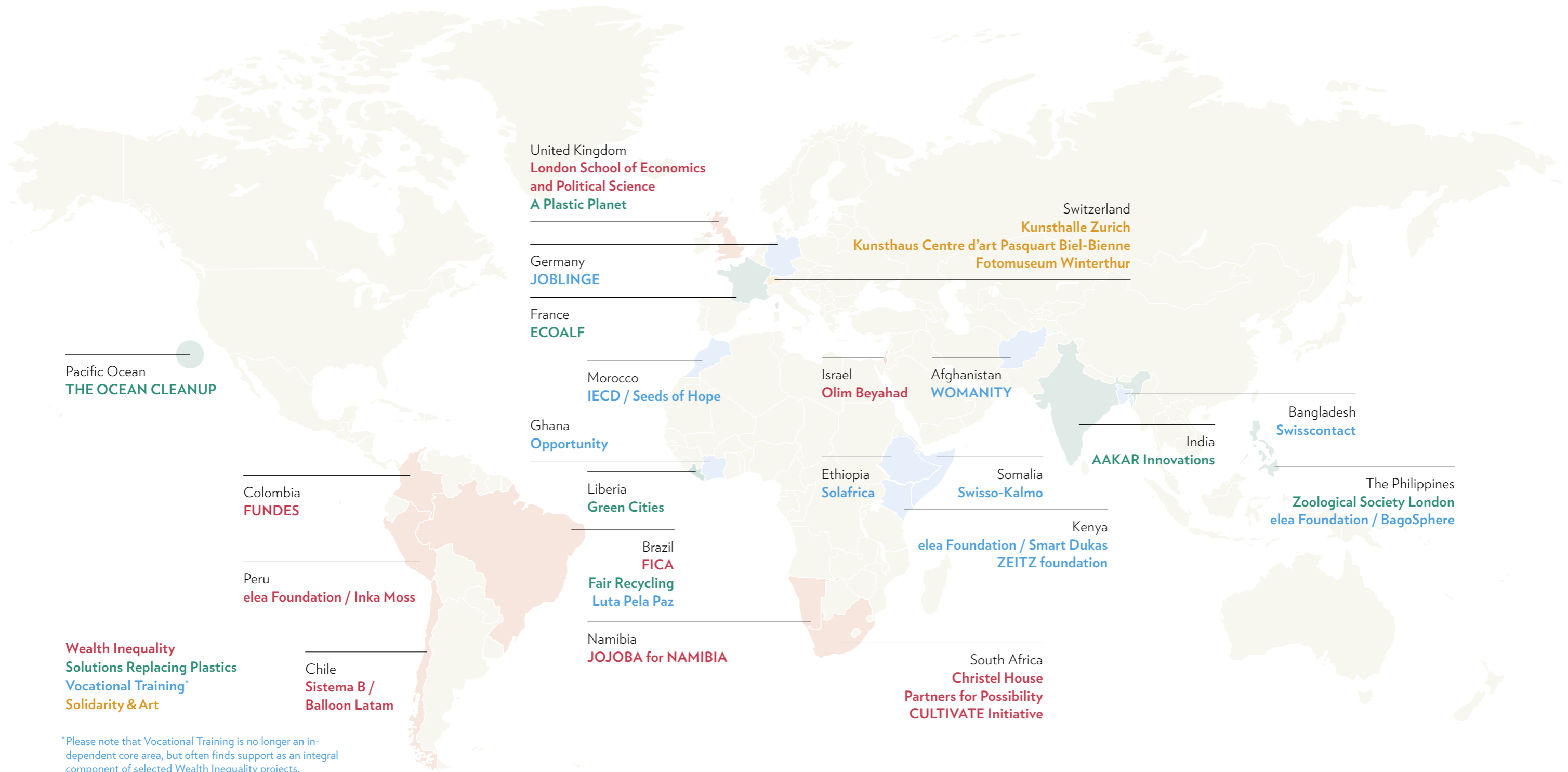
1 Africa: 39.9%  
2 Asia: 14.9%  
3 European Union: 14.9%  
4 North America: 6.0%  
5 South America: 19.3%  
6 Switzerland: 5.0%

# OUR PARTNER ORGANISATIONS

29  
partner organisations  
in 21 countries

31  
projects  
around the world

13,701  
change-makers  
reached with our  
supported projects



Wealth Inequality  
Solutions Replacing Plastics  
Vocational Training\*  
Solidarity & Art

\*Please note that Vocational Training is no longer an independent core area, but often finds support as an integral component of selected Wealth Inequality projects.

## Wealth Inequality

### CULTIVATE Initiative, South Africa

Project support 2017–2021, yearly grant amount CHF 65,000

Fostering the equitable redistribution of resources and expertise within the wine industry to increase the number of black wine producers and vineyard owners.

### Christel House, South Africa

Project support 2020–2022, yearly grant amount CHF 100,000

Supporting children in the most marginalised communities of Cape Town with free scholarships, a tailored education and access to the more privileged parts of South African society.

### FICA, Brazil

Project support 2020–2023, yearly grant amount CHF 60,000

Establishing alternative ownership models to acquire and transform exploitatively priced real estate in central São Paulo into affordable quality housing for low income tenants.

### FUNDES: Reciclamos Juntos, Colombia

Project support 2020–2022, yearly grant amount CHF 175,000

Integrating the waste pickers of Cartagena, economically and socially, by establishing a collaborative ecosystem with all the actors of the city's informal recycling supply chain.

### elea Foundation / Inka Moss, Peru

Project support 2020, yearly grant amount CHF 50,000

Creating opportunities for disadvantaged Andean communities in Peru by training them in harvesting and selling moss at fair prices. Rural families gain income and new perspectives.

### JOJOBA for NAMIBIA, Namibia

Project support 2019–2023, yearly grant amount CHF 110,000

Empowering small-scale farmers to grow jojoba plants successfully and market their produced oil internationally.

