



2013 ANNUAL REVIEW





Dear friends,

"There can be no keener revelation of a society's soul than the way in which it treats its children," said Nelson Mandela, one of our world's great leaders and visionaries, whom we so sadly lost in 2013. Mandela knew that by investing in children, we are investing in our collective future.

We couldn't agree more. That's why

Save the Children is dedicated to ensuring that every
child has the best chance for success – a healthy start, the
opportunity to learn and protection from harm. We invest in childhood.

In 2013, thanks to those who invested along with us, we achieved lasting, large-scale results for children here in the United States and around the world. For example, after Oklahoma's devastating tornadoes, children and families got the crisis care they needed. We enabled dozens of damaged childcare centers to provide quality services again after Hurricane Sandy. Children's voices were heard on Capitol Hill, and early education finally became a national priority. In the Philippines, we provided typhoon victims with vital supplies and support, and we protected and cared for the children of Syria. Children around the world learned to read and succeed in school. And millions more babies survived the most dangerous day – their birth day.

Results like these require the effective management of significant resources, as reported here for 2013, and we are grateful to the many donors and partners who so generously supported our work. As the largest member of Save the Children's global movement, Save the Children USA's financial standing remains very strong, with historic levels of revenue and spending on children's programming. So we entered 2014 well-positioned to continue investing in childhood.

Please take this opportunity to review the 2013 results for children your investment made possible – and consider continuing your support, both by raising your voice and by making a financial contribution to Save the Children.

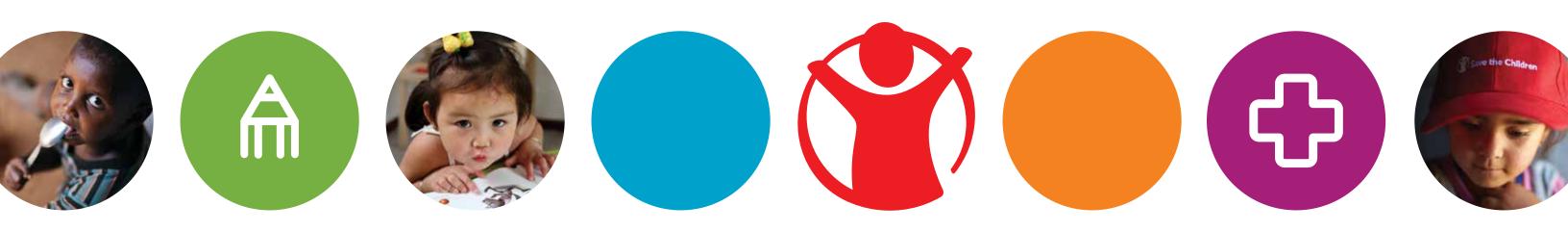
Thank you on behalf of the world's children – and the future we share.

Carolyn Miles President & CEO

Cavalyn Miles

Anne M. Mulcahy

Chair, Save the Children Board of Trustees



Save the Children invests in childhood – everyday, in times of crisis and for our future.

In the United States and around the world, we are dedicated to ensuring every child has the best chance for success. Our pioneering programs give children a healthy start, the opportunity to learn and protection from harm. Our advocacy efforts provide a voice for children who cannot speak for themselves. As the leading expert on children, we inspire and achieve lasting impact for millions of the world's most vulnerable girls and boys.

By transforming children's lives now, we change the course of their future and ours.



In 2013, Save the Children worked to realize results for children, every day and in times of crisis, in more than 120 countries, including the United States. We helped a total of more than 143 million children worldwide, including more than 52 million directly – transforming children's lives and the future we share.

Thank you!



How do we save children?

Every day. In times of crisis. For our future.

Every day.

Save the Children works in communities in the United States and around the world, making sure children are healthy, nourished, protected and learning. Through our groundbreaking work in child survival, early education and protection, we provide children with a strong foundation for the future.

