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ORACLE' NETSUITE

Read more on pages 23, 32, 39

SWEDEN

DENMARK Read more on pages 20, 22, 41

CROATIA

BULGARIA **Read more** on pages 15, 20, 22, 33, 38

ETHIOPIA Read more on pages 15, 16-17, 19, 21, 22, 34, 39

LITHUANIA

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LATVIA

RUSSIA

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SENEGAL **Read more** on pages 15, 19

> GHANA Read more on pags 15, 42

* We have improved lives of children and youth in 18 countries around the world since 2010.















SOPHIE STENBECK FAMILY FOUNDATION























ABOUT US SOCIAL ENTREPRENEURS FOR CHILDREN

Who we are

Reach for Change is an international non-profit founded in Sweden. Our vision is a world where all children reach their full potential. We are working towards this vision by finding local social entrepreneurs and empowering them to develop and scale innovative solutions that help children to better lives. We were co-founded by successful social entrepreneurs in the nonprofit and the business sector in 2010, and since then we have supported more than 1,200 social entrepreneurs in 18 countries across three continents.



This impact report adheres to the Swedish Fundraising Coun (Giva Sverige) Quality Code.

What we do

We run development programs for social entrepreneurs, tailored to their specific developmental stage. The social entrepreneurs are supported to strenghten & grow their innovations through capacity-building, network connections and funding, all in partnership with multiple sectors.

About this report

You hold in your hand our 11th Social Impact Report. It is a summary of the the impact we had in 2020, what we did to achieve our vision, and some of the things we learned along the way. This impact report covers all markets where we supported social entrepreneurs, and the financial statements cover all markets except Russia which is an independent franchise. You can also find this information on our website: **reachforchange.org**.

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TRANSFORMING SOCIETIES THROUGH SOCIAL ENTREPRENEURSHIP

2020 has been a year of upheaval for most, and a year of tragedy for many. But I also look back at a year where resilience, community and innovation has bloomed, and this gives me a lot of hope.

2020 has shown that hope can be found in people taking action — committed to purpose, people and planet, and not just profit. In 2020 we polled the Swedish public on what they expect from companies. 64% want companies to take an active role in social change, and they have more confidence in companies creating sustainable change, than civil society or politicians. They also want those initiatives to be long-term (56% polled), measurable (55% polled) and done in collaboration with credible social organisations (51% polled).

Are the same winds of change blowing in our other markets around the world? Are we close to a paradigm shift that will get us closer to achieving the Sustainable Development Goals? A first step is exposing the cracks in our current systems so that we know what to fix. Social entrepreneurs can shine a light on these issues, which is why we have been shining a light on their work. This year we highlighted the work of these entrepreneurs — our own community of Change Leaders — through our ten year anniversary, our #momentsofchange campaign, our podcast series (read more on pages 40-43) and by engaging in larger networks where we can showcase the work of our Change Leaders.

Despite adapted ways of remote working and new forms of networking and cooperating, and endless zoom calls, at Reach for Change, it has been business as usual, because for us, children are everyone's business. Together with our partners, we have stepped in and provided support and specific tools for our entrepreneurs who have been struggling, while also launching a record number of key new programmes and partnerships in Bulgaria, Ghana, Ethiopia, Senegal, Sweden, and globally. We launched our 2030 goals (pages 6-7), with the aim of 10x our impact and solving some of the most pressing issues of our time for children and youth — such as reducing inequalities, finding innovative solutions to reduce poverty, and tackling climate change, all by supporting local social entrepreneurs. But we cannot take this journey on our own, it will take partnership (page 38-39) and cooperation to build ecosystems (pages 22-23) where social entrepreneurs thrive.

As an impact-driven organisation, we always question how to provide the most impact for our social entrepreneurs, and the children they serve. You will see that work featured on these pages, but what you will not see is the hard work and commitment of the Reach for Change team that makes this impact possible. With this report, I also want to say thank you to them for their resilience, skill, dedication and passion. You all inspire me everyday.

Sofia Breitholtz CEO, Reach for Change



VISION 2030

For over 10 years, Reach for Change has been enabling smart, brave and passionate people to tackle pressing issues for children and youth by coaching and empowering them. But there is still a lot more to do to make this world a better place.

OUR AMBITIONS ARE HIGH: X10 THE IMPACT

Reach for Change aspires to change the lives of **30 million children and youth** around the world by 2030. To achieve this goal, we will start by creating more opportunities for social entrepreneurs to build and scale innovation.

To enable the success of the social entrepreneurs we support, we will also work to strengthen local social entrepreneurship ecosystems and design high impact, multi-sector partnerships, leveraging the specific superpowers of each partner.

REACHING FOR BIGGER CHANGE: STRATEGY TOWARDS 2030

Entering a new decade, we are upping the stakes, honing our focus and becoming more bold and more ambitious. To tackle poverty, inequality and climate change, we will have to empower even more local social entrepreneurs. To do this we will build on the lessons we have learned over the past 10 years:

- Invest in solutions with potential for life-changing impact at a large scale in the areas of Child and Youth Poverty, Climate Change, and Inequality.
- Grow our Scaling Readiness Accelerator to reach a greater number of later stage entrepreneurs around the world.
- Strengthen our ability to support and invest in all forms of social enterprises — whether social businesses, NGOs, or as influencers of government and societies.

3 GLOBAL THEMES

We are investing in solutions addressing pressing issues for children and youth aligned with Agenda 2030: **Child and Youth Poverty, Climate Change, and Inequality.** Specifically we focus on interventions that: reduce poverty and promote employment and job creation for youth and women; address the climate crisis (which disproportionately affects children); and promote inclusion to drive equal opportunities for children and youth.



The biggest challenge to achieve the 2030 Agenda for Sustainable Development is being able to think, work, act, and lead in an interconnected and inclusive way leaving no one behind.

David Nabarro

Special UN adviser on the 2030 Agenda for Sustainable Development

Ramp up our work in Ecosystem Development to ensure all key players are available and motivated to ensure that great solutions get to scale.

*Number dependent on country strategies

IN 2020 WE INCUBATED **99* SOCIAL ENTREPRENEURS** WHO IN TURN SUPPORTED 305,222 CHILDREN & YOUTH



PROBLEM addressed

Around the world, millions of children's and youth's needs are not being met, and social entrepreneurs who are anxious and able to help **lack the support** they need to maximise their impact.

RESOURCES used for our activities

In 2020 we invested 4.2M USD in support programs for social entrepreneurs in **11 countries.**

4.2M USA

ACTIVITIES to achieve impact

To help the social entrepreneurs develop and scale their solutions to impact more children. we offered:



NETWORK CONNECTIONS

STAMP OF APPROVAL GRANT FUNDING

In addition to running development programs, we cultivated the ecosystem for social entrepreneurship.

Page 12

OUTPUTS for social entrepreneurs in our incubators

We incubated in total **99** social entrepreneurs, of which**:

96%

were capacity-built

92%

were connected to useful people or opportunities



experienced increased credibility

20%

received a grant from Reach for Change

SHORT-TERM LONG-TERM OUTCOMES OUTCOMES for social entrepreneurs for our alumni in our incubators

We aim for our incubees to become more financially and operationally ready to scale their proven impact for children and youth. In 2020 the 99 social

67%

of our targeted development milestones

entrepreneurs achieved:

We aim for our Alumni to significantly scale their impact and contribute to the Sustainable Development Goals for children and youth.



of our alumni are still in business, of which



have continued to scale



PROBLEM SOLUTION THE CHALLENGE AT HAND: THE CLOCK IS TICKING

While great strides have been made over the past several decades, hundreds of millions of children and youth are still living in poverty, and inequalities persist around the world, limiting opportunities for them to reach their full potential.¹ In both rich and poor countries, children are significantly more likely to live in poverty than adults.² Of the poor children who do survive, many will suffer the effects of inequality and social exclusion due to racial, religious or gender discrimination and which are almost always linked to family poverty. Add to this the reality of the climate crisis which disproportionately affects children, especially those in developing countries, and the future becomes even more dire for the children and youth of today. We cannot achieve sustainable development and make the planet better for all if future generations are excluded from opportunities and the chance of a better life.³

¹ www.unicef.org/publications/files/Child_Mortality_Report_2017.pdf
 ² www.unicef.org/socialpolicy/files/Child_Poverty_SDG_Guide-Complete-March_2017.pdf
 ³ www.un.org/sustainabledevelopment/wp-content/uploads/2018/09/Goal-10.pdf
 ⁴ hbr.org/2018/01/inclusive-growth-profitable-strategies-for-tackling-poverty-and-inequality
 ⁵ Expert Group on Social Entrepreneurship (GECES), Social entrepreneurs and the social economy going forward, p.9 2016
 ⁶ MAZE, EVPA, Cross-Sector Collaboration for Better Social Outcomes, 2018
 ⁷ www.alliancemagazine.org/blog/socrates-recipe-for-systems-change-know-thyself/

THE POWER OF SOCIAL ENTREPRENEURSHIP

However, these current trends are not irreversible and this bleak outlook is not set in stone. Every day, millions of individuals around the world are innovating and fighting for a brighter future for our children. We need these leaders and their innovations in all sectors, from governments, to businesses, to NGOs to social entrepreneurs. Governments must set and enforce policies, businesses will have to "reach beyond their own capabilities and partner with other privatesector entities and with governments, communities, and nonprofits to create new ecosystems that will deliver value to all,"4 NGOs will continue to advocate and, in the short term, fill the gaps where governments fail, and **social entrepreneurs** should exist to develop and deliver innovations that are effective, scalable and sustainable.

As the EU report on social economy recognizes, effective initiatives led by individual citizens and social entrepreneurs have paved the way towards a society that prioritises people and the planet, and they will continue to produce system-changing solutions toward the 2030 SDGs.⁵ But social entrepreneurs are only part of the solution and cannot do it alone: the innovations they create and launch can only go so far without partners from across sectors.⁶ While many of these innovators and initiatives are already out there, they need additional skills, resources and connections to succeed.⁷

Reach for Change plays a vital role in this puzzle. The core of our work continues to be finding early stage social entrepreneurs with solutions for pressing issues facing children and youth and providing them with the skills, resources and connections they need to develop and scale these solutions to improve lives on a large scale. Beyond this, we are increasingly engaging governments, businesses and other actors across the spectrum to advance the sector as a whole.



SEARCH SELECTION

To reach our goals, selecting the right social entrepreneurs to invest in is as important as providing them the right support

WHO ARE WE LOOKING FOR?

Passionate and persevering leader/team with a strong ethical fibre





Working towards one of the almost 40 **SDG targets** for **children and youth**

 indication of impact

 Potential for



Potential for financial sustainability and strong impact scaling

Face to face interviews

Investment readiness support

HOW DO WE FIND THEM?

Campaigns and applications



Scouting and headhunting in our network









Pitch to a jury

Site visits and

reference taking

For selection to the 2020 incubator, we screened 770 social entrepreneurs and selected **5%** to the incubator

770

social entrepreneurs opplied to our programs

119

were supported towards investment readiness

36

new social entrepreneurs were selected for the incubator, joining the 63 selected in previous years.