### London School of Economics and Political Science United Kingdom

Project support 2019–2021, yearly grant amount CHF 110,000

Advancing research in the field of inequalities and evaluating the effectiveness of wealth-building strategies in selected cities (e.g. Oldham or Helsinki) with the goal of providing scalable models.

### Olim Beyahad, Israel

Project support 2018–2020, yearly grant amount CHF 50,000

Supporting the integration of young Ethiopian Israelis into the workforce, with the help of native Israelis, through suitable employment opportunities that pay fair salaries.

### Partners for Possibility, South Africa

Project support 2018–2020, yearly grant amount CHF 50,000

Addressing the problem of poorly equipped public schools by supporting their principals through co-action and co-learning partnerships with local business leaders, who bring in knowledge and skills.

### Sistema B / Balloon Latam, Chile

Project support 2018–2023, yearly grant amount CHF 130,000

Combating wealth inequality in Chile by linking rural entrepreneurs from vulnerable communities with local people and enterprises in order to enable bonding, networking and learning.

## Solutions Replacing Plastics

### AAKAR Innovations, India

Project support 2020–2022, yearly grant amount CHF 70,000

Enabling Indian women to produce and sell affordable, fully compostable, high-quality sanitary napkins within their communities while simultaneously raising awareness about menstrual hygiene.

### A Plastic Planet, United Kingdom

Project support 2018–2023, yearly grant amount CHF 100,000

Aiming to drastically reduce plastic use by establishing the first science-based global plastic-free packaging solution and building an online materials library with alternatives to plastics.

### ECOALF, France

Project support 2020–2022, yearly grant amount CHF 100,000

Mobilising and equipping the fishing industry of France with new technologies to clean the oceans of marine plastic waste and recycling it into a yarn for the clothing industry.

### Fair Recycling, Brazil

Project support 2017–2020, yearly grant amount CHF 100,000

Developing a vocational training course for the profession of a 'recyclist' in order to enable underprivileged youths a future-oriented job opportunity that helps them overcome poverty.

### Green Cities, Liberia

Project support 2018–2021, yearly grant amount CHF 70,000

Contributing to environmental development by supporting effective, sustainable waste management in Monrovia, Liberia, in cooperation with the local population and schools.

### THE OCEAN CLEANUP, North America

Project support 2017–2021, yearly grant amount CHF 200,000

Developing market strategies to 'valorise' plastic debris from the ocean by upcycling it into new, useful products. The aim is to make The Ocean Cleanup largely financially self-sustaining.

### Zoological Society London, The Philippines

Project support 2018–2020, yearly grant amount CHF 130,000

Supporting an award-winning initiative named Net-Works to replace fishing with seaweed farming and using carrageenan to produce biodegradable plastic.

## Vocational Training

### elea Foundation / BagoSphere, The Philippines

Project support 2017–2020, yearly grant amount CHF 60,000

Providing underprivileged youths in the Philippines with professional training as call centre agents, enabling them to acquire secure jobs in the fast-growing call centre industry.

### elea Foundation / Smart Dukas, Kenya

Project support 2017–2020, yearly grant amount CHF 50,000

Training owners of small grocery stores in disadvantaged neighbourhoods of Nairobi in basic business skills, with the goal of substantially improving the business position of small traditional shops (Dukas), securing the jobs of the shop owners and their families.

### IECD / Seeds of Hope, Morocco

Project support 2019–2021, yearly grant amount CHF 100,000

Enhancing youth employability by advancing vocational trainings and curricula in order to meet the needs of companies in the solar technology sector.

### JOBLINGE gAG Hanse, Germany

Project support 2019–2021, yearly grant amount CHF 90,000

Guiding and supporting disadvantaged young people and young refugees in entering the job market by acquiring necessary skills through vocational training.

### Luta Pela Paz, Brazil

Project support 2018–2021, yearly grant amount CHF 120,000

Addressing youth unemployment in Brazil's 'Maré' favelas through vocational training opportunities with a focus on personal development, practical job training and technical skills.

### Opportunity, Ghana

Project support 2018–2020, yearly grant amount CHF 60,000

Providing vocational training to disadvantaged young adults that gives them a state-approved qualification in tailoring, hairdressing, catering, welding, carpentry, auto mechanics or electrics.

### Solafrica, Ethiopia

Project support 2017–2022, yearly grant amount CHF 300,000

Developing a demand-driven vocational programme for 500 youth in solar technology and entrepreneurship following a 2017 feasibility study which evaluated the need for solar technicians in rural Ethiopia.

### Swisscontact, Bangladesh

Project support 2018–2020, yearly grant amount CHF 120,000

Fostering general health knowledge and training young adults to become skilled community paramedics providing urgently needed initial medical care in rural areas.

### Swisso Kalso, Somalia

Project support 2017–2020, yearly grant amount CHF 50,000

Educating midwives and nurses in healthcare, maternal safety and deliveries in a region with the highest maternal and infant mortality rates in the world.

### Womaniy Foundation, Afghanistan

Project support 2017–2021, yearly grant amount CHF 70,000

Offering vocational training to young women as IT and data-management specialists, enabling them to connect to the digital world and build an independent career.

### ZEITZ foundation, Kenya

Project support 2019–2021, yearly grant amount CHF 120,000

Setting up the first all-women anti-poaching and conservation ranger unit in East Africa, recruited from marginalised women in Segera's neighbouring communities.

## Solidarity & Art

### Kunsthalle Zurich, Switzerland

Project support 2020–2022, yearly grant amount CHF 50,000

Empowering young immigrants through a three-week long workshop to discover the possibilities of art and its professions and conceive and realise their own art exhibitions.

### Centre Pasquart, Biel, Switzerland

Project support 2020–2022, yearly grant amount CHF 50,000

Providing the elderly with access to art through a dedicated cultural participation programme visiting the Centre Pasquart for group art discussions and creative atelier work.

### Fotomuseum Winterthur, Switzerland

Project support 2016, 2018, 2020, yearly grant amount CHF 25,000

Supporting artists, creative technologists and researchers giving their attention to the transformation of photographic media through a biennial award by the Fotomuseum Winterthur and the Julius Baer Foundation in the field of post-photography.