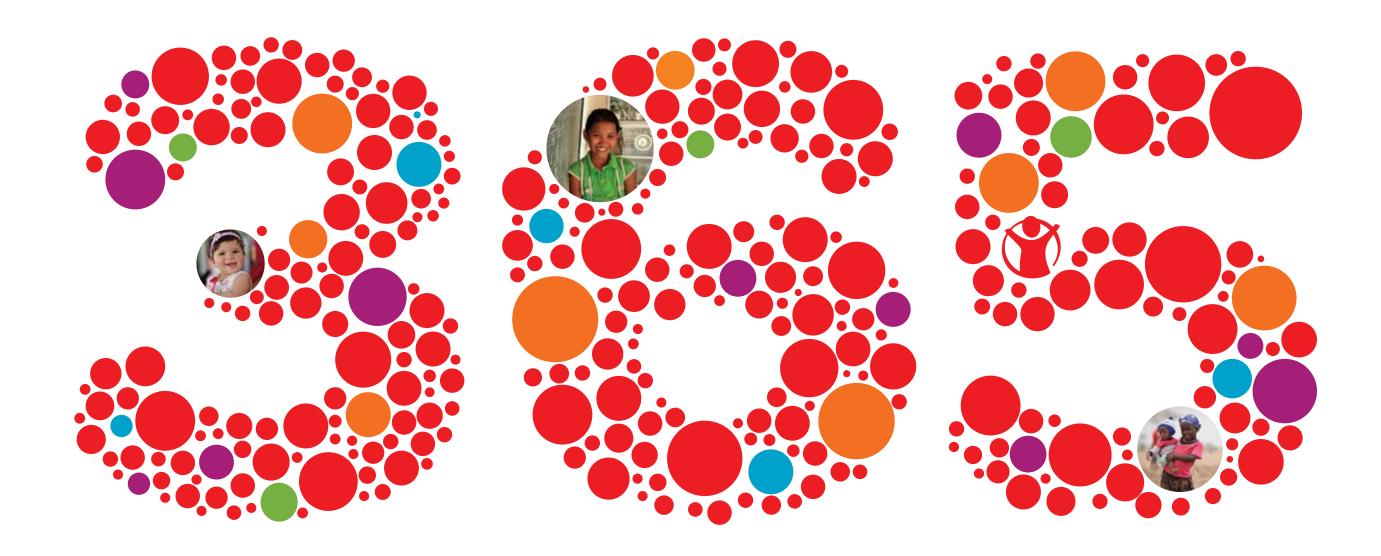


Photo: Right, Jonathan Hyams

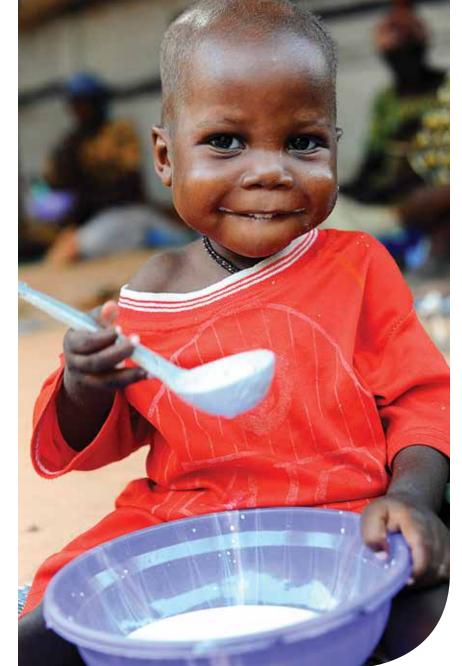
A Healthy Start

Save the Children focuses on improving the health and nutrition of newborn babies, children and their mothers. We target the major causes of death and provide access to high-impact, low-cost care that saves lives. We help train and equip frontline health workers to deliver care in the world's most challenging, and often remote, places. We support parents in good nutrition and healthy behaviors, such as exclusive breastfeeding. We empower families to provide nutritious food for their children to thrive. We work

> to prevent and treat HIV/AIDS. And we respond rapidly with lifesaving care in times of crisis. In the United States, we provide children with physical activity, nutrition education and balanced food choices.

> > We know the solutions – a health worker within reach of every child, care for newborn babies and their mothers, immunizations, treatment of the most common childhood killers, and good newborn and child nutrition. Malnutrition is the underlying cause of almost half of the deaths among children under age 5. Malnutrition

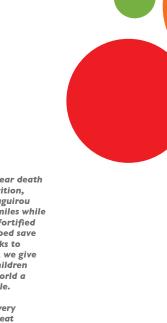
before the age of 2 can lead to life-long physical and cognitive stunting. Yet nutrition is often under-resourced. We used the platform of the 2013 G8 Summit to highlight the problem and actions needed, helping to secure an increased investment of \$4.1 billion in child nutrition. We worked with partners in the Global Nutrition Compact and the Scaling Up Nutrition movement that led to 19 countries (including the U.S.) establishing targets to reduce stunting. Our advocacy, support and civil society engagement helped inform and influence the rollout of the national nutrition program in Ethiopia, integration of nutrition into provincial-level plans in Pakistan, and changing the maternity leave law and approving a ban on advertising breast milk substitutes in Vietnam.



Despite dramatic recent improvements in child survival, more than 18,000 children die every day from preventable and treatable causes, often because they lack access to health care. This is simply unacceptable.

Living up to our name, we're saving children's lives in some of the hardest-to-reach places using community-based health care.

In remote regions of Nicaragua, we're working with trained community health workers - called brigadistas to treat and prevent life-threatening illnesses, such as pneumonia, diarrhea and dysentery. Brigadistas also encourage behaviors, such as early and exclusive breastfeeding, to prevent disease and to promote health. The result for Nicaraguan children? Deaths of children under



LEFT: Once near death from malnutrition. 2-year-old Saguirou from Niger smiles while drinking the fortified milk that helped save his life. Thanks to your support, we give millions of children around the world a reason to smile.

OPPOSITE: Every child's heartbeat matters. That's why we stop at nothing to ensure children not only survive, but thrive.

> **Dramatic global** progress is being made in saving children's lives. and we are now where ending preventable child deaths lies within our grasp."

> > — Carolyn Miles, President & CEO Save the Children

Health, Hunger and Nutrition

For the first time, an end to preventable child deaths is within reach. Save the Children is campaigning at the local and global levels, mobilizing people, influencing governments and building partnerships to put in place policies and programs that can save lives.

at an historic point

12 Save the Children 2013 Results for Children 13 Photo: Lawrence Cher Photo: Rachel Palme

Every day. In times of crisis. For our future.



age 5 in these regions decreased by half since 2006. The national Ministry of Health has now endorsed this approach for all communities where the risk of child death is high.

Save the Children is also supporting Community Case Management programs to help bring lifesaving care closer to home for children in remote communities in more than 20 developing countries. Working with global and national partners, we are helping to improve policies and guidelines, and to introduce tools for training and supporting frontline health workers in each of these countries.

We're not stopping there – we're expanding this approach to include newborn babies, who are often overlooked by health care programs. We're advocating for increased attention and resources for newborn care – and working to integrate newborn care best practices into national policies and plans in more than 20 countries in Asia and Africa.

In places like Nepal, where over 40 percent of children under age 5 face chronic malnutrition, Save the Children is

Happy Birth Days



Your generous support gave more mothers around the world a reason to celebrate – healthy newborn babies. But there's still a lot of work to

do. More than I million babies die on the day of their birth - making it the most dangerous day in a child's life. This represents 15 percent of all under-5 child deaths. Our flagship 2013 State of the World's Mothers report outlined key findings and recommendations to help reduce child mortality - focusing on the first day of life. The report includes our annual Mothers' Index, ranking the best and worst places to be a mom, and our first-ever Birth Day Risk Index. Together, we're working toward celebrating even more birth days.



TOP LEFT: We help mothers and babies, like Iffat and Ahmad from Pakistan, stay healthy and well-nourished, giving them the best chance for a bright future.

LEFT: Maryan's got milk! Our innovative milk voucher program in Kenya helped families make a better living as dairy workers – and better nourish their own children.

OPPOSITE: In rural Tanzania, where two-thirds of toddlers are undernourished, we help parents learn how best to feed their children. Then we weigh children to monitor their healthy development.



implementing a program in partnership with USAID that integrates nutrition, household-level farming and animal raising, plus water, sanitation and hygiene activities in the country's most challenging areas. We use demonstrations, as well as an interactive radio program to ensure mothers and children get the nutrition they need. Female Community Health Volunteers (FCHVs), the backbone of the Nepalese health extension program, are trained to counsel and support mothers and families on nutrition choices and behaviors. Today, more than 300,000 families have been empowered to ensure the next generation of children get the nutrition they need to survive and thrive.