*Investment readiness is the extent to which a social entrepreneur is ready for Reach for Change investment i.e. selection for our incubator.

We assess investment readiness through the Investment Readiness Diagnostic, an assessment tool with 12 investment criteria for the applicant to fulfill e.g. "The problem addressed is clearly defined, and the scope and severity of the problem are backed up with data from a reliable source".





Meeting all 12 criteria means that the social entrepreneur is 100% investment ready. Among the social entrepreneurs selected for the 2020 incubator, the average investment readiness was **92%**.

OUR **INCUBATOR SUPPORT**

Our incubator is designed to support social entrepreneurs in the proof-of-concept and early-growth stages. We help social entrepreneurs maximize and effectively measure their social impact, strengthen internal capacities and increase revenues. The support typically lasts up to three years.



Reach

for Change

We offer advisory support, technical training, mentoring, coaching and peer-to-peer exchange across five key development areas: effective solution, financial sustainability, leadership and team, impact scaling and systems change.



We connect our social entrepreneurs to our local and international network of experts and funders with the aim of creating new learning opportunities, partnerships and sources of revenue.



In addition to assistance with capacity building and access to network and grant funding, a place in our incubator represents a stamp of approval because of our highly competitive selection process.



Selected social entrepreneurs are offered unrestricted financial support for developing and delivering their solution and for strengthening the capacity and capabilities of their team.





TAILORED PROGRAMS

With local program teams on the ground in all our markets. we are well positioned to identify emerging and evolving needs. Beyond our primary programs, unique needs and opportunities in different markets mean we are always running a number of additional niche offerings. These start as one-offs but always lead to new insights and innovations that can then be brought into our primary programs. In 2020, these unique offerings included:

Ghana

In Ghana, Reach for Change together with Social Enterprise Ghana, In Ethiopia, we ran a Business Readiness program, in executed an advocacy training program to empower young people collaboration with the British Council, to help early-stage social and women to access services, information and skills to support entrepreneurs navigate the process of launching a business them in accessing their economic rights to an adequate standard of in Ethiopia. The program provides these social entrepreneurs living and to create sustainable livelihoods in Ghana. The program with legal, operational and financial set-up support, all tailored took on a train-the-trainer approach where we worked directly to Ethiopia's unique social entrepreneur landscape. With the with 15 hub leaders across 9 regions who in turn supported more support of Resonance, a UK partner, we provided training on than 500 women and youth. In addition to this, 10 state institutions business modeling, financial management, investor pitches were invited to present what services are available to women and as well as one-on-one coaching for high-performing social entrepreneurs. The five top performing social entrepreneurs in the vouth and how to access them. program received an award from the British council of 300,000 ETB. Together with GIZ, Reach for Change launched the In late 2020, we launched a new program together with GIZ in development of a coaching program for informal businesses in Ghana. The aim of the program is to improve knowledge and Ethiopia. The overall objective of the program is to improve the skills among informal business leaders to build a more sustainable livelihoods of the local population in Benishangul-Gumuz Regional sector and to support them in creating more job opportunities in State and promote economic development. A specific focus is the longer term. The project was launched in late 2020, when we placed on women and youth in the border area of the Benishangul-Gumuz region (Ethiopia) and the Blue Nile State (Sudan), Reach started to work on the needs assessment of the entrepreneurs identified by GIZ. The needs assessment consisted of interviewing for Change will work with several different target groups during the selected entrepreneurs and reviewing existing material provided this program: TVET students, women saving group members. by GIZ to assess the entrepreneurs organizational maturity levels, youth MSEs as well as trainers at different institutions, to build their investment plans and also providing business support. The skills that will foster economic development in the region.

coaching program will start in 2021 with the goal of coaching and assessing 277 formal and informal businesses in Ghana.

Senegal

In May 2020, Reach for Change Senegal launched the "Innovation for Mothers Challenge". The competition, made possible by Mothers at Risk and the ella fund, aimed at finding and supporting innovative entrepreneurial initiatives for maternal and newborn health in Senegal that were ready to grow their impact. 3 social entrepreneurs were selected as finalists and received support in pitching, developing their business model and monitoring and assessing their impact. In the end, there could only be one winner, which was Dr. Mbathio Dieng of the Agora Association. Agora has launched the initiative "Keur Yaye" which uses new technologies to identify women with high-risk pregnancies and assists them with dedicated transport and lodging in proximity to obstetric hospitals to ensure they receive the care they need at the time of delivery. Dr Dieng and her initiative will be supported through 2021 with both financial support as well as coaching sessions focusing on topics such as business modeling, marketing and how to measure the impact of the initiative

Bulgaria

In Bulgaria, in response to the Covid-19 pandemic, we decided, together with Nova Broadcasting Group, ING Bank Branch Sofia, Aurubis Bulgaria, and NN Bulgaria, to run a special edition of the regular program which would target organizations working to support the most vulnerable children and youth (and their families) affected by the pandemic. 5 organizations received support from the 3.5 month long program and financial support of 60,000 BGN in total. The program was structured around established NGOs that already had experience working with vulnerable groups of children and were at a later stage in their development with clear organizational support needs going into the program. The support consisted of a combination of financial, non-financial and media support.

Russia

In Russia, we launched an online course for social entrepreneurs on the topic of sustainable development and leadership. The course was enabled by our partners Tele2 and the Presidential Grants Foundation. From March through October, the participants were taken through thematic modules, consisting of webinars and videos, which aimed to improve everything from their strategy, business model and leadership skills to creating plans to scale. The aim of this program is to create healthier, more sustainable social entrepreneurs in the country.

Ethiopia

We have been very impressed by the entrepreneurial spirit and dynamism of the semi-finalists and of the three finalists of the Innovating for Mothers Challenge. It has been wonderful to connect with Senegal's nascent ecosystem for innovation and social entrepreneur. We are excited to work with Mbathio Dieng and her team in their journey to pilot the Keur Yave initiative, and in their goal to eventually scale their impact across Senegal. We were also impressed by the enthusiasm and potential of the 2 runner-ups, Njureel and Sunu Jigeen. We want to honor their initiative by awarding a smaller grant to each as well as technical support to help them make progress on their projects and help forge strategic partnerships.

- Diana Perez-Buck, Founder of Mothers at Risk

When we launched the Innovating for Mothers Challenge it was unclear how much interest it would generate, especially with the world focused on COVID-19. We have been impressed and heartened by the enthusiasm, creativity and commitment of all of the Senegalese entrepreneurs who responded to our challenge, and we are delighted to be able to back all three finalists with some level of financial and technical support.

- Erin Gainer, Founder of The ella fund

2020 was particularly challenging for all of us, but we continued our long-standing support for PROMYNATA - Nova Broadcasting Group's biggest corporate social responsibility initiative. This year we focused our efforts towards those who needed help the most due to the global pandemic. I am thankful for the support of our partner companies, who joined this year's campaign — ING, NN Bulgaria and Aurubis Bulgaria, Together we've managed to support five non-governmental organizations who impacted the lives of a total of 2,538 children and youth.

Nikolai Andreev General Manager of NOVA Broadcasting Group

OUR RAPID SCALE SUPPORT

In 2017, Reach for Change and the IKEA Foundation announced a new partnership in Ethiopia. The intention was to put social entrepreneurship on the map and to support outstanding entrepreneurs to build social entrepreneurs that would improve the health, education and protection of children in Africa's second most populous country. The Rapid Scale program, launched in 2018, is a unique initiative in Ethiopia. Whilst incremental growth is common, scaling requires a totally different mindset and approach.



I am satisfied with the support, especially with the committed staff with their flexible approach to our hardship when we struggle with the business.

Social entrepreneur in Rapid Scale program

Our Rapid Scale Program is geared towards growth stage social entrepreneurs who want to increase their social impact in a big way. They receive tailored support to help them create a comprehensive scaling strategy to take their impact to scale. The support given to the social entrepreneurs in the Rapid Scale Program includes:

INSTRUCTIONAL PROGRAMS

World class business instructors take our rapid scale entrepreneurs through immersive instructional programs, to develop transformational scaling strategies and connect with likeminded social businesses.

LONG-TERM COACHING

The social entrepreneurs receive long-term one on one coaching with a world class business expert who helps leaders and their teams design and execute scaling strategies

GRANT FUNDING

The social entrepreneurs receive financial support to implement their scaling strategy which will enable rapid and effective expansion.

NETWORK CONNECTIONS

We connect the social entrepreneurs with relevant actors in our local and international networks of strategic partners, implementation partners, investors and more.

The Rapid Scale program is very crucial for the social entrepreneur to upgrade the overall activity in the organization, so you have to continue this program.

- Social entrepreneur in Rapid Scale program

key lessons so far:

SCALING MINDSETS IS A GAME CHANGER.

Most entrepreneurs have what can be called an "incremental growth" mindset. They want to increase their impact, but their thinking tends to be confined to what seems "reasonable", for example a gradual annual increase in the number or % of beneficiaries served. Conversely, "scaling mindsets" expand the dimension in which thinking and planning happens. This is often referred to as Moonshot Development: entrepreneurs are taught to build businesses that can grow and improve exponentially (i.e. ten times the growth annually), versus trying to come up with solutions that are only gradually improving and increasing in size (i.e 10% growth annually). The most interesting part is that Moonshot development is not ten times more difficult than developing something that only gets incrementally better, it just requires a completely different type of thinking.

LEADERSHIP IS KEY.

Founding a successful startup is hard. It normally takes massive drive, relentless creativity and persistence, boundless levels of optimism, and an ability and willingness to do most of the jobs yourself. As organizations grow, however, what is being asked of the CEO starts to become less about task management, and more about leadership and people management. It can be hard and somewhat unnatural for founders to relinquish control in this way, but by the time the organization gets to a growth stage, it is critical that the CEO is able to do this, so that they can lead and empower their team rather than get bogged down in the day to day.

AN EXPERIENCED COACHING TEAM IS CRITICAL.

Scaling requires regional or global, rather than national, level thinking from the entrepreneurs. Access to a coaching team that has first hand experience of building and scaling companies internationally is key. We learned that such coaches can be difficult to find, so it is important to make this a priority very early on. The immersion week was very insightful and helped us to build a strong foundation for scaling our enterprise.

- Social entrepreneur in Rapid Scale program

COVID-19 RESPONSE

On March 12, 2020, the World Health Organization declared the Covid-19 outbreak a pandemic. Around the world, nations put in place measures to try to prevent the virus from spreading further. Schools and businesses closed and curfews were put in place. Through the efforts to safeguard people's health, new problems were created. Inequality increased and unemployment soared. Children who were dependent on school to receive meals now had to go without and women left the workforce in disproportionate numbers to ensure full time care for their children. The Covid-19 pandemic not only affected our healthcare systems but also created knock-on challenges that the world was simply not prepared for in terms of education, equality and employment.

Reach for Change response

Like every other organization around the world, we could see Covid-19 coming, but the pace and scale of disruption that it brought with it was hard to imagine or fully prepare for. When the pandemic hit, our first priority was to make sure that all our team members were able to stay safe. We set about closing our offices, shifting to remote working, and making sure all our teams were aware of, and following, their government's national guidelines.