# AN UNEQUAL WORLD

Today, the world is far from reaching the UN Sustainable Development Goal of reducing inequalities by 2030. If business continues as usual, the top 1% will own 39% of global wealth by 2050.<sup>1</sup> The Covid-19 pandemic has amplified these trends, affecting the bottom 40% disproportionately. Addressing wealth inequality is more urgent than ever before.

### Wealth inequality is on the rise

In 2009, the combined wealth of the world's richest 380 people equalled the wealth of the bottom half. Only nine years later, by 2018, just 26 billionaires alone owned as much as the bottom 50% of the planet's population.<sup>2</sup> Wealth is increasingly in the hands of a few, widening the gap between the have and the have-nots. To this day, the bottom 54% own less than 2% of global wealth.

If humankind yields to these trends, societies cannot flourish. The more unequal a society, the less social cohesion and progress exist. The United Nations General Assembly decided in 2015 to dedicate one of the Sustainable Development Goals to reducing inequality. The nine targets are a holistic approach designed to level the playing field for all people. Equal op-

portunities are the bedrock to end the vicious cycle of poverty and to increase socio-economic growth.

### Insecurity demands opportunities

"Wealth acts as a form of self-insurance that households can draw upon when times are hard."<sup>3</sup> In 2020, Covid-19 nullified many achievements in the fight against wealth inequality and further exposed the existing disparities. According to the Credit Suisse Global Wealth Report, the pandemic's impact on developing countries and specific groups has been particularly harmful: the low-skilled, women, minorities, the young and small businesses have all suffered. While privileged schools provided their pupils with digital supplies, underprivileged schools struggled significantly with the disruption.

Yet, the compelled digitalisation has had beneficial effects by introducing rural entrepreneurs to digital markets, an encouraging jump in development fostering new opportunities for remote communities.

In conclusion, those linked with the few industries thriving due to the pandemic have benefited while the disadvantaged still scramble. To prevent inequality from prevailing, disruptive actions are necessary to grant equal opportunities to all.

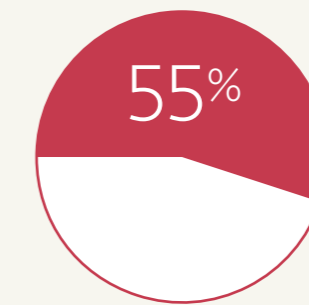


### UN Sustainable Development Goal 10

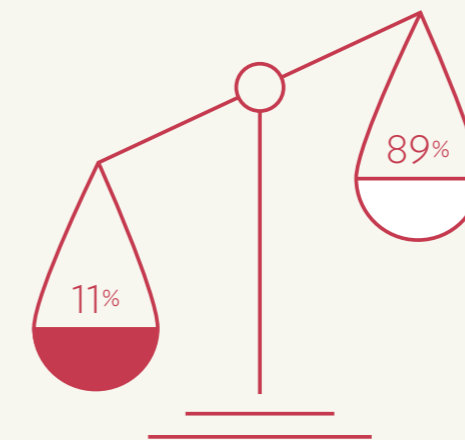
The nine targets of Goal 10 aim to reduce inequality within and among countries. They include achieving above-average income growth of the bottom 40 per cent, empowering social, economic and political inclusion of all, ensuring equal opportunities, and adopting and improving policies and regulations regarding existing fiscal, economic, and political procedures with particular attention to developing countries.



is the combined wealth of the ten richest billionaires, a sum greater than the total goods and services most nations produce on an annual basis.<sup>1</sup>



of total global wealth rested in North America and Europe in 2019, home to only 17% of the world's population.<sup>3</sup>



82.8%

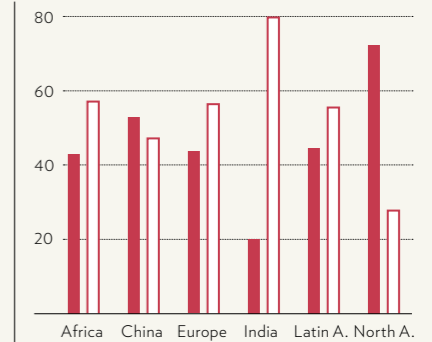
of global wealth is owned by 11% of the global population.

The globe is home to  
**2,153**  
billionaires

owning more than 4.6 billion people (60% of the planet's population) combined.

**12.5**  
billion hours

of unpaid care work is performed by women and girls on a daily basis, contributing at least \$10.8 trillion to the global economy a year, more than three times the size of the global tech industry.<sup>3</sup>



Composition of wealth per adult  
● Financial ○ Non-Financial\*

in 2019	Financial	Non-Fin.
Africa	42.8%	57.2%
China	52.7%	47.3%
Europe	43.5%	56.5%
India	20.0%	80.0%
Latin America	44.4%	55.6%
North America	72.1%	27.9%

Only  
**42%**

of countries grant women access to land ownership. In terms of financial services, only 60% of countries grant women and men equal access.<sup>2</sup>



**4**  
months

of schooling were lost by children in developing countries since the start of the pandemic, while children in high-income countries missed only six weeks.

<sup>1</sup> <https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-10-reduced-inequalities.html>, Mar 19, 2021

<sup>2</sup> <https://inequality.org/facts/global-inequality/#global-wealth-inequality>, Mar 19, 2021

<sup>3</sup> Credit Suisse, Research Institute, Global Wealth Report 2020

<sup>4</sup> Credit Suisse, Research Institute, Global Wealth Data Book 2010  
Credit Suisse, Research Institute, Global Wealth Data Book 2019

\* Non-financial wealth includes assets like housing, land and small business assets.

# A UNIQUE APPROACH

The Julius Baer Foundation is firmly committed to playing an active part in breaking the current trend of ever-widening wealth inequality. While it might initially seem surprising coming from a private bank's foundation, this objective thoroughly reflects our values. As a courageous and innovative organisation with links to top wealth holders, the Foundation is in a position to connect people at either end of the wealth spectrum.