HIV/AIDS

An estimated 34 million people in the world are living with AIDS – that's about 1 in 200 people. And more than 3.4 million of them are children. That's why Save the Children has prevention programs to stop the spread of HIV and treatment programs to prevent mother-to-child transmission and care for children known to be HIV-positive. We reached 37.8 million children with HIV/AIDS prevention and treatment last year.

In Nepal, Save the Children partnered with 54 organizations in 39 districts to increase access to HIV/AIDS-related services, using peer educators and others within their own communities. Services include voluntary HIV counseling and

testing, prevention of mother-to-child transmission, provision of antiretroviral therapy and treatment of opportunistic infections for those with compromised immune systems.

Choices program, we

children like JaQuisha,

helped more than

Save the Children is driving the elimination of pediatric HIV and improving the survival of HIV-positive mothers and exposed infants in Zimbabwe. We provided comprehensive HIV/AIDS prevention, care and treatment training to nurses in nine rural health centers. And we trained more than 100 village health workers on community outreach activities, including follow-up with new mothers and HIV-exposed newborns.

In the United States

More than half of children living below the poverty line in rural America are overweight or obese, often undernourished at the same time – and therefore at risk for a lifetime of health problems.

Our Healthy Choices program exposes children to healthier ways of living through physical activity, nutrition education and balanced food choices. Eating well and being physically active at an early age not only keeps kids healthy, but helps them focus in school, boosting academic performance, so they grow up to reach their full potential. We ensure children in our program have at least 30 minutes of fun physical activity and a healthy snack every day, in addition to weekly nutrition education lessons.

Score!

World-renowned footballer, Cristiano Ronaldo, joined Save the Children as a Global Artist Ambassador last year. In his new role, Cristiano is helping us fight child hunger and obesity, and promote physical activity and healthy eating. As proof of his global reach, our Twitter announcement of Cristiano's commitment led to a record of more than 700 retweets and 16.5 million impressions.



2013 Highlights



In 2010–2013, we trained nearly 379,000 health workers, bringing us within 5% of our target to train 400,000 health workers by 2015.

4.4 million children

benefitted from our hunger programs that provide healthy, nutritious food, micronutrient supplements and nutrition training.



We provided lifesaving treatment to

3.1 million % Apachildren

including for diseases like malaria, pneumonia and diarrhea, and for acute malnutrition.

Save the Children 2013 Results for Children 2013 Results for Children 2014 Results for Children 2015 Results for Children

The Opportunity to Learn

Education is the road children follow to reach their full potential in life. Yet many children in need around the world do not get a quality education. Save the Children supports education for all children in the classroom and at home. We train teachers in more effective teaching practices. We help children prepare to

> enter school. We offer ways to get kids learning outside of school hours.

> > We make sure children don't stop learning during a crisis. And we help school-age kids stay healthy, so they don't fall behind or drop out of school. We also provide youth with the skills to succeed – like learning a trade or building a business. In the United States, we focus on the importance of early

> > > childhood learning and literacy.

Education

One third of elementary school-aged children aren't learning the basics because of poor quality education. And 57 million children, half of them in conflict-affected countries, can't access education at all.

In 2013, Save the Children worked with partners to provide education to 9.8 million children, including those affected by humanitarian crises.

We help to overcome the barriers to a quality education. Our Literacy Boost program improves children's reading skills, the first step to further learning, through teacher train-

ing, reading assessments and community-based support. The program has directly reached 192,000 children in 24 countries. For example, in Ethiopia, Literacy Boost has significantly improved children's reading skills compared with control schools, leading World Vision and other partners to implement it more widely.

We've adapted this approach to meet specific educational needs in Rwanda. We're working with the government and engaging parents and communities to strengthen literacy teaching in child care centers and elementary schools. In 2013, we trained 815 teachers and established libraries in





almost 700 classrooms. To underpin this, we're building a culture of literacy in Rwanda in an innovative way. We're enabling publishers, writers and illustrators to produce local language children's books, so families with young children can enjoy books together.

Through our Skills to Succeed initiative, we delivered job training and placement services to help more than 12,000 youth in China, Egypt, Indonesia and the Philippines get a job or build a business. And more than 55,000 young people in Colombia, Ghana, Kenya and Nepal participated in Youth-Save, an innovative program that uses savings accounts as a tool for youth development and financial inclusion.

In the United States

Save the Children is working to close the achievement gap before it starts. Children living in poverty are less likely to attend preschool and often live in households where early learning activities are few and far between. This means 16 million American children aren't prepared to start school and are already developmentally behind their peers by up to 18 months. Our Early Steps to School Success program is laying a critical foundation of language and literacy skills for children from birth to age 5. In 2013, a majority of children in our program scored at or above the normal range for vocabulary development, a key learning indicator.

By fourth grade, if children can't read at grade level, they're unlikely to ever catch up. We also provided after-school literacy programs, in which 73 percent of children achieved significant reading improvement – the equivalent of almost five additional months of school.

Attacks on Education

Sadly, attacks on education are not uncommon, and the number of recorded attacks on education has increased in recent years, according to Save the Children's Attacks on **Education report. We found 3,643** incidents of reported attacks against education in 17 countries.



Our research was leveraged at the United **Nations by youth** delegates from around the globe, advocating for a quality education for all children.

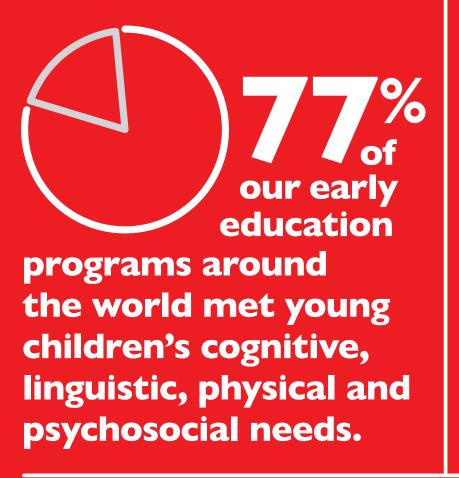
even those living in areas of war and conflict. They were led by Malala Yousafzai, the Pakistani school girl, now education campaigner, whose only "crime" was a desire to learn, when she was shot and gravely wounded by armed men on her way back from school. We call on world leaders to tackle this crisis now because children can't wait.