Then, we quickly decided on a three-pronged response.

1 RE-WORK OUR PROGRAMS BASED ON EMERGING NEEDS 2 MOBILIZE OUR PARTNERS TO SUPPORT 3 CONNECT

WITH PEER

ORGANIZATIONS

REWORKING OUR PROGRAMS

It was important that our programmatic response be based on the emerging needs of the organizations we support, so the first thing our local teams did was talk to all the portfolio organizations to understand their situation. For many organizations, the biggest immediate concerns were around transforming services and operations to be able to continue serving their beneficiaries, and around stabilizing financial positions.

For others, the crisis increased demand for their products and services which meant they were exploring how to ramp up production or delivery at a time when much of the economy was shutting down. Within our programs, workshops were reimagined to focus on new priorities and to run remotely, and all face-to-face meetings from individual coaching to peer-to-peer problem-solving sessions were moved online. In Latvia and Lithuania, our selection process was in full swing when the pandemic started, so we quickly shifted our pre-incubation support, interviews, jury and even our celebrations with the selected entrepreneurs, online. As an international organization with teams in many countries, we already had some tools and ways of working remotely to draw on, but the vast majority of our major interactions with our entrepreneurs had always taken place face to face, so that was a big shift for everyone.

MOBILIZING OUR PARTNERS

We are fortunate to have a great set of partners who supported our response, despite facing significant challenges in their own operations.

At the local level this meant partners being flexible with budgets, timelines and their own input which helped us to reshape our programs as needed. One example is how the IKEA Foundation supported us in Ethiopia. Not only did they quickly realize the financial constraints the pandemic had on the social entrepreneurs but also the need for us to support them, now more than ever. Therefore the IKEA Foundation granted us additional funds to extend the program, as well as allowed us to use funds we could not spend due to Covid-19 restrictions as additional grants to keep the Change Leaders afloat. In Senegal, our partner Kosmos was equally adaptive. We had originally been planning to select a new cohort of entrepreneurs but when the pandemic hit, Kosmos supported us to redirect those resources to provide much needed additional support (both grants & non-financial support) to the entrepreneurs we were already working with.

At the global level, the feedback from the markets was that most of the portfolio organizations were in need of more tools that could help them navigate the coming months. Our partners at Bain readily agreed to help with this and they quickly assembled a team of consultants to work with us to build a **Covid Response Toolkit**. Using data gathered directly from our entrepreneurs, they worked at record speed to produce a toolkit that could cover four sequential stages:

Protect the organization

Tools to help mobilize to minimize the impact on staff and beneficiaries particularly those who are most vulnerable;

Ensure continuity

Tools to help manage cash and adjust operations to preserve the organization and its ability to achieve impact over time;

Plan for recovery

Tools to help learn and build plans to adapt the organization across a range of future scenarios and beneficiary needs;

Adapt to the future

Tools to help develop the strategy and operating model required to sustain and grow the organization's impact in the future.

Once produced, the Bain team hosted virtual sessions to orient our local program teams around the toolkit, which was then promptly put into use.



CONNECT WITH PEER ORGANIZATIONS

There is a saying that nothing brings people together like a crisis, and this was certainly our experience as we started to reach out to peer organizations. Phone calls were made to peers in the sector to see how they were responding, to share our own findings and ideas, and to see how we might be able to support each other.

The generosity shown created a spirit of solidarity and collaboration, leading to a broad range of new activities, from informal collaborations with other members of the Global Social Entrepreneurship Network, to sharing information about our responses as part of the global Catalyst 2030 webinars. We have also seen this new sense of collaboration resulting in new, more substantial initiatives around the sector, such as the COVID Response Alliance for Social Entrepreneurs.



PARENT ACADEMY BULGARIA

Going from offline content to online content and doing it well

In 2015, Mariela Stanulova started Parent Academy, an organization that held events in Sofia where they brought parents together with various experts and specialists to discuss topics around parenthood: anything from pregnancy and giving birth to how a child can change the family dynamic.

Parent Academy was lucky enough to have hosted their largest event of the year in February, before the government imposed restrictions, e.g. forbidding public in-person events. Mariela says: "If we had not had that event in February, I do not know if we would have been able to survive financially. Our revenue came from companies being able to advertise their products at our events and that would no longer be an option". Mariela reflects that it was a tough time for everyone and they were working around the clock to find solutions, which was draining. "Reach for Change even organized online gatherings with the other Change Leaders where we could discuss survival strategies to avoid burnout".

Parent Academy decided that to be able to keep supporting their target group, they needed to go online. The issue was that their business model was built around the value of physical events. "We had to convince our partners that there was another way of reaching their customers without a direct sales approach. Instead we convinced them to try a more educational approach, where they would put their brand on educational activities of ours, and that the connection with our brand would be marketing enough without highlighting specific products".

When looking back at this time, Mariela reflects: "I have always liked the quote 'The only thing that is constant is change' and last year really proved that to be true. When we approached our partners with the new marketing idea a lot of them turned us down, but now that they see how successful it has been for the partners that decided to stay, they have reached out to us to continue our partnership".

HEARTWORK DENMARK

Partnership to come through crisis

"It was complete despair, I just wanted to lay down on the floor and cry", Belinda Hornshøj, founder of Heartwork, says when asked what went through her mind when the pandemic started. Heartwork facilitates physical meeting places for school children and elderly people in nursing homes, where children can improve their Emotional Intelligence through contributing to society while the elderly receive companionship and become less lonely.

As Covid-19 swept through Denmark, nursing homes and schools were quickly closed to prevent the spread of the virus and protect those most vulnerable to it. This meant that Belinda had no way to support either of her target groups. She reflects: "the turning point for me was when Reach for Change reached out to me and they gave me hope that I could get through this. I realized that that is what I also needed to give my beneficiaries — hope".

Belinda quickly began to think about how she could convince the municipality to keep working with her now that their attention was drawn towards other issues. "I learned early on through Reach for Change that when working with municipalities, it's all about talking to the right person. So I decided to be bold. to reach out and connect with the persons that actually have a mandate to take action. To make things happen. I talked to them about the importance of SDG 17, partnerships for the goals, and how we could apply it now in this crisis", Belinda explains. Through the municipality, Belinda got access to robots, normally used for distance learning, that she could place in the nursing homes. The robots would be operated by the children from their homes - making sure that the elderly had companionship as well as the children feeling like they were doing something valuable when sitting at home, all in a covid-friendly environment. Belinda reflects: "What this pandemic has done is make me realize what it means to be a leader and one of the most important things is to remain calm. That is something that Reach for Change has instilled in me from the beginning. Everytime I had a call with them where I felt despair, or my self-esteem was lacking, they listened to me very calmly and then gave me hope and convinced me to continue. To me that is what it means to be a leader and that is what I will continue to strive to be for my beneficiaries."

ELLILTA PRODUCTS

Adapting activities to market needs

Ellilta Products, led by Emnet Mersha and Nebiyu Haile, provides former sex workers with rehabilitation and job opportunities. Ellilta trains women to create artisan jewelry, clothing and other fashion products which are sold in global and local markets, enabling them to make a good living and provide for themselves and their families. Before the pandemic, Ellilta products had great plans for 2020. They were planning to increase their sales by reaching the European market and expanding their reach in North America. Unfortunately, that was all stopped due to Covid-19.

"Covid-19 created a situation that was completely unexpected", Emnet says. "The first 3-4 months were really difficult for us. As nations around the world were closing their borders that also meant a stop for all of our exports. This left us with no income to pay salaries for our artisans".

As the economic difficulties started to become worse for the organization, Emnet knew that to be able to keep supporting their target group, she needed to come up with a way to raise funds quickly. When face masks became a standard item in many nations' covid responses, including Ethiopia, Emnet knew what she had to do. Instead of making jewelry, the women supported by Ellilta Products started making face masks. This way, they could adapt to the market needs and focus locally instead of transnationally to ensure a steady flow of income.

"Through Reach for Change, we were able to connect to several different companies and organizations that were able to purchase our masks. We also sold them to schools and to direct users", Emnet explains.

"What the pandemic really taught us was the importance of being flexible in our strategy and adapting to our situation", Emnet says. She also reflects on the importance of having people around you to be able to cope with a situation like this when it can feel like you are not in control. "Reach for Change kept checking in on us and made sure that we were okay. That combined with us having a very flexible staff that could go with us on this new adventure with surviving in a pandemic was so valuable. Without their flexibility we could not have pivoted successfully".

LOOKING AHEAD: WHAT THE FUTURE HOLDS

As we write this report, the pandemic is still with us. Like everyone else, we have found ways to cope with the "new normal" but are looking forward to a time hopefully soon when we will all be able to move around more freely and meet with each other more easily.

This pandemic has been called the greatest challenge for humans since World War II and one that will have an impact on our lives for years to come. The socioeconomic fallout has been huge. The economic challenges and massive global unemployment will continue to have downstream consequences for years to come, with the most vulnerable being disproportionately affected every step of the way.⁸

However, these challenges have also highlighted the critical role that social entrepreneurs play in a situation like this. Social entrepreneurs support some of the most vulnerable groups in society, from securing food for those who go without, to pushing the education system forward for those who would otherwise have been left behind.

Throughout this time, our portfolio entrepreneurs have done what they do best, innovating and pivoting to meet the emerging needs of the children and young people they serve. It is in their nature and they will no doubt continue to do so. But they cannot do it alone. Support organizations like Reach for Change will continue to do whatever we can to support them. The pandemic has shown us how actors across all sectors can join forces to support these social entrepreneurs as they work tirelessly to support the most vulnerable children and young people in our societies. One of the most encouraging lessons from this year has been learning what can be accomplished from this strong spirit of collaboration. It is important that we don't lose this going forward. We need to continue to come together, to share knowledge, resources and insights, to amplify the voices of the social entrepreneurs and of the beneficiaries they serve. We need to advocate on their behalf. We are committed to this now more than ever, and we hope you will consider joining us.

ECOSYSTEM Development

In addition to running incubators, we cultivate the ecosystem for social entrepreneurship

Reach for Change was founded because there was almost no support available for social entrepreneurs who were battling hard every day to improve the world for children and youth. It is inefficient and exhausting to have to swim against the tide every day. One of the reasons that incubators are so highly sought after is because they offer a respite from this constant struggle by providing one-stop-shop access to so many of the things that early-stage social entrepreneurs are seeking; recognition, funding, expertise, network, a community of supportive peers and a team of people beyond your organization actively working with your interests in mind. In other words, incubators are effective, highly supportive micro-ecosystems, oriented by design to help the supported social entrepreneurs succeed.

What's better than a supportive micro-ecosystem? A supportive macro-ecosystem. If our microecosystem development is about offering respite from unhelpful tides, macro-ecosystem development is about changing the directions of the tides altogether.