One might wonder why a private bank's foundation settled on wealth inequality as one of its major areas of commitment. What seems incongruous at first is based on sound reasoning:

#### **An urgent issue**

Wealth inequality has become one of the most-pressing global issues in the world today. Like other serious problems, it demands joint, resolute actions by people from all social backgrounds. Only then will the UN Sustainable Development Goal of reducing inequalities be achieved.

#### **Covid's influence**

While the rich have barely suffered, the disadvantaged are struggling even more since the virus has forced parts of economic life to come to a halt. The pandemic is putting in plain sight what has been silently developing in recent decades.

#### **Access to the wealthy**

As a private bank's foundation, we have access to the privileged of our society worldwide. We believe that if we discuss the issues honestly and compellingly, we

can motivate the wealthy to become part of the solution. We want to fight shoulder to shoulder against the growing disparities. We can act as a vital facilitator and 'opportunity broker' linking the advantaged and the disadvantaged through our resources. By connecting these two worlds, we aim to go beyond mere donations to the poor. If the wealthy and the disadvantaged discuss their needs, their concerns and their motivations for change openly, they can articulate a shared vision. This can lead to a sense of shared responsibility for implementing change, whether on a farm, in a school, a company, a city or a whole industry.

#### **Adhering to our values**

Tackling wealth inequality through projects and initiatives that link the privileged with the underprivileged is a pioneering approach. We strive to inspire others by showing courage, motivation and a strong belief in the value of sharing knowledge and expertise for the benefit of all. It means being innovative and creative in finding unusual solutions.



Apartment buildings behind the Paraisópolis favela in São Paulo. While digital connectivity has become critical to income growth, 20% of Brazilians (~50 million people) completely lack internet access.<sup>1</sup>

<sup>1</sup> PNAD/IBGE, 2018

# JOJOBA FOR NAMIBIA

In Namibia, historical and systemic failures have produced dramatic wealth inequality, leaving the disadvantaged in a vicious cycle of poverty. The JOJOBA for NAMIBIA Trust (JfNT) equips marginalised farmers in rural Namibia with vital skills and introduces them to global markets. Incorporating small-scale farmers into professional supply chains builds a sustainable and profitable business model for all parties involved.

## First, there was the jojoba seedling

Eighty percent of the Namibian economy is agriculture. However, access to land and education is very unequal. Entrepreneurialism is limited to the privileged. Wealth is in the hands of a few. Government officials are either compromised by corruption or constrained by scarce financial resources.

Until 2019, Rosa Smit and her husband Jacob had been tending goats and growing some vegetables. However, the harsh conditions in the desert never allowed for sustainable agriculture. But JfNT founders Oliver Rust and his wife Verena had succeeded in growing jojoba seedlings in Namibia, a precedent in dry southern Africa, and approached Rosa to become part of their venture.

Countless hours of research into the global plant oil market had revealed increasing demand, especially in cosmetics, for socially produced jojoba oil. The resulting business model addresses this need and simultaneously provides its Namibian female small-scale farmers with the skills and knowledge needed for a more self-determined life. For Rosa, participating

brought consistency to her family's life: "This programme lets me be self-employed and feed my family; I can support my community and send my kids to school."

## Building on network and reliance

Besides instructing small-scale farmers like Rosa on how to grow jojoba on their patch of land, JfNT introduces them to global supply chains, the art of negotiations and actual clients abroad. By bolstering the primary producer's position within the supply chain, they become integral members of a sustainable business model.

Through this holistic approach, formerly marginalised female small-scale farmers are equipped to become entrepreneurs. Interest among farmers to join this initiative is soaring. Meanwhile, customers in Europe embrace the reliable source of a truly socially and ecologically produced jojoba oil.

The project is young and promising. For Rosa it has already fundamentally changed her opportunities in only two years.

7 ha

of dry land are now cultivated with jojoba plants on Rosa Smit's plantation.



Rosa Smit (right) named her jojoba plantation 'Gubasen', which means: 'When you fall down, get up again – and never give up.'



On Rosa Smit's plantation, workers plant jojoba in a riverbed in one of Namibia's driest areas.

<sup>1</sup> Gubasen, a Damaran term, has a click-consonant at its beginning, represented by '||'. Thus, the proper spelling is ||Gubasen.





It took Oliver Rust two years to cultivate the first jojoba cuttings; a vital step for his visionary project.



Workers plant up to 6,000 jojoba plants on one plantation.



Oliver Rust confers with workers on Rosa Smit's jojoba plantation. The direct transfer of knowledge strengthens the small-scale farmers in their market position.



Checking a jojoba bush at the Namib Desert Jojoba farm near Swakopmund. Jojoba oil is rich in vitamins and versatile in cosmetic industries.

# FICA BRAZIL

In the cities of Brazil, the speculative real estate market is pushing housing inequality to a point where low-income families, living in detrimental, overcrowded housing, pay more rent per square meter than people living in affluent areas. Through ‘impact investment’, FICA aims to promote a concept of social landownership as an equitable alternative – for both landlords and tenants.

### Extortion through housing: cortiços

Close proximity to job opportunities is essential for disadvantaged people to acquire social mobility. However, unable to meet the financial requirements of legal rent, workers moving to the city are often driven into informal housing markets. Vulnerable to extortion, they have to live in hazardous housing situations. So-called cortiços, run-down buildings in the city center, hold multiple families per apartment – or basement.

### Social real estate as an impact investment

Founded in 2015, FICA is promoting social landownership by acquiring run-down real estate and remodeling it into practical, good-quality housing for a more affordable price. Financed through crowdfunding, various small projects have already been realised. The Julius Baer Foundation is now supporting FICA in their pilot scale-up project ‘requaliFICA’: purchasing and remodeling cortiços through impact investment instead of donations. Impact investment is an opportunity for affluent individuals or entities to invest in real estate that

maximises social impact at a capped financial return. FICA’s co-director Renato Cymbalista says the research enabled by the Julius Baer Foundation confirmed that many Brazilians are willing to invest in social real estate yielding only 2–4% return instead of 6% if its positive social impact is evident.