One child, one teacher, one pen and one book can change the world. **Education** is the only solution. **Education first.**"

> — Education campaigner Malala Yousafzai, age 16, (second from left) leading the first youth takeover of the United Nations

2013 Highlights



We directly helped million family members

increase their income or build a more sustainable livelihood, to help lift their families out of poverty.

We reached 38,000 American children in 13 states and DC

with early education and 150,000 children in 15 states and DC with literacy programs.

2013 Results for Children 21 20 Save the Children

Gala for Good

On a glorious evening in October, some of our most influential supporters, in both the public and private sectors, gathered in recognition and support of our early education work in the U.S. at a benefit gala in New York City, hosted by Save the Children and Calvin Klein.

Tabby, mother of Serenity, age 3, spoke about the difference Save the Children's work in West Virginia has made in her daughter's life - and future.

Honorees included former Secretary of State Hillary Rodham Clinton, award-winning actress and Save the Children Artist Ambassador Jennifer Garner, PVH Corp.'s Chairman and **CEO Emanuel (Manny) Chirico, the Bezos Family** foundation and Tipton Elementary School's Early Childhood Coordinator Virginia Almeida. **Hosted by Jenna Bush Hager, presenters** included New York Giants' Victor Cruz, Victor **Garber and Caroline Kennedy. Guests enjoyed** a special musical performance by multi-platinum and Grammy-nominated recording artist Daughtry.

The event raised more than \$2 million to help give even more American kids a strong start in life.



Save the Children's early education programs were celebrated and Daughtry performed at our Calvin Klein-hosted gala.

Honorees included former Secretary of State Hillary Rodham Clinton and actress and Save the Children Artist Ambassador Jennifer Garner.

Mark Shriver, Save the Children Senior Vice President, greets actor and distinguished presenter Victor Garber.

Protection from Harm

Children are vulnerable to abuse, neglect, exploitation and violence, especially those living with or affected by HIV/AIDS. Save the Children focuses on the most vulnerable children, while aiming for the safety and well-being of all children. We

> develop public awareness campaigns against child trafficking. We pilot training on supportive care. And we advocate for

> > more effective national protection policies and child welfare reform. In the United States and around the world, we also provide pro-

tection in times of crisis – when children are most vulnerable.



Child Protection

Every year, up to 1.5 billion children experience physical, sexual or emotional violence. Save the Children works to end all forms of violence against children.

Receiving good care as a young child reduces children's risk of violence, exploitation and institutional care, and is linked with life-long well-being. Children almost always do best within families, but some vulnerable families need additional support to care for young children.

In Malawi, our Essential Package program ensures that children who lack appropriate care or whose families are affected by extreme poverty or HIV/AIDS, can thrive.

We're working with children and their parents or caregivers to help them access support and strengthen their resilience. This integrated approach encompasses health, care and development, nutrition and economic strengthening, as well as child protection.

We developed the package with partners as a toolkit for policymakers and service providers. The program's success resulted in an endorsement by the government of Malawi, where it is being rolled

out through early childhood centers, local partners and home-visiting programs.

The Essential Package is benefitting children in multiple countries. In Mozambique, it helped reduce serious illness among children's main caregivers by 19 percent, making them better able to provide care.



Every day. In times of crisis. For our future.

Now, with support from the Conrad N. Hilton Foundation and USAID, we are expanding the approach across sub-Saharan Africa to benefit 250,000 more children.

In the United States

In the United States, Save the Children provided critical protection to children in times of crisis throughout the year. For example, during the Oklahoma tornadoes, as well as during the tragedy at Sandy Hook elementary school, we set up Child-Friendly Spaces for children to safely play and learn – so they can be kids again. We also offered our Journey of Hope emotional recovery program to help children and their caregivers cope with the trauma of crisis and build resilience to future crises.

Children who suffered



2013 Highlights

We improved the lives of more than 345000 children affected by armed violence in conflict-affected countries.

Thanks to our work, Honduras became the 37th country to totally ban corporal punishment, including in the home, benefiting more than 3.3 million Honduran children.

We reached

21 million / AAAchildren

through our child protection programs, including children who were abused, exploited or who lacked appropriate care.

26 Save the Children 2013 Results for Children 27

In times of crisis.

When children are at their most vulnerable – when disaster strikes, in times of tragedy, when their caregivers are overwhelmed and under-resourced – **Save the Children** is there. We ensure children's unique needs are addressed and their childhoods can continue.



Readiness. Relief. Recovery.

No one knows when or where the next crisis will strike. But we do know that children are disproportionately affected in times of crisis – and often suffer most. That's why Save the Children is committed to providing child-focused emergency readiness, relief and recovery in the United States and around the world. We work with children, families and communities to help them prepare for emergencies.

When crisis strikes, we provide immediate

emergency relief, ensuring children's health, education and protection needs are met.

For example, we create Child-Friendly

Spaces for children to safely play and learn, even in the midst of crisis. Unique, among emergency responders, Save the Children stays as long as it takes after crisis strikes, helping children, families and communities recover from their losses and rebuild their lives.

emerg

Emergency Response

In addition to the major crises in Syria and the Philippines in 2013, we also aided the children of conflict-affected South Sudan and China's earthquake, and we continued meeting the ongoing needs of children in West Africa and East Africa. In fact, East Africa's child hunger crisis is still our largest ever multi-country humanitarian response.

Here in the United States, in addition to our response to the Oklahoma tornadoes, we also responded to flooding in Colorado, supported our colleagues in Canada in responding to the Alberta floods and continued meeting the ongoing needs of children affected by Hurricane Sandy in New York and New Jersey. And in the wake of the tragedy in Newtown, CT, Save the Children partnered with other likeminded organizations to call on the President and Congress to give top priority to children's issues, including reducing childhood poverty, obesity, illiteracy and violence.

Syria

Now in its fourth year, the Syrian conflict is a complex emergency affecting an estimated 4.3 million children inside Syria and 1.3 million refugee children across the region. Our



long-standing local presence has enabled us to reach 1.2 million children in Syria, Lebanon, Jordan, Iraq and Egypt, and we're reaching more every day.

We're enabling families to access essential household supplies, clean water and sanitation, and to improve their food security and livelihoods. And we're helping children recover from shocking experiences and return to school.

In 2013, we vaccinated 21,000 children to help prevent polio among the ever-growing refugee population. During the winter months, we ran our largest ever shelter program to support refugee families.