Over the past few years, beyond our incubator programs, we have started helping to build more supportive national level ecosystems for social entrepreneurs. In 2017, a World Bank report identified four ecosystem dimensions as critical for social entrepreneur success:

> 1 POLICY AND REGULATION 2 FINANCING SOLUTIONS 3 INFRASTRUCTURE AND HUMAN CAPITAL 4 INFORMATION[°] AND NETWORKS

Here are some of the highlights of work we undertook across these four dimensions in 2020:

🛢 DENMARK .

In Denmark, our ecosystem work focused around building the strength of social entrepreneurs beyond our own portfolio. We were invited by Social Entrepreneurs in Denmark (SED), an association for people interested in social entrepreneurship, to host a number of workshops for budding social entrepreneurs in their network. We were invited as experts within business development and the workshop provided the social entrepreneurs with a possibility to ask us questions on the topic and receive advice.

We were also invited to participate in Days of Impact, organized by the Danish Institute of Social Innovation (DISIE). Interested social entrepreneurs apply to participate in the event which consists of workshops, presentations and panel discussions, all with the aim of building the capacity of the participants. The participating social entrepreneurs have the opportunity to pitch for a support grant in front of a jury of event partners and ecosystem stakeholders. We participated by hosting a workshop on the topic of "Challenge to Solution" and provided individual mentoring sessions for the participating social entrepreneurs as well as participated in panel discussions and as a jury member.

😑 BULGARIA

In Bulgaria, we organized the Innovations for Social Inclusion webinar, together with the European Parliament Liaison Office in Bulgaria. The webinar was a panel discussion with several key stakeholders, e.g. a member of the European Parliament, DG for Economic and Financial Affairs in the European Commission and ING Bulgaria, with the purpose of raising awareness about the potential of social innovations among policymakers and civil society actors. In addition, we were partners of the Bulgarian Center for Not-for-Profit Law (BCNL) in an online discussion with social entrepreneurs, local and European policymakers and financial institutions. The event was focused on financial instruments for sustainability and growth of social entrepreneurs where we presented our plans for developing a new financial instrument as well as an Investment Readiness program for early-growth social entrepreneurs in the country.

🛞 ETHIOPIA

Ever since the launch of our programs in Ethiopia, we have aimed to take an active role in ecosystem development in the country. In 2018, we supported the establishment of Social Enterprise Ethiopia (SEE) for that exact purpose and since then it has only continued to grow. In 2020, in partnership with SEE, we organized several membership expansion campaigns as well as intensive development training for existing members. In addition, we supported SEE in organizing information and awareness-increasing sessions for more than 800 aspiring social entrepreneurs to become members of SEE in Addis Ababa and Hawassa.

SWEDEN

In partnership with Vinnova, we launched an online toolkit platform for social entrepreneurs. Using a cross-sectoral approach working with corporate partners, peers and experts from the social entrepreneurship ecosystem, we have created a platform with toolkits central to the development of social entrepreneurs. The platform has been in progress since 2018 and is now open for all aspiring and more mature social entrepreneurs in Sweden to use in their development path.



In Russia, impact investment (or socially transformative investment) is not yet fully developed and is a relatively new concept. Therefore we decided, with the support of Tele2, to take the first systematic steps to make impact investing a working financial tool for social entrepreneurs in the country. To do that, we launched the "Reach for Impact Investing" program. The program targeted social entrepreneurs and leaders of non-profit organizations all over Russia that have been working on their projects for at least three years and were ready to take it to the next level. The program set out to help social entrepreneurs improve their financial model, supporting them in their scaling efforts and helping them to find investors. By running this program, and connecting the participants with impact investors, we took important steps to strengthen the

⁹ www.openknowledge.worldbank.org/bitstream/handle/10986/26672/115052-WP-P152203-PUBLIC-AfricaSEEcosystemMay.pdf / page 26

At Vinnova we are dedicated to the Sustainable Development Goals. One important way of reaching those goals is to strengthen the work of social entrepreneurs. Which is why Vinnova has supported Reach for Change in developing their online toolkit for social entrepreneurs. It gives everyone interested in building a strong and sustainable social entrepreneur an opportunity to use the expertise and knowledge of the organization who has been supporting and coaching social entrepreneurs for more than 10 years.

> Judit Wefer Program Manager Social Innovation at Vinnova



Together with Ashoka we launched the Nordic Changemaker Map. The NCM is a pan-Nordic initiative that takes a health check on the social entrepreneurship sector. The core objective of each national map, and the pan-Nordic analysis, is to identify key actors, understand status quos, as well as, the desired state for the sector. It aims to deepen insights into what support mechanisms need to be enhanced and can be used as a decision-making tool, for a variety of stakeholders, eager to strengthen the ecosystem. Going forward, the The NCM results in digital maps, recommendation plans and an event series. A Nordic pilot was conducted during 2020 and will be fully rolled out in the Nordics in 2021.

The Nordic Changemaker Map is a collaborative project aimed to identify key stakeholders, networks, connectivity, and needed support from the Nordic ecosystem to strengthen social entrepreneurship and Changemaking. This great tool shows what are the barriers to ecosystem development and what would support Changemakers in scaling up their impact



Nathalie Sajda Nordic Changemaker Map & Youth Manager, Ashoka

We continued to be an active board member of the Swedish National Advisory Board for Impact Investing. The NAB is the first of its kind in Sweden that has taken a cross-sectorial approach with members spanning from the financial sector, non-profit sector, investors, incubators and academia. During 2020, the NAB focused on establishing definitions of impact investing but also started embarking on a journey to create a national standard for impact measurement in Sweden initiated together with Effektfullt and PwC. This very important work will continue in 2021 with the Swedish Institute for Standards leading the official cross-sectoral work.

awareness around impact investing and diversify ways for non-profit organizations and social entrepreneurs to build their capital. For the third consecutive year, Reach for Change and Tele2, together with NMG media and Viasat Nature executed the "mass media competition". Competing journalists and bloggers submit stories about social entrepreneurs, their successes and the challenges they have faced along the way in three different categories: text format pieces, video format pieces and the last category focusing on social entrepreneurs with an ecological focus. The idea is to increase publis understanding and awareness about social entrepreneurship by encouraging journalists and bloggers to write about social entrepreneurs. The winners in the different categories receive both cash prizes as well as having their work published.

OUR OUTPUTS IN 2020

90 of the 99social entrepreneurs we supported in 2020 were in our Incubator Program.

9 were enrolled in our highly competitive Rapid Scale Program.



20% of our social entrepreneurs were selected to receive a grants of amounts ranging from \$2,400 to \$24,000 USD (totaling \$220,000 USD)

The most common usage areas were program development and delivery, and hiring more staff

89% report that the grant was largely or extremely important for sustaining their operations

92% report that Reach for Change **connected** them with at least one person and/or opportunity (five, on average)

82% found the connections useful:



- > 70% gained new learnings
- > 50% formed new partnerships / collaborations
- > 50% acquired **new tools**
- 14% gained new funding

*65 out of 99 Change Leaders were surveyed, excluding (a) 9 social entrepreneurs who followed a different program and (b) 25 social entrepreneurs who had participated in the Incubator for less than 8 months



96% of social entrepreneurs report that they received some kind of capacity-building support:

- 83% measuring their social impact
- ▷ 70% developing their financial sustainability



- > 75% strengthening their leadership and team
- ▷ 69% scaling their impact
- ▷ 71% progressing towards systems change

75% report that they were **promoted** through a Reach for Change communication channel

92% felt that incubator participation helped increase their credibility



HOW OUR ENTREPRENEURS DEVELOPED SHORT TERM **RESULTS Systems** change TARGETED OUTCOMES

By the end of their 3rd year in the incubator, our social entrepreneurs:

- A Have proven an effective solution for children and youth
- **B** Are ready to financially sustain their operations at scale
- **C** Have strong leadership and a team ready for scale
- **D** Have initiated impact scaling
- **E** Have begun carrying out systems change activities (if applicable)

HOW WE MEASURE

Each year, we monitor our social entrepreneurs' development towards the targeted outcomes through a before and after assessment i.e. at the start and end of each incubator year. The indicator we use is Number of milestones achieved, where a milestone is an activity to complete or a result to achieve on the path towards the targeted outcome. In the column to the right, milestones are symbolized by the pink boxes.

Milestones achievement is assessed in dialogue between our in-country Program Manager and the social entrepreneur. For several of the milestones, our global Impact Team validates the assessment by reviewing empirical evidence (read more on page 46 in the section How we measure impact).

The results presented on this page are results for our short-term outcomes. Our ambition for 2020 was to set proper indicators for our medium-term outcomes, mentioned under targeted outcomes above, so that we could effectively monitor and evaluate them

as well. However, because of the implications of Covid-19 we had to prioritize differently and hope to be able to come back to this in 2021 or 2022 as we adapt our Impact Results Chain to our new strategy.



 Pink line — The "before assessment" (baseline) i.e. the average number of milestones achieved by our social entrepreneurs in January 2020

- Dark blue line - The target, i.e. the average number of milestones that we aimed for our social entrepreneurs to achieve in 2020*

- Light blue line - The "after assessment" (endline),

i.e. the average number of milestones reached by our social entrepreneurs in December 2020

Note: If all our social entrepreneurs had achieved 100% of the targeted milestones, there would have been a perfect alignment between the dark blue and light blue line in the spider chart.

RESULTS

90% of our social entrepreneurs developed** within at least one of the five areas during 2020, and 43% developed within four or five areas. They were able to check off on average 14 new milestones and achieved on average 67% of the targeted milestones across all areas. We observe that the area where social entrepreneurs achieve the most new milestones (on average 4 new milestones) is area A Effective solution and the fewest (on average 1 new milestones) in area E System Change.



On the previous page we report on how our social entrepreneurs developed during 2020. In an attempt to capture how much of this development would not have happened without our support **our impact** – we surveyed our social entrepreneurs anonymously at the end of 2020*

92% of our social entrepreneurs believe that they would have developed less without support from Reach for Change, and 46% believe that they would have developed significantly or far less, or stopped operating/never started operating.

% of social Our contribution to our social ventures' development was reported as the largest within the areas ventures Effective solution and Leadership and Team 100% 12% 80% 14% 60% 40% 20% 0% A Effective C Leadership **B** Financial Solution Sustainability & Team

*For area E Systems Change we did not set targets in 2020 since we wanted to first gain a better understanding of what they should be. **70 of 99 social entrepreneurs assessed, excluding (a)15 social entrepreneurs who participated in the Incubator less than 8 months, (b) 9 social entrepreneurs who followed a different program and (c) 5 social entrepreneurs who did not submit data. Distribution between incubator years: 35 social entrepreneurs in their 1st year, 21 social entrepreneurs in their 2nd year and 16 SE in their 3rd+ year.

*The survey was sent to those who had participated at least 8 months in the core incubator (65 of 90 social entrepreneurs), of which 77% (n=50) responded.

Our contribution to our social entrepreneurs' development was reported as the largest within the areas Effective Solution and Leadership & Team. Our contribution was reported as the smallest within the area Systems Change.

We are happy that a majority of our social entrepreneurs report that Reach for Change also had an impact on their ability to make a positive difference for children and youth - our end beneficiaries). 93% said that we helped them address children's needs more effectively and 95% said that we helped them increase the number of children and youth they reached.