### Housing and wealth inequality

In their dialogue with potential investors, FICA’s General Coordinator Bianca Antunes has many cases to illustrate the impact of housing on wealth inequality: “For one, we observe grades of disadvantaged pupils improving, as they move into decent housing.” In another example, FICA relocated the family of a boy who required intense care due to a lung condition. In the new house without mold, his condition stabilised enough for him to attend a normal school and the mother could resume working. “To us it’s apparent: social housing is key to alleviate wealth inequality.” Once up and running, the remodeled cortiço shall serve as a scalable model of impactful social landownership – not only for further investors but also for legislators eventually.



The home of Rosimere Maria da Silva, in an open-air cortiço in São Paulo. Multiple small cortiços share this courtyard and the decaying infrastructure becomes apparent through the moldy walls and rudimentary wiring.



**Bianca Antunes**, General Coordinator, FICA  
“Having a safe house affects different aspects of your life and can positively impact your and your children’s wealth.”



**Ines Lafer**, Donor to FICA  
“I think it is part of the responsibility of the wealthy to be a protagonist in the changes that we want to see happen in the country.”

1%

of landowners own 45% of the property value in the city of São Paulo, Brazil.

# AAKAR INNOVATIONS INDIA

In India's rural areas, many women are deprived of proper menstrual hygiene practices. The female cycle is still a social taboo and commercial sanitary pads are unaffordable. At the same time, women in urban areas use 12.3 billion sanitary pads yearly, which end up as synthetic waste in landfills. With the biodegradable 'Anandi pad', AAKAR tackles not only health and environmental hazards, but also creates economic opportunities for women.

24%

Only about one fourth of India's 350 million menstruating women and girls use sanitary napkins to manage their periods.

### The opportunity costs of a taboo

Even amongst women themselves, menstruation remains a taboo topic. Seventy percent of adolescent girls experience menarche uninformed. The use of old rags, ash or sand is a widespread health hazard. Meanwhile, commercial pads, reserved for the affluent, pose a grave environmental challenge, taking over 400 years to decompose. With no open dialogue about menstruation, these pressing issues remain unaddressed.

### One pad – threefold impact

AAKAR is the first social enterprise in India to have developed an affordable, 100% compostable sanitary pad. "But our strategy goes beyond the product," says founder Jaydeep Mandal. AAKAR enables women in rural areas to produce

and distribute the Anandi pads themselves locally. Also, female ambassadors are trained to raise awareness in the community. "By doing so, we empower the women and bring economic opportunity from the cities to them."

### The mini factory 'Adgaon'

Supported by the Julius Baer Foundation, AAKAR set up a mini factory in Adgaon, a village four hours from Mumbai. Local women work either in production or distribution, making their own income through salary or commission. "The inauguration day was pivotal," says Mandal. "The doctor and all the village elders came. Without their approval, nothing works. That's why we always involve them first."

AAKAR's business model is spreading fast across India and even being replicated on other continents. Back in Konka, many women have become strong ambassadors, like young Tejaswi Dinana More: "I feel confident as a person now. In my family, I could not get things which are necessities. Now, I earn money. I'm proud of my work and when someone asks me about menstruation, I can answer their questions also."

### Solutions Replacing Plastics 'SRP'

'Solutions Replacing Plastics' is the Julius Baer Foundation's second core area next to 'Wealth Inequality'. It focuses on initiatives that develop alternative materials to plastics or that reintegrate single-use plastics into circular economies. All SRP initiatives must not only demonstrate innovative impact strategies, but also convincing business models.



In a school in the Raigarh district, girls received free Anandi pads and lessons on menstrual hygiene. AAKAR's awareness sessions increase knowledge about women's health not only among women and girls, but also among male family members.



Each of the AAKAR Innovations factories employs 15 women in production. In this picture, two women are making sanitary pads using the semi-automatic pad sealing machine in the Adgaon Unit.



AAKAR Innovations customised four machines and two specialised tools for each mini factory. Here, a worker is cutting air-laid paper using the hydraulic air-laid cutting machine in the Adgaon unit.

# A 'WE' RESPONSE

An unprecedented crisis hit the world in 2020. A global pandemic forced people to freeze considerable parts of economic life, a measure that demanded swift and uncomplicated relief efforts. The Julius Baer Foundation, the Bank Julius Baer and the employee-led giving network JB Cares collaboratively took action immediately, organising fast and substantial volunteer and financial aid on a local and an international level.

## Instant emergency aid

Only a few weeks into the pandemic, the Bank decided to donate CHF 5 million for emergency aid programmes, a measure to meet the immediate and most urgent needs of people and communities affected by the coronavirus crisis. The Julius Baer Foundation assisted this effort by evaluating, selecting and distributing the donations to sustainable charities and to over 20 projects.

A part of the sum was provided to two renowned Swiss charities, the Swiss Red Cross and Pro Senectute. The second part was sent to 28 organisations abroad, aiming at ensuring the resilience of the local communities until longer-term measures become effective. These organisations were detected and evaluated in a joint effort between the Bank's employees and the Foundation. Additionally, the Foundation executed an impromptu donation to three of their partner organisations facing critical challenges due to Covid-19. This emergency aid enabled the partners to acquire the necessary medical supplies and to solve unprecedented logistical challenges due to the pandemic.



"Together, the Foundation and Julius Baer Cares cover the whole spectrum of philanthropic engagement."

**Bigna Pallioppi**  
JB Cares committee member, Julius Baer Foundation Board member

## A record year for JB Cares

The employee organisation JB Cares proved its agility in this crisis by organising local volunteering events and fundraising initiatives instantaneously. From Switzerland and the UK to Hong Kong, Singapore, the Bahamas and Brazil employees gave their time and resources to support those affected by the pandemic and other causes. According to Bigna Pallioppi, JB Cares committee member and Foundation Board member, two disastrous events in 2020 – Covid-19 and the explosion in Beirut – encouraged many of the employees to be more generous than ever before, also in terms of volunteering. Writing letters to the elderly was one of many actions taken – one she highly treasures because of the immense gratitude the older people expressed in return.