Despite the challenges of working in a conflict situation, we assisted nearly 715,000 people inside Syria. We've also been advocating for increased access for humanitarian aid. Our lobbying helped persuade the UN Security Council to pass a resolution calling for unimpeded humanitarian access in Syria.

The Philippines

When Typhoon Haiyan hit the Philippines in November, we were one of the first international agencies on the ground – because we were there and prepared. This

response was our first truly joint operation with the medical charity Merlin in 2013, helping us save even more lives in times of crisis.

We achieved rapid results for children by establishing nine mobile clinics and deploying a specialist trauma team to treat people in Tacloban and on remote islands. We provided more than 42,000 medical consultations. We also delivered food to 200,000 children and their families, and provided water, medicine, shelter and psychosocial support.

We're there for the long haul, to help communities rebuild their lives, particularly in nine of the poorest provinces that suffered the most. Through a three-year strategy, we aim to build a better future for over 800,000 children in the Philippines. We're investing in social services to safeguard children, and we're building community resilience to minimize future shocks.



Global Health Force

In 2013, Save the Children welcomed Merlin to the movement. By joining our global health expertise with Merlin's established network of frontline health workers, we extended our operational reach by the millions, creating a truly world-class global humanitarian health force for children and families living in some of the toughest places in the world. Supported by corporate partner Reckitt Benckiser.



32 Save the Children Photo: Lynsey Addaris

Get Ready. Get Safe.

In 2013, Save the Children launched Get Ready Get Safe – a pioneering initiative designed to help U.S. communities prepare to protect and care for the most vulnerable among us in times of crisis – our children. We help

generate child-focused
emergency plans,
provide emergency training
and ensure
emergency
resources are
in place before
crisis strikes.

A child care center director in New York reviews critical Get Ready Get Safe information with her staff – so they can keep kids safe during crisis.



Oklahoma Tornadoes

One moment, it was a lovely spring day, the next a scene of unimaginable terror, devastation and loss as a series of tornadoes tore through central Oklahoma in May, severely impacting the lives of tens of thousands of people. Save the Children, the nation's leader in child-focused emergency response, immediately deployed emergency teams to protect and support children and their families, providing critical funds and programs to help childcare facilities rebuild and families rebound. With the help of our generous supporters, we have reached almost 18,500 people, more than half of them children – with immediate relief and long-term recovery services. And our efforts continue.

Hurricane Sandy

In one of our largest domestic emergency responses to date, Save the Children has continued throughout 2013 to help children and their families in the northeastern United States still struggling to cope with the devastation caused by Hurricane Sandy. Our comprehensive emergency response has helped more than 52,000 people, including some 40,000 children. And we're still there. We've restored child care centers and helped get kids back to school. We've delivered our Journey of Hope emotional recovery program to thousands of children and their caregivers. We're still helping entire communities rebuild and return to normalcy, including strengthening emergency readiness throughout the region.

2013 Highlights

We helped almost 18,500 people, more than half of them children, in tornado-damaged areas of Oklahoma, and we continued helping some



40,000 children recover from the devastation of Hurricane Sandy.

We responded to

humanitarian crises, including armed conflict and natural disasters, in 48 countries, directly reaching 7.65 million people, including 4.15 million children.

We provided desperately needed aid to

1.2 million & Albanden

in Syria, Lebanon, Jordan, Iraq and Egypt.

34 Save the Children 2013 Results for Children 35

For our future.

Save the Children the Children works to ensure that our decades of practical experience translate into lasting change for generations of children to come. We work with policymakers at the local and global levels, advocating for policies that will give millions of children the best chance for success – securing a better future for us all.



Policy. Advocacy.

Through the power of advocacy, Save the Children leverages the sustainable success of our programs to achieve large-scale results for children. We speak on behalf of children with some of the world's most powerful authorities – from the U.S. government to the United Nations Security Council – advancing policy change and securing investments that benefit millions of children, not only for today, but for our future.



Thanks to you, we advocate for better lives - and futures - for mothers and children like Sadma and 18-month-old Madheeha from India.

Around the World

In 2013, Save the Children achieved tremendous progress for children through the power of advocacy in several priority areas.

For maternal, newborn and child health and nutrition, we exceeded our policy objectives, helping secure the highest-ever U.S. Government investment of \$820 million, representing a 12 percent increase for health and a 21 percent increase for nutrition.

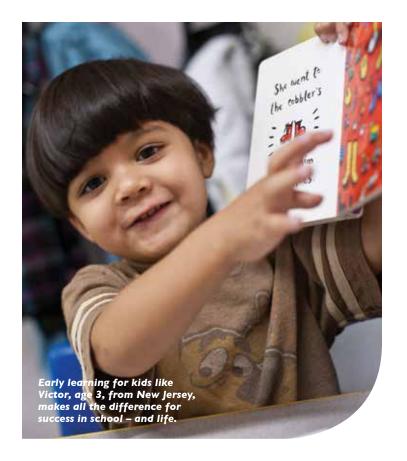
Our sustained advocacy efforts on behalf of Syria's children resulted in additional U.S. humanitarian assistance, allowing Save the Children to deliver desperately needed emergency relief to millions of children inside Syria and in refugee camps along its borders. We also advocated for the Presidential Statement on humanitarian access in Syria, which was adopted by the UN Security Council.

On food aid, our considerable work led to Congress taking bold action on reforms in programming flexibility and efficiency that will result in reaching up to one million more children and families suffering from hunger here in the United States and around the world, with the same level

Save the Children continues to be a leading voice for children as we approach the 2015 deadline for reaching the world's current global goals to address extreme poverty – the Millennium Development Goals (MDGs) - and world leaders begin to shape the future agenda. Save the Children's global flagship report, Framework for the Future: Ending Poverty in a Generation, outlines a new development system to end extreme poverty in the next 20 years. An historic achievement is within reach. Save the Children is already working with many of the key public, private, civil society and academic partners in this dialogue - focused on ensuring that the post-2015 framework clearly accounts for the needs of all children.



Every day. In times of crisis. For our future.



In the United States

More than half of our nation's young children are not enrolled in preschool, despite overwhelming evidence that early childhood education makes an enormous difference in narrowing the achievement gap, especially for children who come from families living below the

Save the Children's Mark Shriver and Artist Ambassador Jennifer Garner helped launch bipartisan legislation on Capitol Hill last year that would dramatically expand early learning opportunities in America. The "Strong Start for America's Children Act" builds upon President Obama's early education proposal announced in his 2013 State of the Union address by helping states fund preschool for all children of low-income families and by expanding additional learning opportunities.