* The percentages are based on the survey respondents who reported that they increased their effectiveness (n=42) and reached more children (n=44).

HOW OUR **ENTREPRENEURS** DEVELOPED LONG TERM RESULTS

Our targeted long-term outcome is that our alumni (the social entrepreneurs that have graduated from the incubator) scale their impact to a significant share of their target group and contribute to fulfillment of the Sustainable Development Goals for children and youth. Our alumni are surveyed every second year as we believe that every second year is enough to

90% 93% 81%

reached more

children and youth

Results from our 2019 Alumni Survey (Alumni are not surveyed every year). *Data collected between Dec 2019 and Feb 2020 for 156 out of 184 alumni who graduated at least 8 months prior to data collection. **EBN is an established not-for-profit international association of incubators, innovation centres, clusters and other intermediaries who help innovative startups and SMEs develop their innovative businesses. Their data includes 122 incubators and innovation centers. Source: The EU/BIC Impact and Activity Report 2018, https://ebn.eu/eubic-impact-study/





capture fluctuations in the results. Because of that the results presented on this page are the same results as in our 2019 Social Impact Report. The next survey will be conducted in the end of 2021 and we look forward to analysing and presenting the results of it in our next Social Impact Report.

A clear majority have continued to scale:



increased their revenues



expanded geographically

report that they had developed less had they not participated in the Reach for Change incubator

THE IMPACT ON **Children**

During 2020, our social entrepreneurs reached **305,222 children and youth** to contribute towards mainly four Sustanable Development Goals.

96% of the beneficiaries reached were children (under 18 years old) and 4% were youth (18—24 years old). Approximately 3% of the children and youth were reached face to face and 97% through a digital tool, through parents or professionals, or through a product.

> children and youth reached by **15 social**

by 15 social entrepreneurs

REDUCED

INEQUALITIES

children and youth reached by **2 social** entrepreneurs

2 ZERO HUNGER

222,745 children and youth reached

youth reached by **52 social** entrepreneurs

4 QUALITY EDUCATION

50,126 children and youth reached by 17 social entrepreneurs

3 GOOD HEALTH AND WELL-BEING

Another 2638 children and youth were reached by 13 social entrepreneurs within SDGs 1, 5, 6, 8 and 16.

AIMING FOR LIVES CHANGED, PROTECTED OR SAVED

Our social entrepreneurs aim to impact children and youth in many different ways. Depending on the character of the social entrepreneur's intervention, the targeted short-term impact of their work ranges from **lives improved**, to **lives changed** to **lives protected/saved**.

305,222 children and youth supported A life improved in the short-term can mean a life changed (or even saved) in the mediumor long-term. For example, the Bulgarian social entrepreneur Tinusaur provides fun and practical STEM education for children. In the short-term this can improve a life, improving their education and interest levels, but in the medium- and long-term, for a certain share of children, this can translate into career paths that would otherwise not have been accessible (lives changed).

The below split is based on the impact that our social entrepreneurs aimed to achieve in the short-term i.e. during their activities carried out in 2020. The impact targeted and potentially achieved beyond 2020 is harder to reliably quantify, especially on portfolio level. Having said that, we always strive to make investments with a high potential for changing, protecting or saving lives either in the short-, medium- or long-term.

LIVES IMPROVED

284,585 children and youth **(93%)** were reached with the aim to change their knowledge, attitude or access to resources, and improve lives

Example

Tinusaur (Bulgaria) provides fun and practical STEM education for children

LIVES CHANGED

18,555 children and youth **(6%)** were reached with the aim to reroute them on a better path, and change lives

Example

Trygg Rätt (Sweden) which supports youth to leave a criminal path

LIVES PROTECTED

2,082 children and youth **(1%)** were reached with the aim to help them from a dangerous situation, and protect from harm and/or save lives

Example

Eagle Social Consultancy Service (Ethiopia) which protects children from abusive teaching methods

SDG 3. Ensuring healthy lives and promoting the

Studies have shown that seven out of ten suicides that are committed in Sweden are committed by men. Yet, fewer boys and men seek professional help for mental illness issues compared to women and girls. One of the reasons for this is the norms that surround masculinity in today's society and the traditional views of the masculine man as strong, tough and showing no weakness.¹⁰

In 2020. Under Kevlaret supported 1148 children and youth. One of them was Jonas.

Jonas is a high-school student from southern Sweden. He tells us how he felt that he wasn't enough and did not have the capability to fully be himself before he came in contact with Under Kevlaret. He says:



¹⁰ www.skr.se/halsasjukvard/psykiskhalsa/grupperpsykiskhalsa/ manspsykiskahalsa. 14338. html

As a response to this, Mårten Granlund started Under Kevlaret. Under Kevlaret provides various support activities, created by young men for young men, to combat mental illness and distress. Under Kevlaret inspires young men to talk about their feelings, to dare to ask for help and support each other through influencing public opinion about masculinity, support chat and lectures. Mårten is a firm believer in changing the ideas around masculinity and what is traditionally associated with being a man to combat the potential fatal consequences these can lead to.

I felt like I wasn't enough by being myself. I did not know how I was supposed to be to receive validation and did not know what I wanted to do with my life. I no longer wanted to be a poser, I wanted to be an honest, emotional, kindhearted person and it was not easy. I had to build my personality from scratch and that took time. However, the first meeting with Under Kevlaret changed my life for the better. They showed me that being an emotional guy is not to be a "sissy" or a "loser" but a lovely and nice individual that is much nicer to be around than a person who tries to be emotionless. It was thanks to Mårten sharing his experience with telling his dad he loved him that I decided to dare to say the same to mine. He was battling cancer and I did not know how much time I had left with him. But had Mårten not shared that story with us I would have probably never told my dad that and therefore would have not heard about his feelings caused by my lack of showing emotion. I would never have realized how important it is to us as human beings, no matter what gender, to dare to let people know how you are feeling. Most importantly, to dare to be yourself and not care about macho culture because all it does is hurt you and everyone around you.



Knigovishte supported 2877 children and youth in 2020. One of them was Dobi

Dobi is a second grader from Silistra. His mother says that ever since kindergarten, he has been considered a very problematic child. However, she says that today Dobi is a different child and it's all thanks to his teacher, Nezhyla, who in turn points out that Dobi is a real example of the effect that Knigovishte has on kids. Dobi says "When our teacher told us about Knigovishte's competition, I though "Oh! Another competition wasting my time! But then I got carried away by reading and playing. Before Knigovishte I did not like reading at all. When I had to read out loud in class, I only cared about finishing my turn.

"www.teachforall.org/news/pisa-2018-how-network-partners-reacted-results ¹² www.copuo.bg/upload/docs/2020-07/Pisa_2018_full.pdf

Every three years, the OECD's Programme for International Student Assessment conducts a study on how 15-year-old school students perform in math, science and reading. The study compares results across 79 countries and economies. The latest assessment, performed in 2018, showed that Bulgaria came in last of the EU member states for functional literacy.¹¹ 47.1% of the Bulgarian students did not reach level 2 (out of 5) in literacy in the assessment, which is critical to be able to work well with written information.¹² Yana Genova, Iskra Djanabetska and Dessislava Gavrilova decided to start Knigovishte to do something about it. Knigovishte is an online educational platform, designed for children ages 6 to 16, which develops children's reading comprehension skills and enhances the pleasure of reading. Yana, Iskra and Dessislava realized that to be able to get to the root of this problem, they need to work together with the educational system. Thus Knigovishte not only makes reading fun and helps with memorising words and information, but actually develops children's comprehension skills and critical thinking.

Now, I try to do it well. I do not want to be considered an ignorant child. Without Knigovishte I would not have been able to achieve this result, because it is thanks to Knigovishte that I started reading. On the platform there are many interesting books, fun quizzes and I really like the book monster!". Dobi also says that during the competition he wanted to beat the other class competing so much that he convinced all of his classmates to start reading and play the games. "At the end, there were no students in the class who were not reading", Dobi adds.

Now I am reading to be able to play more.

SDG 2. No child should die because of hunger – yet hunger and malnutrition continues to be an ongoing issue for millions of people around the world. All children should have access to nutritious food no matter where they live, their socioeconom background or ethnicity.



According to Unicef, 28% of child deaths in Ethiopia are associated with under-nutrition. In addition, a high prevalence of various forms of malnutrition among vulnerable groups has serious implications for social development and economic growth. The prevalence of anaemia, a condition most commonly caused by lack of iron in the body, is high (57%) among children under five years of age.¹³ To combat these issues, Eskender Mulugeta started FSSA, Food Secured Schools Africa. FSSA trains children and mothers in sustainable vegetable

In 2020, Eskender has supported 933 children and youth through his programs. One of them was Abeb:



gardening at school and at home. In this way, Eskender and FSSA are tackling the problem from multiple angles. He can provide the children with the important minerals and vitamins that they need and in that way ensure that their nutritional needs are being met. By having parents and guardians participate in the programs as well, and teaching them how to grow their own home gardens, he can potentially support other children in the household as well as create a possible revenue source for the parents as they can sell any surplus of their crops.

Abeb Kebed, a 14-year old student from Addis Ababa, has lived with his aunt ever since his parents died. He remembers a time when he used to go to school so hungry that he had trouble staying awake during his classes. "My aunt does not have enough money to buy food", he says. "So I was obliged to come to school with no lunch box and I felt sleepy in class". Abeb started participating in the garden program at his school and has told his aunt how much he loves to grow vegetables. He is now growing potatoes, tomatoes and maize that he is taking home to start a home garden, so that he has food at home as well as in school. "I am now attending class attentively", Abeb says with a smile.

 $\label{eq:static} {}^{13}www.unicef.org/ethiopia/nutrition {\hfill:::text=Yet\%2028\%20per\%20cent\%200f, high\%20at\%2057\%20per\%20cent.}$



SDG 10

"To be precise" ("Esli bit tochnim" in Russian) is a unified plaform for professionals dealing with social issues (NGOs, journalists, companies, etc.) to encourage analytical approaches in covering and addressing those issues. According to this platform, over 600,000 children in Russia in 2019 were registered for disability status due to severe health problems. However these figures might be underestimated due to controversial medical assessments, limited access to these assessments for families from rural areas and fear of being diagnosed due to widespread stigma. Even if we take 600,000 as a fair number, only 2% of them - just 12,000 children - have access to comfortable and adaptive clothes that take into account their physical state. A large body of research suggests well-chosen and comfortable clothing makes us more self-confident, and this feeling is extremely important

In 2020 Natalya made adaptive clothes for 31 children. One of them was Oleg:

Oleg is 8 years old and he has serious health problems. Because of cerebral palsy, he has right hemiparesis — a neurological syndrome typified by a partial loss of movement and muscle capacity on the right side of his body.