In collaboration with the Foundation, JB Cares identified the local charities receiving their funds, which the Foundation matched in its sum. This type of cooperation has proven strong, especially in today's crises, and is being pursued by integrating a JB Cares representative in the Foundation's Board since 2020.

# EQUIPPED FOR SCALE-UP

Two years ago, the 'Julius Bär Stiftung Deutschland' was founded, supporting projects within the core areas of Vocational Training, Wealth Inequality and Solutions Replacing Plastics with its grant recipients 'Joblinge', 'JOJOBA for NAMIBIA', and 'ECOALF'. After establishing the strong groundwork for a professional foundation in the last two years, the 'Julius Bär Stiftung Deutschland' is now tailored and highly motivated to intensify its reach.



**Regina Richter**  
As of 1 February 2021,  
Managing Director,  
Julius Bär Stiftung  
Deutschland

[www.juliusbaer.com/  
stiftung-deutschland](http://www.juliusbaer.com/stiftung-deutschland)

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## Mrs Richter, where are you taking the foundation today?

We established a solid groundwork for an impactful foundation during the first two years. In close collaboration with the Julius Baer Foundation in Switzerland, we worked on sound governance structures, communication and building a strong team. At this point, I aim to sharpen the foundation's profile. We launched our support for various projects, gained valuable experience and built inspiring partnerships. I feel strong support from the bank's staff, not only on a financial level, but also based on innovative ideas that colleagues share with me. The employees appear willing to identify with the foundation. My goal is to expand their identification; to integrate the foundation's efforts into people's minds and everyday business. Because then our impact will grow substantially.

## What is your strategy within this vision?

I try to be in close exchange with employees and partner organisations. Of course, Covid-19 cancelled any planned events. However, I see it as my task to enhance and deepen the theoretical framework that we built in our first two years. Our

employees and our clients have graciously supported our remarkable projects: Joblinge, enabling disadvantaged youth to enter the job market; JOJOBA for NAMIBIA, enabling small-scale farmers to be part of an international supply chain; and ECOALF, equipping the fishing industry to clean the oceans of marine plastic waste and recycling it for the clothing industry. Their support is helping in a very concrete way. My strategy is to act with personal appreciation and systematically grow our community through new partnerships to foster cooperation and enhance our reach. Together, we can generate significant support for our project partners.

## What are the plans once we can all meet again?

I am really looking forward to when we can return to personally presenting our projects and connecting with clients and business partners interested in our quest. We provide small- and large-scale workshops and philanthropy roundtables on various topics. And these formats are all patiently awaiting their audience. But, as the saying goes: anticipation is the greatest joy.

# 100%

of all donations are fully invested in the projects, as the administrative costs of the foundation are covered by the bank.

# THE WEALTH INEQUALITY INITIATIVE

In 2021, the Julius Baer Foundation will launch a new digital initiative designed to advance the international dialogue on wealth inequality. At [www.wealth-inequality.net](http://www.wealth-inequality.net), we will bring together key players and experts in the field to share their expertise and successful projects with the public. Together with partners, we aspire to win broad support for this quest, drive awareness to the issue of inequality and spur action to reduce it.



Launching in mid-2021 the new website will link anyone interested and actively engaged in the topic of wealth inequality.

## An insightful media hub

The online content produced will include engaging podcast interviews, inspirational project videos, concise statements and in-depth academic white papers. The website will be a hub of expertise, insights, collaboration and best practices translating the abstract topic of wealth inequality into tangible evidence. It will address anyone interested while aiming to engage current and potential philanthropists and social entrepreneurs.

## Raising awareness for action

The issue of wealth inequality is seemingly overwhelming. Often it relates to systemic problems that might leave an individual lost in his or her quest. The Foundation strives to build awareness and knowledge intending to inspire and encourage. Bridging the wealth inequality gap is possible by developing win-win partnerships that bring value to all parties involved and target both the problem's economic and social dimensions. Through the Wealth Inequality Initiative, the Foundation aims at revealing these dimensions while fostering needed collaboration.



### Podcast series

Christoph Schmocker or Nathalie Jean-Baptiste talk with personalities, such as Professor Thuli Madonsela, about the dimensions, impact and way out of wealth inequality in their specific country or areas of expertise.



### Video series

The video stories showcase examples of how project partners have successfully linked the disadvantaged with the privileged to the benefit of all.



### Insights

In assorted interviews, project initiators, participants and beneficiaries offer a personal understanding of why closing the wealth gap is necessary and how it can be done.

# GOVERNANCE

The Julius Baer Foundation is domiciled in Zurich and is subject to Swiss law. It has close ties with the Julius Baer Group, which provides it with financial and administrative assistance as well as personnel support, thereby ensuring that every donation is fully used for the projects. In view of the diverse aspects of its mission, the Julius Baer Foundation operates autonomously.

The Foundation is governed by the Foundation Board which meets 3–4 times a year and consists of both senior executives of Bank Julius Baer and external experts. The Board lays out policies and the Foundation's strategic focus and defines project selection, the duration of project support and fund allocation. The Board also determines the Foundation's investment policy, which covers risk assessment and monitoring. The CEO is responsible for the operational leadership of the Foundation.

In 2020, the Foundation Board was expanded to nine members. In addition to a new JB Cares Unit representative (for 2020/2021, Bigna Pallioppi from JB Cares Switzerland), the Foundation Board was joined by global experts for the two core areas of Wealth Inequality and Solutions Replacing Plastics, Arianne De Lannoy and Henning Wilts. Their expertise, competencies and network are essential to the Board, especially in evaluating, assessing and selecting the projects.

The Foundation's capital is invested in the Julius Baer 'Sustainability Mandate', which uses a combination of ESG integration and mission-aligned investments to make sure that the capital does not conflict with the purpose of the Foundation.