Shriver and Garner were joined by Secretary of Education Arne Duncan and the bill's cosponsors, Sen. Tom Harkin (D-IA), Rep. George Miller (D-CA) and Rep. Richard Hanna (R-NY) to unveil the legislation, alongside preschool children, parents, educators, and members of the law enforcement, military, and business communities.

Since 2008, Save the Children has conducted pioneering, national research to determine how well our states are prepared in an emergency to care for our most vulnerable citizens: our children. We have actively

All children deserve the chance to succeed, but right now millions don't get one. With this legislation, we have an historic opportunity to give the nearly I in 4 children living in poverty a chance at a brighter future."

> — Jennifer Garner Actress and Save the Children Artist Ambassador





advocated for and continue to track significant progress since then. Our 2013 Disaster Report Card revealed that five additional states meet all preparedness standards, a notable increase over 2012 – for a new total of 22 states.

Unfortunately, despite a record disaster year and high-profile school tragedies, most states still fall short when it comes to protecting our children in emergencies. Save the Children continues to advocate for change, ensuring our children's safety – and holding our states accountable.

Investment in Children

Although children are universally regarded as society's hope for the future, governments too often underinvest in them. Save the Children's innovative Child Rights Governance strategy focuses on local children's champions and the fundamental role they play competing in the political arena for public resources for children. A new Save the Children program in Tanzania is showing how this strategy can influence local governments to invest in programs vital to children – in this case, a "one-stop center" at the local hospital to treat and prevent violence against children.

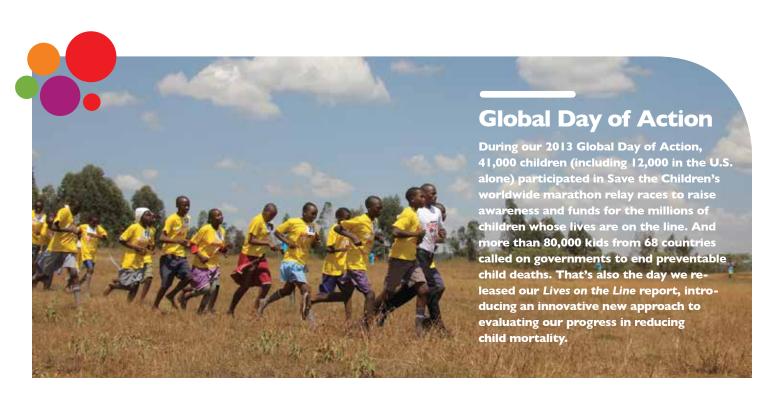
Advocacy Summit 2013

Save the Children took our annual Advocacy Summit in Washington, DC to a whole new level in 2013 – with increased participation, both in person and virtually, and more Congressional meetings and other advocacy actions. Our focus: Keeping Kids Safe.

We secured participation by Senior Advisor to the President Valerie Jarrett, USAID Administrator Raj Shah, Former Senate Minority Leader Tom Daschle and five members of Congress. In addition, we tripled co-sponsorship for the Frontline Health Worker Resolution, quadrupled the number of signers to the MCH funding letter, and identified numerous Congressional supporters and champions for children. In addition, closing ceremonies included recognition of our REAL Award winners for their extraordinary service in health care.

We not only advanced policy change, but we positioned Save the Children as the "go-to" organization for children among key influencers.

Pfizer Inc was our first-ever Advocacy Summit corporate sponsor, with participation by the Greenwich Leadership Council, other corporate partners, major donors, child sponsors and members of the Frontline Health Workers Coalition.



2013 Highlights

Since 2010, we have effected policy change in 30 states $\star \star \star \star \star \star \star \star$ potentially benefitting nearly 48 million American children. $\star \star \star \star \star \star \star \star$

Our global footprint enabled us to conduct

3 7 advocacy initiatives in 68 countries, securing a strong future for children around the world.

Save the Children and partners garnered over

100,000 signatures

to give children's issues top priority.

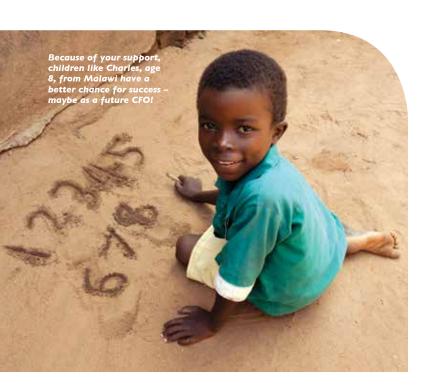
42 Save the Children 2013 Results for Children 43

Our Finance Report

Save the Children USA's financial standing continues to remain very strong after concluding our 82nd year of investment in the well-being of the world's children.

Led by robust humanitarian responses to the emergencies in Syria and the Philippines, 2013 brought the highest level of operating revenue to Save the Children USA in agency history: \$676.3 million, a 13 percent increase from 2012. Contributions and private grants, including Commodities from the UN's World Food Program, accounted for \$395.5 million, 58 percent of revenues, while U.S. government support, including its portion of Commodities, totaled \$206.3 million, or 31 percent of revenues. Child Sponsorship, at \$53.7 million, represents 8 percent of the remaining 11 percent of operating revenue.

Agency spending for the year totaled \$675.1 million, another historic high, with significantly increased spending in the Middle East on the Syria emergency, almost tripling the region's geographic portion of spend, from 7 percent of total in 2012 to 18 percent



in 2013. Spending in Asia, Africa and the U.S. all remained approximately the same proportionate size as 2012, with only Latin America declining. Approximately 35 percent of programmatic spending was related to emergency response activities (up 5 percentage points), 23 percent for health/nutrition and 17 percent for education. The remaining 25 percent is fairly equally divided among the remaining thematic areas.

Save the Children USA experienced an unrestricted operating surplus of \$3.9 million in 2013, due mainly to the one-time gain on the sale of our Westport headquarters building for \$4.25 million. The resulting difference is virtually breakeven (a \$351 thousand unrestricted operating deficit, or 0.05% of operating revenue). We also experienced a \$2.7 million timing-related deficit in temporarily restricted funds from the spending of the previous year's restricted funds.