Oleg is a very tenacious boy and he likes to do everything on his own. Last year was his first year at school. Together with the joy of making new friends and learning new things Oleg was obliged to wear a uniform — a very uncomfortable set of clothes **SDG 10.** No child should be treated unfairly no matter who they are, where they live, what their parents do, what language they speak, what their religion is, what their gender is, what their culture is, whether they have a disability and whether they are rich or poor. All children have rights and should feel included in society.

for children with disabilities. On the other hand, if a child can't dress themselves because of a disability and therefore is handled improperly, this may create a stressful situation for the child, who could end up fearing the entire process of getting dressed.

Natalya Malko, the founder of be_easy_kid project from Russia has a daughter with cerebral palsy and knows the problem first-hand. While her daughter was growing up, Natalya faced all the difficulties of finding clothes that would be comfortable for a small girl with devices on her legs and arms. Natalya is a designer, so she decided to use her skills and knowledge to create a family brand of adaptive clothes and to help children with disabilities be more independent and to complement their personalities.

with many buttons and zippers. Oleg was annoyed that he couldn't change for physical culture lessons himself. He was also ashamed that he couldn't visit the restroom on his own, because he couldn't unbutton and unzip the trousers himself. Oleg couldn't understand why several pieces of clothes had to be more important than his self-confidence.

Luckily Oleg's mother learned about the be_easy_kid project and she bought an adaptive shirt with magnetic clasps and velcro trousers for Oleg. The boy was at last able to dress himself without any help. Now Oleg is a very happy schoolboy with many friends and he has almost forgotten about the excruciating first days at school when he had to ask for help to perform ordinary tasks.



Did we succeed?

When evaluating the success of our incubator programs we consider 3 main questions:

- Are we getting better at finding high potential social entrepreneurs to bring into our programs?
- Are we getting better at supporting our portfolio entrepreneurs to strengthen their operations?
- Are the improvements we make leading to improved performance of our alumni over time?

Are our search & selections continuing to improve?

In 2017 we set a target that ultimately all Social Entrepreneurs being brought into our Incubator should receive a **100%** score on our *Investment* Readiness Diagnostic prior to selection. In 2020 the average score was 92% (up from 91% in 2019).

We are moving closer to our target, which is great. We are happy with the result, and we will continue to invest significant effort in trying to drive ever more improvement in this area as we move forward.

Final Thoughts

In last year's impact report we said that the value of impact measurement really comes down to the extent to which it produces results that are useful for learning and development. 2020 was a year of enormous learning. We have developed new knowledge, understanding, tools, and ways of working

Are we improving our support to our current portfolio entrepreneurs?

Reviewing our **development tracker data** in conjunction with the data we receive from the annual **Social entrepreneur survey** normally enables us to get a good sense of the extent to which our support is improving year on year.

The challenges of 2020 meant that the social entrepreneurs' focus and needs for the year, and therefore the focus and nature of our support, shifted significantly. The year was so unique that the question becomes less "did we improve" and more "were we able to offer what our portfolio entrepreneurs really needed?"

When we look at the year-end results in conjunction with the overall satisfaction score (84%), the net **promoter score** (80%), and the narrative comments and feedback from our entrepreneurs, we can conclude that overall our support in 2020 was well received and was deemed effective. The results also highlight the benefit to the entrepreneurs of having a support mechanism like Reach for Change in place during such challenging times. In terms of areas for improvement, we had a clear tool gap in our offering around crisis management, which our partners at Bain helped us address with the Covid Response Toolkit. Requests from the portfolio entrepreneurs for international peer-to-peer learning and more help to connect with new funders and investors also gives us clear areas to look at for further development in 2021.

Are our alumni performing better over time?

We gather data from our alumni every 2 years so we will know more about this at the end of 2021. We know that many of our alumni had a difficult 2020 whilst some others saw demand and opportunity increasing. We look forward to looking into this more closely during 2021.

that put us in a good position if we ever need to help our portfolio entrepreneurs respond to a crisis of similar magnitude in the future. At the same time we have begun broadening our programming and our ecosystem development work as we embark on our ambitious new 2030 strategy, and we look forward to learning and sharing even more in next year's report.

5 LEARNINGS FROM SUCCEEDING IN CROSS SECTOR PARTNERSHIPS

GET OFF TO A GOOD START

We have learned that social change takes time, and our partners recognise that this is a long term commitment. Our partnerships are most impactful when we align our expectations, identify realistic project plans, clear deliverables, concrete returnon-investments, and agree on our impact goals. Partnerships are strengthened by the different perspectives that partners bring to the collaboration, but are always underpinned by mutual values. We place a high value on our partnerships with organizations that share our passion and enable us to maximize our impact to change the lives of children and youth every year. Partnerships with **Kinnevik, Tele2** and **Stenbecks Stiftelse** stand out as they were the first companies to believe in us and to share our mission of supporting brave and passionate social entrepreneurs and smart social innovation. These partners emphasize that one of many reasons why they decided to become cofounders of Reach for Change 10 years ago is their own entrepreneurial spirit and eagerness to do practical efforts and take responsibility.

PARTNERSHIPS REQUIRE RESOURCES

Partnerships work best if we allocate the necessary resources to make them fly. We recommend assigned project coordinators and steering committees for each project. Our complimentary strengths serve to enhance execution, leverage interal shill sets and knowledge, while also being mindful of time investments. We have seen that continuous joint evaluations, joint communication plans and finding new partners together strengthens the sustainability of the project.

Reach for Change and ING have been partnering in Bulgaria since 2015 — within ING's Social Innovation Fund and the Academy for Social Entrepreneurs. In 2019, we decided to expand our partnership in order to achieve wider-scale and deeper social impact. We created Open the Circle — a crosssector coalition which empowers people and organisations to break the circle of social exclusion. We co-created the idea about the initiative within several joint meetings. ING attracted clients of theirs as partners and received funding for the initiative from their global Community Investment Fund.

We are very happy Open the Circle is recognised as an important social initiative within the whole ING Group, and that we managed to launch the pilot edition of our Scaling Readiness Program with the financial support of ING's Community Investment Fund. We have a long and fruitful partnership with Reach for Change, and Open the Circle has been a co-creation effort from the very beginning. 4 people in our team work closely with Reach for Change, and we try to keep the whole staff engaged in one way or another. Furthermore, our aim with Open the Circle is to create a cross-sector coalition, combining the resources and know-how of businesses. institutions. NGOs. media and academia in order to achieve collective impact.

Grzegorz Konieczny Country Manager of ING Bank N.V., Sofia Branch



PROMOTE A BUILD-MEASURE-LEARN APPROACH

We love to co-create. Our innovative partnership approach means that we can pilot, refine and pivot together. Our joint values and impact goals keep us on track, but we always have fun on our journey. Our partnerships give us the opportunity to create experimental playgrounds and a platform for mutual learning.

When Reach for Change launched its programs in Ethiopia in 2015, we were the first and only organization focusing solely on social entrepreneurship. There was a lot of work ahead to convince people that this phenomenon had the power to make a real, sustainable and lasting positive change on society. In 2017, the IKEA foundation joined as an anchor partner. This partnership was fundamental to our work to promote social entrepreneurship and improve conditions for children in Africa's second most populous country.

1NVEST IN YOUR RELATIONSHIP

Investing in a partnership means investing in partner relationships. We model open and frequent dialogue and transparency, especially when the project plan and deliverables are not progressing as hoped for. We schedule regular touch points, take the time to get to know one another and ask for feedback. We make sure there are comprehensive handover plans in place and try to meet in person whenever possible.

We have partnered with Danske Bank for three years, focusing on raising awareness about social entrepreneurship by co-hosting Partnering for Change events. The common goal is to build stronger cross-sector alliances to accelerate the capacity of entrepreneurship to create a better world. As the pandemic hit last year we had to quickly re-think the physical event set-up. Thanks to a very open and constructive dialogues we could be agile and easily turn the event into a digital one, and see the potential and opportunities even in difficult times.

THE IMPACT WILL ALWAYS COUNT

It's important to measure and evaluate our impact for numerous reasons. When a partnership comes to an end, which it always will at some point, M&E will ensure we bring your learnings with us. We know that social entrepreneurs have a deep understanding of their local realities. This ensures their solutions are relevant for the communities, families and children that they seek to benefit. The IKEA Foundation believes that helping social entrepreneurs in Ethiopia to succeed is key to creating a lasting positive impact. In partnership with Reach for Change, the IKEA Foundation supports social entrepreneurs so that thousands of children in Ethiopia can enjoy better health, better education and a brighter future.

Patrick Obonyo Programme Manager, IKEA Foundation

The partnership with Reach for Change has developed over time and given us at Danske Bank Sweden deeper insights into social entrepreneurship and how we as a bank can contribute to sustainable growth. I strongly believe in the power of solving the world's biggest challenges together. I am very impressed by the work and the impact that Reach for Change delivers.

Anna Erman Ojde Head of Communications, Danske Bank, Sweden



This will strengthen the outputs and outcomes of new impact partnerships to come. Last but not least — remember to celebrate the partnership's successes and the impact created!

MOMENTS OF CHANGE 10 YEARS OF PARTNERSHIP

For 10 years we have been co-creating impact together with innovative and internationally recognized companies, institutions and foundations. It was not only a great privilege for us to team up with those who share our values, but also a golden opportunity to shape future societies and contribute to an equal and sustainable tomorrow. Together, we work strategically for a better world for children and youth and create strong and impactful partnerships for social good. We are proud to stand alongside those who aren't afraid to take risks on the potential for massive social impact and who dare to push boundaries. We make change happen together.

To leverage our expertise, with Reach for Change's ability to source the local Change Leaders, the grassroots heroes and grow them, empower them to create even bigger impact — that's what makes this partnership so strong and so unique.

> **Georgi Ganev** CEO Kinnevik



10 years ago I found myself in excruciating heat in a forest in Ghana surrounded by teenage mothers working in a quarry turning stones into grovel with their newborn babies on their backs. Dorris, 15 years old, rescued those girls. She took them out of the quarry, she taught them English, she gave them a chance. That trip arranged by Reach for Change changed my life. Why? Because I could see the effect one tiny person can have. Today I spend my days supporting entrepreneurs just like Dorris, entrepreneurs who help solve the world's greatest challenges. As a Board Member of Hugo Stenbeck Foundation, I am proud to support the amazing work that you do every day.

Eric Ljunggren Board member at Stenbecks Stiftelse



For me I have understood more and more that we can all do something: we as individuals and we as a company such as Tele2. And also the important role that companies play in making a difference to society. We also have a role to support the smaller start-ups and social entrepreneurs like Change Leaders in enabling them to make the difference that they have ambition to make.

Therese TorstenssonHead of Supply and Talent at Tele2



For 10 years we have been enabling moments of change. We have been making them bigger, stronger and more powerful. These efforts have led to a global movement of Change Leaders — local grassroot heroes who dare to shake the systems and create sustainable long-lasting positive change.

#themomentsofchange ------Rasmus Christensen, LIVSKRAFT, Denmark

The teenager Rasmus Christensen was sitting on the bus on his way back from a summer camp for cancer patients. The camp in Ireland was for young cancer patients to meet kids their age who were in a similar situation, to access peer support and experience rehabilitation at a social and emotional level. On the long bus ride home, Rasmus experienced something that would impact the rest of his life. The feeling of having cancer had been replaced with another feeling. Magical strength. He realized he wanted to find a way to bring the same support and feeling to children and youth in his home country, Denmark.