## Board Members

Lacher Romeo, President (as of 1 July 2020)  
Sauter Daniel, President (until 30 June 2020)  
Weinberg Andreas, Vice President  
De Lannoy Ariane, Member (as of 1 July 2020)  
Gerlach Peter, Member (until 30 June 2020)  
Lee Kong Eng Jimmy, Member (as of 1 July 2020)  
Pallioppi Bigna, Member (as of 1 July 2020)  
Robert-Charrue Yves, Member  
Rubner Alghisi Larissa, Member  
Sanchez Beatrice, Member  
Wilts Henning, Member (as of 1 July 2020)

## Foundation management

Schmocker Christoph, CEO Julius Baer Foundation  
Benz Kathrin, Communications & Operations  
Jean-Baptiste Nathalie, Senior Programme Manager  
Wealth Inequality  
Kassewalder Melanie, Operations Manager  
Rüegg-Manschot Nanya, Engagement & Partner Relations Manager

## Annual financial statements and bookkeeping

Facto Treuhand AG, Chamerstrasse 172, 6300 Zug

## Statutory auditor

KPMG AG, Postfach, 8026 Zurich

## Julius Baer Foundation account

IBAN: CH94 0851 5072 8789 4200 9

# BALANCE SHEET

As at 31 December 2020\*

	2020 CHF	2019 CHF
<b>Assets</b>		
Cash and cash equivalents	334,256.28	246,054.70
Receivables from donation commitments	240,000.00	240,000.00
Other short-term receivables	29,329.83	28,912.08
Other short-term assets	8,000.00	8,000.00
<b>Current assets</b>	<b>611,586.11</b>	<b>522,966.78</b>
Receivables from donation commitments	280,000.00	320,000.00
<b>Financial assets</b>		
Portfolio at Bank Julius Baer	10,619,562.38	10,190,685.57
Non-current assets	10,899,562.38	10,510,685.57
<b>Total assets</b>	<b>11,511,148.49</b>	<b>11,033,652.35</b>

	2020 CHF	2019 CHF
<b>Liabilities and equity</b>		
Confirmed contributions and donations	4,523,000.00	3,620,000.00
Accrued liabilities and deferred income	10,500.00	11,125.00
Short-term liabilities	4,533,500.00	3,631,125.00
<b>Fund capital</b>	<b>54,965.00</b>	<b>56,975.00</b>
Initial capital	250,000.00	250,000.00
Free capital	6,672,683.49	7,095,552.35
Organisation capital	6,922,683.49	7,345,552.35
<b>Total liabilities and equity</b>	<b>11,511,148.49</b>	<b>11,033,652.35</b>

\* with comparison to the prior year's figures

Julius Baer Foundation also prepared financial statements in accordance with Swiss GAAP FER 21.

# STATEMENT OF OPERATIONS

From 1 January to 31 December 2020\*

	2020 CHF	2019 CHF
Donations received	2,862,857.68	1,600,340.89
of which restricted	300,000.00	57,000.00
of which free	2,562,857.68	1,543,340.89
<b>Operating income</b>	<b>2,862,857.68</b>	<b>1,600,340.89</b>
Contributions and donations	-4,159,160.00	-133,152.22
Fundraising expenses	-2,542.40	-4,210.30
General administration	-72,688.76	-80,213.10
<b>Operating expenses</b>	<b>-4,234,391.16</b>	<b>-217,575.62</b>
<b>Operating result</b>	<b>-1,371,533.48</b>	<b>1,382,765.27</b>
Financial expenses	-25,255.30	-25,000.20
Financial income	110,258.97	124,148.87
Valuation result of securities	861,650.95	1,291,335.10
<b>Financial result</b>	<b>946,654.62</b>	<b>1,390,483.77</b>
<b>Result before change in fund capital</b>	<b>-424,878.86</b>	<b>2,773,249.04</b>
Change in fund capital	2,010.00	-50,465.00
<b>Annual result (before allocation to organisation capital)</b>	<b>-422,868.86</b>	<b>2,722,784.04</b>
Appropriation of available capital	422,868.86	-2,722,784.04
	<b>0.00</b>	<b>0.00</b>

\* with comparison to the prior year's figures

**Accounting principles**

- The accounts are prepared in Swiss Francs.
- Receivables: Valuations are made at nominal values less required/necessary value adjustments.
- Prepayments and accrued income: This item consists of assets resulting from the material and period accrual and deferral of individual expenses and income. They are valued at nominal value.
- Financial assets: Securities are valued at market value. Accrued interest is considered to be part of the market value.
- Confirmed contributions and donations: This item consists of the contributions already confirmed but not yet paid or amounts not yet paid to or drawn down by the beneficiaries as at the balance sheet date. These are valued at nominal value.
- Accrued liabilities and deferred income: This item consists of liabilities resulting from the accrual and deferral of specific expenses and income. These are valued at nominal value.
- The valuation principles are the same as in the previous year.

# CASH FLOW STATEMENT\*

	2020 CHF	2019 CHF
Cash inflow from donations	2,895,241.68	1,840,340.89
Cash outflow from donations confirmed previous year	-2,225,000.00	-2,747,000.00
Cash outflow from donations confirmed current year	-1,031,785.00	-139,153.46
Other payments	-68,240.16	-84,898.40
Cash inflow from other asset	21,383.60	25,629.17
<b>Cash flow from operating activities</b>	<b>-408,399.88</b>	<b>-1,105,081.80</b>
Investments of financial assets	-94,088.70	-132,054.54
Divestments of financial assets	590,690.16	1,368,393.59
<b>Cash flow from investment activities</b>	<b>496,601.46</b>	<b>1,236,339.05</b>
<b>Change in liquid funds</b>	<b>88,201.58</b>	<b>131,257.25</b>
<b>Reconciliation of change in liquid funds</b>		
Cash and cash equivalents as at 1 January	246,054.70	114,797.45
Cash and cash equivalents as at 31 December	334,256.28	246,054.70
<b>Change in liquid funds</b>	<b>88,201.58</b>	<b>131,257.25</b>

\* with comparison to the prior year's figures

# REVIEW REPORT



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Review report to the Board of Trustees of  
**Julius Bär Stiftung, Zurich**

We have been engaged to review the financial information (balance sheet, statement of operations and accounting principles, pages 26 to 28) of Julius Bär Stiftung for the year ended December 31, 2020.

