



HELPING SOCIETIES FLOURISH ANNUAL REPORT 2018

The Asia Foundation improves lives, expands opportunities, and helps societies flourish across a dynamic and developing Asia. We work with innovative leaders and communities to build effective institutions and advance pathbreaking reforms. Together with our partners, we are committed to Asia's continued development as a peaceful, just, and thriving region of the world.

ASIA FOUNDATION PROGRAMS:

156
Strengthen
Governance

93
Empower
Women

73
Expand
Economic
Opportunity

38
Increase
Environmental
Resilience

52
Promote
International
Cooperation

87%
Budget allocated
to programs

80%
Staff are local
to Asia

MESSAGE FROM THE CHAIRMAN AND PRESIDENT

Over the years, our long-standing Books for Asia program has reached millions of readers of all ages and sectors of society, equipping students, professionals, and policymakers with tools and resources to contribute effectively to their country's development. In the past year, the number of books we have put in the hands of children, emerging leaders and adults reached nine million, and the year's contributions brought the total number of books donated since the program began to more than 52 million. Books for Asia was recently honored by the U.S. Library of Congress Literacy Awards for innovative literacy promotion. In many remote, conflict-affected regions, books and literature are scarce. Our new Books for Asia digital initiative — Let's Read — now allows children to read books for free on a mobile phone or tablet wherever they are and in their own languages.

Through this initiative, we are contributing to a love of reading for children, while at the same time building a rapidly expanding network of young authors, illustrators, and translators equipped to create quality digital books in dozens of languages. They are developing skills and contemporary avenues to publishing, while forming a new culture of literature and learning in places where it has been largely absent.

Bringing together new modes of thinking, approaches, and tools with the drive and passion of young people and investing in their future is an enduring characteristic of The Asia Foundation's work. In Afghanistan, for example, we are preparing Afghan girls in Kandahar province for the national public university entrance exam. Last year, 78 percent of girls who received this support passed the exam and gained entry to a four-year national university.

In the Malaysian state of Sabah, where young people are often recruited as innocent participants in criminal syndicates, we reached hundreds of potentially at-risk youth through cultural and football camps, short-circuiting a destructive cycle and providing alternative possibilities in a place where such options are in short supply.

In China, domestic giving sky-rocketed in 2008 after the devastating Sichuan earthquake, marking a turning point for Chinese philanthropy which was limited until then. In this emerging sector, The Asia Foundation is working with China Foundation Center, providing technical assistance to improve effective grantmaking to civil society organizations.

These are just a few examples that illustrate the strategic and nuanced investments the Foundation is making in a dynamic Asia. These thoughtful, complex investments continue to set us apart. But our work is only possible because of dedicated friends and supporters like you. Thank you,



DAVID D. ARNOLD

President and Chief Executive Officer



SUNDER RAMASWAMY

Chairman of the Board and Executive Committee

HIGHLIGHTS OF OUR IMPACT ACROSS ASIA



AFGHANISTAN: EDUCATING WOMEN AND GIRLS

We support training in science, mathematics, and computer literacy to teachers and students. Of the more than 8,000 Afghan children who directly benefit, nearly 3/4 are girls.

120+
Afghan schools

12,000
female teachers
and students

INDIA: CROSS-BORDER COOPERATION ON WATER

Transboundary river systems play an important role in meeting water needs in South Asia, linking countries around this scarce resource. However, decision-making around management of access to and use of water is mostly technocentric and highly centralized. Community voices and needs remain underrepresented. The Foundation strengthens understanding of these issues among civil society organizations and communities across Bangladesh, Bhutan, India, Nepal, and Pakistan.



Trained **200**
female political leaders
to improve community
resilience to frequent floods



Trained **230+**
peace process
stakeholders
10 ethnic armed
organizations

MYANMAR: THE BUILDING BLOCKS OF PEACE TO SOLVE LONG-RUNNING SUBNATIONAL CONFLICTS

Myanmar is home to some of the world's longest-running subnational conflicts, some lasting 70+ years. So widespread are these conflicts, they affect up to a third of the country. With support from USAID, we developed a curriculum on Fiscal Federalism in Myanmar to help improve the technical policy depth of peace process stakeholders to negotiate solutions to how the fiscal arrangements should work in a future federal and democratic system.

These are just a few examples that illustrate the strategic and nuanced investments the Foundation is making in a dynamic Asia. These thoughtful, complex investments continue to set us apart. But our work is only possible because of dedicated friends and supporters like you. **Learn more about the 18 countries where we work at asiafoundation.org.**

2018 Financial Condensed Highlights (in thousands)

Revenue, Support & Income

Government: Bilateral & Multilateral Institutions	90,111
Foundations, Corporations, and Individuals	5,388
	<u>95,499</u>

Expenditures

Programs, Grants, and Related Services	82,910
General Administration	11,834
Fundraising	784
	<u>95,528</u>

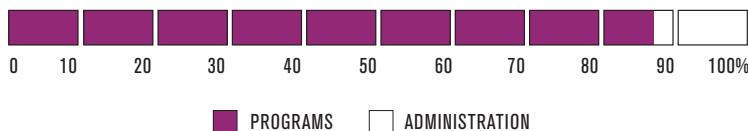
Change in Net Assets from Operations	-29
Non-operating Income	904

Books In-Kind

Donated Books and Related Services	10,108
Distribution of Books and Materials	10,440
Inventory Increase	<u>-332</u>

Allocation of Expenses

Programs	87%
Administration	13%



Management is responsible for the preparation of The Asia Foundation's financial statements in accordance with accounting principles generally accepted in the United States of America, and for the financial information presented in this report. This responsibility includes maintaining the integrity and objectivity of financial records, protection of Foundation assets, and compliance with funder restrictions and instructions. The Foundation's financial statements have been audited by Clark Nuber, P.S., independent certified public accountants. It is the opinion of the independent auditor that the financial statements as of and for the year ended September 30, 2018, are fairly stated in all material respects in accordance with Generally Accepted Accounting Principles. The independent auditor's report and complete audited financial statements and accompanying footnotes are available at asiafoundation.org.