People saving lives and creating a better world are not fiction superheroes. They are closer than we think, just among us, just inside us. We all have a superpower — we love, we care and we resent the injustice. These feelings let the ideas grow and make change happen. For 10 years, we have been looking for these moments of change, the early stage ideas that bring innovation to a new level. We were there to empower them, to make them grow and become stronger. This is our way to make this world a better place, leaving no one behind.

That busride. That moment of change set Rasmus on a life-long journey that has led him to co-found LIVSKRAFT, a Danish social entrepreneur that strengthens the rehabilitation of children aged 6-17 afflicted with cancer, as well as their families. LIVSKRAFT runs camps and mentorship programs to increase selfesteem, confidence and independence of the participants, as well as providing them with the tools to deal with stress they face today and in the future. All with the purpose to create one single long lasting feeling: magical strength.

10 YEARS OF IMPACT

Having the guts to challenge our solution design and risk disruptive change in the pursuit of maximum impact, is for us the ultimate testament of what it means to be a truly impact-driven organization.

Annica Johansson

Executive Director at Effektfullt, former Head of Impact at Reach for Change (till 2019)

1,200 social entrepreneurs supported in our different programs 4.3 M children & youth impacted

90%

of our Change Leaders are still in business

THE **MOMENT** TO CELEBRATE

To celebrate 10 years of impact we arranged a world wide online gathering, where we invited inspiring social entrepreneurs, prominent business leaders and actors working for a better world. It was a moment to celebrate the power of social entrepreneurship and bringing hope and concrete actions for the future.

500 registrations to 34 countries 463 unique views

#themomentsofchange

Mensah Georgina Esenam, Ghana

My name is Mensah Georgina Esenam. My family situation was really difficult and as a result I couldn't complete my education. My dream to become a nurse had been cut short. At the age of 16, I had to start working hard to support my family because my mother was sick and we didn't have enough money to meet our basic needs. So, there was no time or opportunity for my education anymore.

In November 2017, I came across Nneka Youth Foundation and decided to participate in one of their programs. At first I was very shy and scared but Madam Cecilia Fiaka – the founder of the foundation - encouraged us by telling her own story and asked us not to be ashamed of our past but to embrace it. After the program, I started my own business with the seed capital given to me and within a short period I made over 200% profit on the given capital!

Nneka Youth Foundation showed me that there was hope for the hopeless. Without it, my life would have been miserable. I would have been a teen mother with 2 children by now. And now my dream came true -I am in Central University Level 200 now studying "Nursing"!





As a part of our 10 year anniversary we launched The Reach for Change Podcast in partnership with Storytel.

12 inspirational interviews with experts and Change Leaders who share their defining personal moments of change and discuss how we build a more green, just and sustainable world in the coming ten years.





Podcasts led by Reach for Change CEO Sofia Breitholtz are in Swedish. For English speakers we invited 2 special guests: Per Heggens, the CEO of IKEA Foundation, and Faraja Nyalandu, our social entrepreneur from Tanzania.

All the episodes are free and available on reachforchange.org/en/momentsofchange/podcast

LESSONS FROM The past 10 years



THERE IS SO MUCH IMPACT POTENTIAL OUT THERE.

When Reach for Change was first established, the concept of social entrepreneurship was little known in Sweden. Despite this, Reach for Change's founder, Sara Damber, was convinced that there were plenty of individuals out there with great ideas for how to improve the lives of children. And she believed that if those individuals could be found and supported then that potential for impact could be transformed into actual impact.

Driven by this belief, Reach for Change launched in Sweden in 2010. The response was huge: over 1,200 aspiring social entrepreneurs came forward, and the first Reach for Change Incubator program was born.

Sara was equally convinced that this potential was not unique to Sweden. Reach for Change quickly launched in Russia and Ghana. The response was equally strong. Sara's hypothesis had been validated, and over the next 6 years Reach for Change expanded into 18 countries.

Over these first 10 years, we've worked with over 1,000 Social Entrepreneurs, who have gone on to impact over 4 million children & young people. While this is significatn, we also know it's only the very tip of the iceberg. For the thousand entrepreneurs we have worked with, there were more than 33,000 others who contacted us that we weren't able to support. We therefore believe that the impact potential out there is close to limitless, but **for that potential impact to become actual impact, we believe three things need to happen:**

More organizations & institutions need to be out there mining for, and nurturing, impact potential. Moving forward, in addition to running our own searches, in certain markets we will be partnering with and working through others, such as universities and vocational training institutions.

The search for social entrepreneurs needs to take place in the communities where the challenges are most prevalent. A disproportionate number of those applying to Reach for Change come from urban areas and tend to fit a certain kind of profile (for example 82% are university educated). In Sweden, we've already started tackling this head-on through our Democratization of Social Innovation initiative, and we'll be carrying the learnings from that work to other markets.

More needs to be done to bridge the gender gap. Whilst we have been consciously doing this for years (the majority of founders in our global portfolio are female and we are about to launch our second program focused on female founders), the fact that just 37% of our applicants have been female shows there is more work to be done to make sure we are reaching as many women as men in our searches.

If you ever find yourself struggling to remain optimistic in the face of all the problems you see in the world, remember this: there are hundreds of millions of people in this world with ideas for how to solve them, and we're out there every day looking for them.

INCUBATION WORKS.

When we were first starting out, impact incubators & accelerators were few and far between, and consequently not particularly well understood. When discussing what we wanted to do, a response we heard more than once was that there was little point in wasting time and resources on Incubator programs, as those who could succeed would succeed anyway, and those who couldn't, wouldn't.

Luckily for us, our co-founder, Sara Damber was a successful social entrepreneur herself and believed otherwise. Most social entrepreneurs are driven by their passion to tackle social problems. This passion is what fuels them and gives them their resilience and drive to keep going even when things look impossible. At the same time, few social entrepreneurs have business backgrounds, fewer still have ever received any kind of entrepreneurship training, and in the early days, especially, most were lacking any kind of peer support as impact hubs and social entrepreneur communities were yet to appear. Sara found a likeminded partner in the Kinnevik Group, and the rest, as they say, is history.

Accordingly, Reach for Change's programs have always been based on 3 pillars:

Seed funding to enable entrepreneurs to get traction more quickly.

Access to business experts and needs-based social entrepreneurship training.

> A community of peer support.

With the focus on:

- > increasing financial sustainability
- increasing beneficiary reach
- reducing the risk of unnecessary failure

You can find **3 more learnings** from our impact journey from 2010 to 2020 on our website www.reachforchange.org/en/momentsofchange/impact

* Conclusions in this spread are based on 2019 data as it was presented at our 10-year anniversary prior to the availability of 2020 data.

So, 10 years on, has it been effective? Our data* suggests so:



of our 2019 portfolio entrepreneurs said they would have developed less without **our support**

of our 2019 portfolio entrepreneurs said that we helped them **increase their** sustainability



of our 2019 portfolio entrepreneurs said that we helped them **increase the number of children & young people they reached**



of our alumni are still in business

So what do we believe is needed from here? Three things:

More organizations offering high-quality impact incubation and acceleration services — competition drives innovation and there is still plenty of space for more actors in the sector. The number of social entrepreneurs looking for support far exceed our own capacity and we encourage others to consider joining us!

More collaboration between incubators and accelerators to help share insights and best practice we have already started capacity building others in our markets and will continue to do so.

More partnership from funders and investors who want to invest in early stage and scalable local innovations but who also want to minimize the risk. Partnering with incubators & accelerators can be a great way to do this, so do reach out!

HOW WE MEASURING IMPACT

ON SOCIAL ENTREPRENEURS

Our ultimate impact goal is to create a better world for children and youth, but we do not work directly with these groups. Rather, our method is to find high potential social entrepreneurs that are working with these groups and then to capacity build them to develop more quickly and with reduced risk of failure.

Outputs

Incubator support received by our social entrepreneurs. In 2020 we measured outputs by surveying our social entrepreneurs at the end of the year about what incubator support they received from us. For example, we asked about areas in which they received capacity-building support,

Short-term outcomes

Strengthening our social entrepreneurs' organizational capabilities. By organizational capabilities, we mean the structures, strategies, processes, culture and know-how that our social entrepreneurs need in order to develop effective solutions and become ready to scale. We monitor organizational capabilities within five areas: A *Effective Solution*, **B** *Financial Sustainability*, **C** *Leadership & Team*, **D** *Impact Scaling* and **E** *Systems Change*. To understand our social entrepreneurs' development in 2020, we compared their organizational capabilities in January and December (read more on page 26). We measure a social entrepreneur's organizational capabilities by counting the number of milestones reached. A milestone is either a completed activity (e.g. Theory of Change mapped)

Long-term outcomes

Survival and scaling of our alumni.

By strengthening the organizational capabilities of our social entrepreneurs while they are in the incubator, we prepare them to scale their impact to a significant share of their target group Since our direct contribution is to the social entrepreneurs we support, measuring our impact on them is essential. If we were only to measure our social entrepreneurs' impact on children and youth, a significant portion of our impact results chain would be a "black hole" and we would not gain the information we need to understand and improve our support. In 2020, we monitored:

and how many useful connections were made for them. 77% responded and participation was anonymous — you can read about the results on page 25. In addition to this, in 2020 we also piloted monitoring output results for each individual social entrepreneur, to enable us to perform a more granular analysis to see which outputs most effectively drive the achievement of our targeted outcomes. Results from this are still being reviewed.

or a result accomplished (e.g. Positive outcome results achieved). Milestones are predefined by Reach for Change and are the same for all social entrepreneurs participating in the incubator.

The targeted milestones vary with the incubator year. During the first incubator year, for example, the target is for our social entrepreneurs to reach milestones A1-A7, B1-B9, C1-C7, D1 and E1-E3. Milestone achievement is assessed through dialogue between our in-country program managers and our social entrepreneurs. For several of the milestones, our global impact team validates the assessment by reviewing empirical evidence.

To gain an improved understanding of our impact, we surveyed our social entrepreneurs at the end of 2020 on how much less they believe they would have developed during the year without support from Reach for Change (read more on pages 27-28).

after they have graduated. The share of our alumni that succeeds with scaling their impact to a significant share of their target group is the ultimate indication of to what extent our method works and is critical to monitor. In this report we share our 2019 results — read more on page 29.

MEASURING IMPACT ON CHILDREN & YOUTH

Outputs

Number of children and youth supported.

A child is defined as under 18 and youth as 18 to 24 years old. "Supported" means that the child or youth has received support towards the outcome(s) targeted by the social entrepreneur, e.g. improved literacy. In 2020, the number of children and youth supported was submitted by our social entrepreneurs as

Outcomes

How the lives of children and youth were improved, changed and protected. In addition to monitoring the number of children and youth supported, we want to find out how the support resulted in change — the outcomes. Our social entrepreneurs all work to create a better world for children and youth, but the outcomes they target differ. We encourage our social entrepreneurs to try to capture not only outcomes (what changed for the children and youth supported) but also impact (how much of the change would not have happened without the support of the social entrepreneur).