This financial information is the responsibility of the Board of Trustees. Our responsibility is to issue a report on this financial information based on our review.

We conducted our review in accordance with the Swiss Auditing Standard 910 „Engagements to Review Financial Statements“. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the financial information does not comply with the accounting principles set out in the notes.

KPMG AG

Erich Meier  
Licensed Audit Expert

Bruno Denisi

Zurich, February 16, 2021

# CLOSING THOUGHTS

“I have always wanted to be engaged in giving back to society and assuming social responsibility. As a payroll giver, donating has become very personal and tangible. I am not merely giving money. I regularly receive project updates and background information. The team informs us in detail on the impact our donations have made.

I can see what we are achieving together, how we are creating value that goes beyond plain wealth. That is really rewarding.”

**Sandra Niethen**  
Chief of Staff Bank Julius Baer

“Collaboration between foundations are complex for various reasons and can be difficult, but they can significantly expedite processes and impact. The potential does not merely lay in the financial upscaling. By joining forces, we are exchanging know-how, joining networks and drawing on a vaster wealth of experience.

Together, we can make a more substantial difference.”

**Manuela Balett**  
Managing Director Leopold Bachmann Foundation  
Co-founder of Solafrika's Solar Learning Programme in Ethiopia,  
together with the Julius Baer Foundation and atDta-Foundation

“Contributing through payroll giving makes me feel like I can make a difference in addressing today's pressing ecological and social issues. The Foundation has introduced me to the concrete actions that can be taken and lets me be part of the journey on a regular basis. Even if small, my donation makes me feel proud.”

**Stephan Leutenegger**  
Head of Business Management Region Americas,  
Bank Julius Baer

“A bank supports its clients in evaluating risks and options. A private bank assists especially on an emotional basis in terms of individual risk management or investment opportunities. Philanthropy is inherently part of this process. Discussions occurring in this field are often very personal and definitely easier to lead when you walk the talk as a bank yourself. Experience takes the place of theory, making our advice credible and sustainable.”

**Guy Simonius**  
Head of Family Office Services

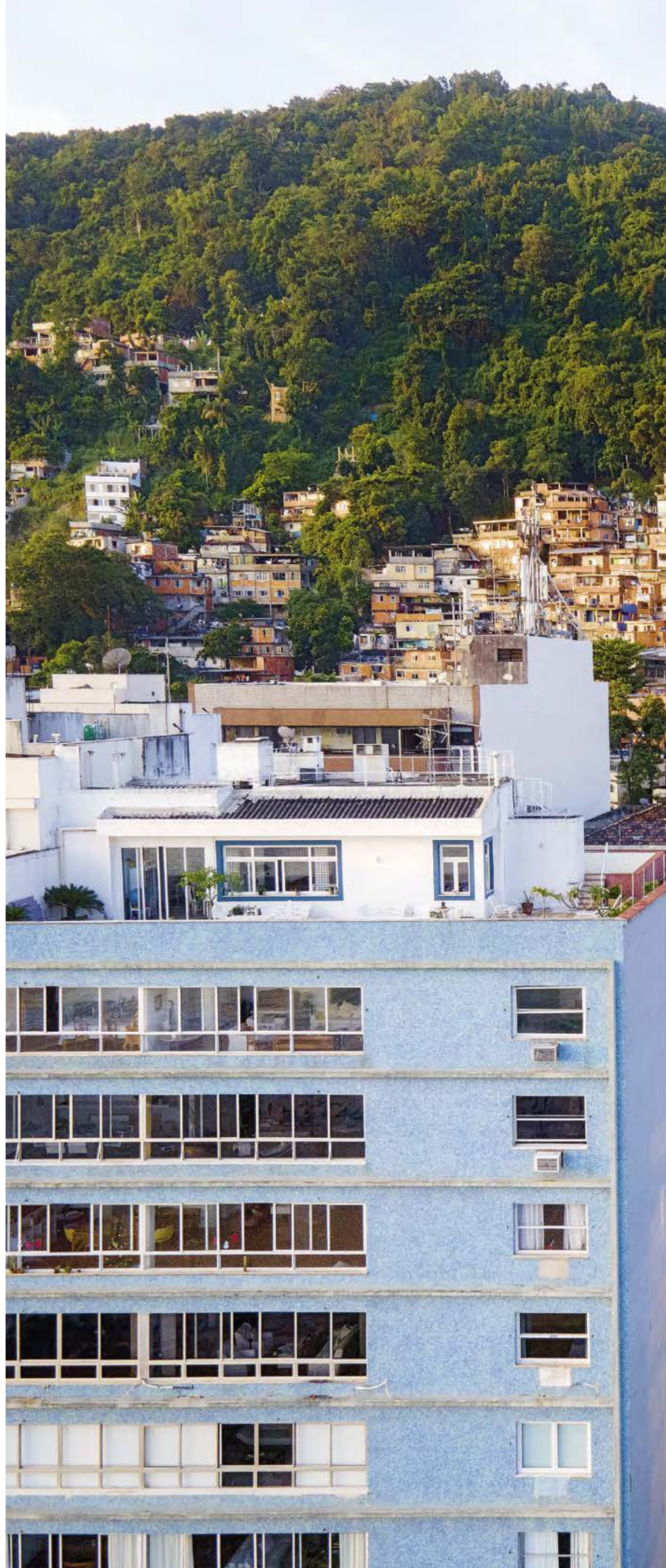


FA.VELA founders João and Tatiana Souza stand near the Morro do Papagaio favela in Belo Horizonte, the birthplace of the FA.VELA Foundation. Established in 2015, the civil society organisation promotes diversity and socio-economic development through innovative, inclusive digital education for underprivileged Brazilians.

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