Unrestricted net assets totaled \$126.3 million in 2013, up \$14.7 million from 2012, and total net assets increased by 8 percent to \$197.6 million, the highest in agency history. The overall net asset changes reflect endowment gift inflow, currency exchange, the operating deficit, and a 14.5 percent overall investment performance (with 10 percent used to increase net assets).

In 2013, Save the Children USA directed 89.4 percent of overall expenses to programs – an important measure of financial health. For the past nine years straight, we have kept the private cost of raising \$1 at, or below, 10 cents. And for the 12th year in a row, Charity Navigator gave us its highest four-star rating.

Save the Children USA entered 2014 financially strong and well positioned to move forward in strengthening our global movement for children – securing a better future for all of us.

Richard K. Trowbridge, Jr.

Chief Financial Officer

Vice President, Finance and Treasurer

Condensed Audited Financial Information

For the 12-month period ending December 31 (all \$ in 000s)

OPERATING EXPENSES AND CHANGES IN NET ASSETS	2013	2012	Change \$	Change %
TOTAL OPERATING REVENUE	\$ 676, 348	\$ 597,229	\$ 79,119	13%
Other Revenue *	20,899	15,438	5,461	35%
Child Sponsorship	53,694	48,530	5,164	11%
Commodities and Ocean Freight	102,452	72,481	29,971	41%
U.S. Government Grants & Contracts	180,600	174,311	6,289	4%
Private Gifts, Grants, & Contracts (incl. Bequests)	\$ 318,703	\$ 286,469	\$ 32,234	11%
OPERATING REVENUE	2013	2012	Change \$	Change %

TOTAL INCREASE/DECREASE IN NET ASSETS	\$ 14,678	\$ (11,610)	\$ 26,288	226%
Non-Operating Activity (Endowment gifts & pledges, investment earnings and exchange gain/loss)	13,445	8,629	4,816	56%
(Deficiency) related to Temporarily Restricted Funds	(2,669)	(16,594)	13,925	
Excess/(Deficiency) related to Unrestricted Funds	3,902	(3,645)	7,547	
Excess/(Deficiency) of Operating Revenue over Expenses	1,233	(20,239)	21,472	
TOTAL OPERATING EXPENSES	675,115	617,468	57,647	9%
Management & General	31,221	30,837	384	1%
Fundraising	40,157	38,502	1,655	4%
TOTAL PROGRAM SERVICES	603,737	548,129	55,608	10%
Program Development & Public Policy Support	34,143	28,862	5,281	18%
Subtotal Program Activities	569,594	519,267	50,327	10%
Child Rights Governance	1,573	1,331	242	18%
Child Protection	16,112	21,489	(5,377)	(25%)
HIV/AIDS	48,715	40,718	7,997	20%
Hunger & Livelihoods	47,122	54,557	(7,435)	(14%)
Education	104,109	110,806	(6,697)	(6%)
Health & Nutrition	140,055	135,778	4,277	3%
Emergencies	\$ 211,908	\$ 154,588	\$ 57,320	37%
PROGRAM SERVICES				
OPERATING EXPENSES AND CHANGES IN NET ASSETS	2013	2012	Change \$	Change %

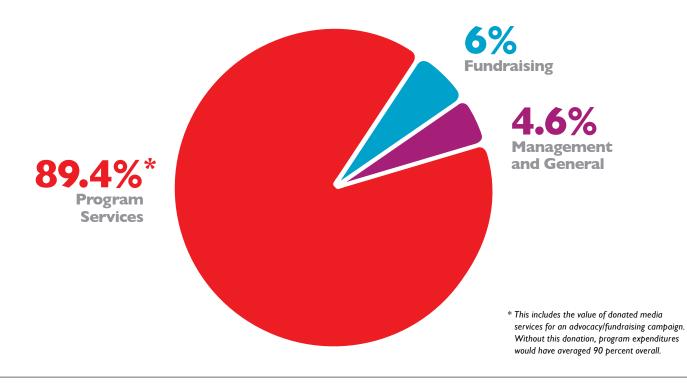
COMPOSITION OF NET ASSETS	2013	2012	Change \$	Change %
Unrestricted	\$ 126,300	\$ 111,577	\$ 14,723	13%
Temporarily Restricted	42,029	42,431	(402)	(1%)
Permanently Restricted	29,250	28,893	357	1%
TOTAL NET ASSETS	\$ 197,579	\$ 182,901	\$ 14,678	8%

st Other Revenue includes a one-time gain of \$4,253 on the sale of the Westport Headquarters building in November 2013.

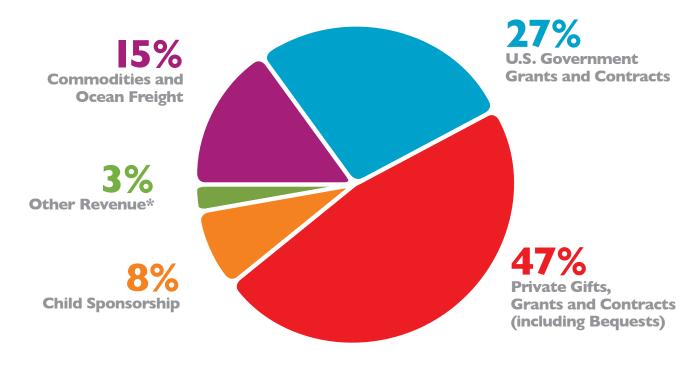
44 Save the Children Photo: Left, Amos Gumulira 2013 Results for Children 45

In 2013, on average, based on 2012 costs to administer cash gifts (non-Gifts-in-Kind) donated for current use, Save the Children charged 6 percent for fundraising, 6 percent for management and general, and 5 percent for program development and public policy support.