For social entrepreneurs participating in their first incubator year, our focus is on helping the social entrepreneur and their team to qualitatively explore outcomes. We build their capacity to interview children and youth about how they were impacted

STRENGTHS & LIMITATIONS OF OUR METRICS

Strengths

We see several strengths with our way of measuring impact. First, requiring the social entrepreneurs in our program to measure impact on beneficiaries in both quantitative and qualitative ways gives us a wide range of different kinds of data. Second, measuring development of the social entrepreneurs as they move through the program, rather than just at the beginning and end of the program gives us a more reliable way of following their progress and allows us to be able to follow our impact on their development more closely. Because our ultimate impact goal is to create a better world for children and youth, it is key for us to understand the extent to which our social entrepreneurs reach this goal. In 2020, we asked our social entrepreneurs to monitor and report:

part of their triannual reporting. They also submitted documentation that verified the number reported, which was audited by our global impact team. On pages 30-31, we have clustered the total number of children and youth supported by our social entrepreneur in 2020 based on: age, support channel, targeted short-term outcome and Sustainable Development Goal.

by the social entrepreneur's support, and we guide them on how to capture what they learned in impact stories. In 2020, our social entrepreneurs submitted impact stories as part of their triannual reporting. Our global impact team audited all impact stories and shared feedback for the social entrepreneur and their program manager to reflect on together.

For social entrepreneurs participating in their second and third incubator year, our focus is on helping the social entrepreneur and their team to quantitatively measure outcomes. The outcome "Improved literacy," for example, could be measured through the indicator "number of words that a child can read correctly during one minute". In 2020, our social entrepreneurs reported quantitative outcome results annually. Results were audited by our global impact team.

As mentioned in our 2019 report, there are strengths and limitations to our current system. Our goal for 2020 was to address the limitations previously identified and improve our system, however due to the pandemic we had to prioritize our resources differently. As the structure of our programs will be changing going forward to better suit our vision for 2030, highlighted on pages 6-7, we will be overhauling our impact framework and the way we measure in 2021 to ensure we capture the impact of different types of programs.

Limitations

There are of course certain limitations with how we have chosen to measure our impact. First and foremost, social entrepreneur development is not always linear, so when we talk about development in terms of milestone accomplishment, and milestone targets, it has limitations and might not show the full picture. Secondly, not all milestones are of equal importance, some are more important than others. Counting the number of milestones achieved gives a good overall sense of progress, but achieving more milestones is not necessarily an indicator of more progress. Finally, we believe that our current set up would be strengthened by including other data points across the development tracker areas beyond our current growth metrics, e.g. cost per impact, customer acquisition etc.

FINANCIAL In 2020, we invest RESOURCES





NON-FINANCIAL

RESOURCES

STAFF

Local staff in markets

In 2020, Reach for Change's staff consisted of 57 full-time equivalents, 11 interns and 1 volunteer spread across 10 markets. The implementation of our programs was carried out by 10 on-the-ground Program Managers with local knowledge, expertise and networks, supported by regional and central function staff. Together they all contributed to evaluating and improving the programs further.



To deliver our program support we combined our human and intellectual capital with that of

Reach for Change's programs were delivered in close collaboration with partners from the private and public sectors who, alongside funding, brought invaluable resources to our social entrepreneurs. This included elements like business expertise, networking contacts, and media exposure. These partners are an integrated part of delivering our programs.

METHOD

our partners

Reach for Change's Toolkit Platform offers a framework with clear milestones to guide social entrepreneurs in planning their journey towards developing a sustainable social entrepreneur that can deliver social impact at scale. Each milestone is composed of 4-8 action points that describe the concrete actions that entrepreneurs can take to reach each milestone. set of additional support materials. They range from toolkits developed by our team that include a crash course, tools, and templates, and further readings to toolkits with light-touch guidance and further reading materials and tools by various experts in the field of innovation, business development, and social impact that have been curated by our team due to their relevance to work of social entrepreneurs.





with **145 resources** to guide social

Online Toolkit Platform

• crash

readings

we invested 4.2M USD, 68% of which was spent on the charitable cause.



Cost for the charitable cause split on type of support





Investment per region



Central Europe and Kazakhstan

*All numbers are in USD (thousands) **Currency conversion rate from SEK to USD on 12/31 2020: 0.12208

FINANCIAL **STATEMENT**



This section consolidates Reach for Change's financial performance for 2020 for all foundations. The figures include the Reach for Change Swedish Foundation (including the branch in Ghana and

Norway), and the separate foundations in Ghana, Ethiopia and Bulgaria. The entire Reach for Change operation is a privity with a joint management.

INCOME STATEMENT

AMOUNTS IN MSEK*	2014	2015	2016	2017	2018	2019	2020
Revenues	36,7	47,6	50,9	55,2	55,0	48,3	40,1
External operating expenses	-23,3	-31,5	-31,1	-31,7	-30,2	-23,2	-17,2
Personnel costs	-13,0	-16,1	-19,2	-22,2	-24,3	-24,6	-22,3
Depreciation	-0,1	-0,1	-0,1	0,0	0,0	0,0	0,0
Operating result	0,4	-0.1	0,5	1,3	0,5	0,4	0,6
Interest income	O,1	0,0	0,0	0,1	0,1	0,0	0,0
Interest expense and other financial expense	0,0	0,0	0,0	0,0	0,0	0,0	0,3
Result after financial income & expenses	0,4	-0,1	0,5	1,4	0,6	0,4	0,3
Tax expense for the period	-0,1	-0,1	-0,2	-0,1	-0,1	-0,1	-0,05
Result for the period	0,3	-0,2	0,3	1,2	0,5	0,3	0,3

AMOUNTS IN MSEK	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
Fixed assets							
Intangible fixed assets	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Tangible fixed assets	0,3	0,2	O,1	0,0	0,0	0,0	0,0
Total fixed assets	0,3	0,2	0,1	0,0	0,0	0,0	0,0
Current assets							
Accounts receivable	1,4	2,3	2,5	1,6	10,2	0,8	0,9
Other current receivables	2,5	0,8	3,7	2,0	2,1	3,4	1,4
Prepaid expenses	1,3	0,4	6,4	0,3	0,3	0,3	0,3
Cash and bank	12,4	13,8	14,7	23,9	25,3	25,2	17,7
Total current assets	17,6	17,2	27,3	27,8	37,9	29,7	20,4
Total assets	17,9	17,4	27,4	27,9	38,0	29,7	20,4
Equity							
Equity							
Foundation funds	2,8	2,1	1,7	2,1	4,9	5,1	7,31
	2,8 0,3	2,1 -0,2	1,7 0,3	2,1 1,2	4,9 0,9	5,1 0,3	7,31 0,3
Foundation funds							
Foundation funds Result for the period	0,3	-0,2	0,3	1,2	0,9	0,3	0,3
Foundation funds Result for the period Total equity	0,3	-0,2	0,3	1,2	0,9	0,3	0,3
Foundation funds Result for the period Total equity Current liabilities	0,3 3,1	-0,2 2,0	0,3 2,0	1,2 3,3	0,9 5,8	0,3 5,4	0,3 7,6
Foundation funds Result for the period Total equity Current liabilities Accounts payables	0,3 3,1 0,8	-0,2 2,0 0,6	0,3 2,0 0,8	1,2 3,3 0,8	0,9 5,8 2,9	0,3 5,4 4,1	0,3 7,6 0,3
Foundation funds Result for the period Total equity Current liabilities Accounts payables Tax liability Other current	0,3 3,1 0,8 0,6	-0,2 2,0 0,6 0,7	0,3 2,0 0,8 0,9	1,2 3,3 0,8 1,3	0,9 5,8 2,9 0,9	0,3 5,4 4,1 0,9	0,3 7,6 0,3 0,9
Foundation funds Result for the period Total equity Current liabilities Accounts payables Tax liability Other current liabilities Accrued expenses	0,3 3,1 0,8 0,6 1,2	-0,2 2,0 0,6 0,7 3,2	0,3 2,0 0,8 0,9 3,5	1,2 3,3 0,8 1,3 10,6	0,9 5,8 2,9 0,9 2,5	0,3 5,4 4,1 0,9 2,7	0,3 7,6 0,3 0,9 1,5

	AMOUNTS IN MSEK	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
	Fixed assets							
ASSETS	Intangible fixed assets	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Ă	Tangible fixed assets	0,3	0,2	0,1	0,0	0,0	0,0	0,0
	Total fixed assets	0,3	0,2	0,1	0,0	0,0	0,0	0,0
	Current assets							
	Accounts receivable	1,4	2,3	2,5	1,6	10,2	0,8	0,9
	Other current receivables	2,5	0,8	3,7	2,0	2,1	3,4	1,4
	Prepaid expenses	1,3	0,4	6,4	0,3	0,3	0,3	0,3
	Cash and bank	12,4	13,8	14,7	23,9	25,3	25,2	17,7
	Total current assets	17,6	17,2	27,3	27,8	37,9	29,7	20,4
	Total assets	17,9	17,4	27,4	27,9	38,0	29,7	20,4
	Equity							
Υ	Equity Foundation funds	2,8	2,1	1,7	2,1	4,9	5,1	7,31
ABILITY		2,8 0,3	2,1 -0,2	1,7 0,3	2,1 1,2	4,9 0,9	5,1 0,3	7,31 0,3
D LIABILITY	Foundation funds							
AND LIABILITY	Foundation funds Result for the period	0,3	-0,2	0,3	1,2	0,9	0,3	0,3
	Foundation funds Result for the period Total equity	0,3	-0,2	0,3	1,2	0,9	0,3	0,3
EQUITY AND LIABILITY	Foundation funds Result for the period Total equity Current liabilities	0,3 3,1	-0,2 2,0	0,3 2,0	1,2 3,3	0,9 5,8	0,3 5,4	0,3 7,6
	Foundation fundsResult for the periodTotal equityCurrent liabilitiesAccounts payables	0,3 3,1 0,8	-0,2 2,0 0,6	0,3 2,0 0,8	1,2 3,3 0,8	0,9 5,8 2,9	0,3 5,4 4,1	0,3 7,6 0,3
	Foundation funds Result for the period Total equity Current liabilities Accounts payables Tax liability Other current	0,3 3,1 0,8 0,6	-0,2 2,0 0,6 0,7	0,3 2,0 0,8 0,9	1,2 3,3 0,8 1,3	0,9 5,8 2,9 0,9	0,3 5,4 4,1 0,9	0,3 7,6 0,3 0,9
	Foundation funds Result for the period Total equity Current liabilities Accounts payables Tax liability Other current liabilities Accrued expenses	0,3 3,1 0,8 0,6 1,2	-0,2 2,0 0,6 0,7 3,2	0,3 2,0 0,8 0,9 3,5	1,2 3,3 0,8 1,3 10,6	0,9 5,8 2,9 0,9 2,5	0,3 5,4 4,1 0,9 2,7	0,3 7,6 0,3 0,9 1,5

BALANCE SHEET