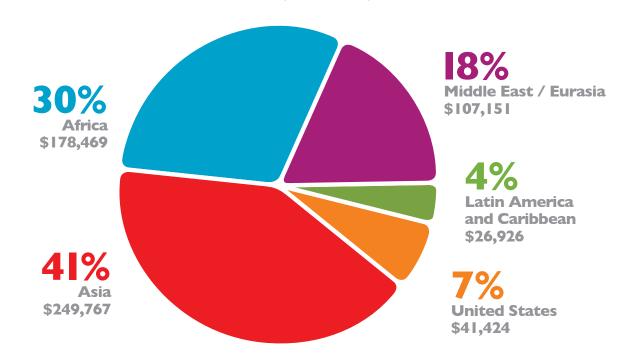
How We Use Our Funds



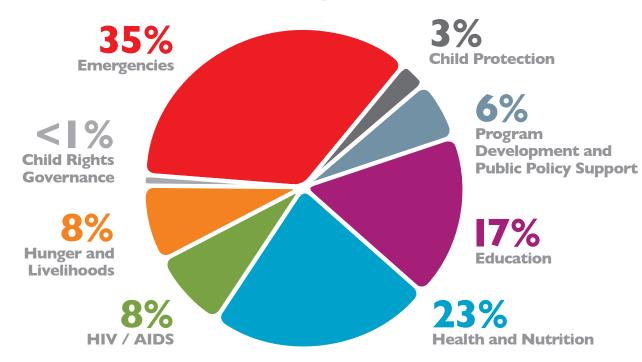
Operating Revenue



Where We Work (all \$ in 000s)



Nature of Our Programs



46 Save the Children 2013 Results for Children

Our Valued Investors

Global Corporate Partnerships

Save the Children is uniquely placed to deliver national and global partnerships. We focus on building longterm, mutually beneficial strategic relationships. Our Global Corporate Partners have committed \$3 million or more annually toward Save the Children's mission and are working in four or more global markets. We would like to thank all of our corporate partners, whose investment helps us scale up our programs, transforming children's lives - and futures.

Since 2010, Save the Children has partnered with Accenture on its

Skills to Succeed initiative, which equips young people around the world with skills to get a job or build a business. With Accenture's support, we will reach nearly 44,000 youth by 2015. We are proud to welcome Accenture as a global corporate partner.

Because of our successful partnership, Skills to Succeed has become a Save the Children signature program. In addition to having committed more than \$5.7 million to date to Save the Children, Accenture provides support by investing the time and skills of its people on pro bono consulting projects.

"Corporate citizenship is fundamental to Accenture's character and the way we run our high-performance business. We are proud of our long, expanding partnership with Save the Children. They play a vital role in both maximizing social impact and as our partner in our Skills to Succeed goal of helping 700,000 people by 2015."

- Bent Dalager, Accenture Managing Director Financial Services, Nordic



BVLGARI

Since 2009, our partnership with Bulgari has helped us to transform the lives of 600,000 children in more than 22 countries. We have done this through improving the quality of education, the stepping stone to a positive future and the best route out of poverty.

Over \$27 million has been cumulatively raised through sales of a specially-designed ring, promoted thanks to the pro bono support of over 170 celebrities.

"It is my heartfelt belief that aligning common interests across our two worlds and cultures will not only enhance **Bulgari's corporate reputation and Save the Children's** philanthropic reach, it will also make all of us even more passionate and committed about what we do."

- Jean-Christophe Babin, CEO, Bulgari



In 2013, we launched our global partnership with GlaxoSmithKline to help save

the lives of a million of the world's poorest children. Through this unique collaboration, our two organizations are sharing expertise, resources, reach and influence to tackle some of the leading causes of childhood deaths. We are accelerating progress on lifesaving, low-cost products including a gel to prevent umbilical cord infection in newborn babies.

GSK also began its support of our signature program in Democratic Republic of Congo, which aims to reach 450,000 people with essential, basic health care - we have already reached more than 2,000 rural children through an immunization campaign.

"A partnership of this scale gives us an opportunity to do something amazing - to help save the lives of I million children - and transform the lives of millions more. By joining forces with Save the Children, we can create a new momentum for change and stop children dying from preventable diseases."

- Sir Andrew Witty, CEO, GSK



The IKEA Foundation is our largest global corporate partner. We have peen partners with IKEA since 1994.

Together, we have developed the IKEA Code of Conduct to prevent child labor in its supply chain. IKEA's Soft Toys for Education campaign has benefited more than II million children over the past 10 years by generating nearly \$93 million for Save the Children and UNICEF, including \$14 million in 2013.

Since 2008, we have worked together to address the root causes of child labor in the cotton seed and cotton production industry in India and Pakistan. So far, more than 60 of our programs around the world have been supported by the IKEA Foundation.

"Our collaboration with Save the Children has helped millions of children in developing countries, by improving education and promoting children's well-being. Together, we are helping children all over the world break the cycle of poverty and build a brighter future for themselves and their families."

- Per Heggenes, CEO, IKEA Foundation



2013 marked the 10th year of our global partnership with RB and the re-launch of "Healthier kids, Happier homes," Our HEALTH HYGIENE HOME joint ambition is to help stop children

under age 5 dying from diarrhea by 2020, by combining our expertise and skills and investing in new product innovation.

The partnership raised \$9 million in 2013 through employee fundraising and corporate donations. This funding enabled us to launch a groundbreaking program in Pakistan, with further programs to follow to help us realize our ambition.

"We want to make a difference by providing innovative solutions for healthier lives and happier homes. Our hugely expanded partnership with Save the Children will go some way to creating lasting improvements in the health and hygiene of vulnerable children and families globally."

- Rakesh Kapoor, CEO, RB



In 2012, Unilever committed to support Save the Children's global newborn and child survival campaign. Together, we aim to save and improve the lives of two million children and mothers by 2016, by improving access to health workers, basic nutrition and lifesaving interventions in five priority countries.

During 2013, the partnership's program work aimed to train 5,200 health service providers, improve health clinics and directly benefit 558,000 women and children.

"Our partnership with Save the Children aims to bring about transformational change. It has already touched the lives of more than I million mothers and children, but there is much more to do. Looking after future generations is an intrinsic part of our vision and our ambition to grow sustainably and equitably."

- Paul Polman, CEO, Unilever

Venture partnerships

A number of world-class partners help us to achieve results for children by sharing their core competencies, in return for fulfilling and valuable experience. In 2013:

The Boston Consulting Group provided important support to help us implement our strategy.

Freshfields Bruckhaus Deringer LLP's legal services assisted our governance structure and international programming strategy.

Baker & McKenzie's legal services supported us in implementing our international programming strategy, brand protection and employment

Egon Zehnder International assisted board reviews, as well as our governance and recruitment of senior leaders.

Standard Chartered Bank supported our leadership development and human resources function.

Fragomen LLP provided us with specialist legal services in the field of immigration.

48 Save the Children 2013 Results for Children 49



For 2013, we wish to recognize the exceptional support of these foundations:

Ahmanson Foundation

American Red Cross

The Atlantic Philanthropies

Barr Foundation

Bezos Family Foundation

The Bruderhof Community

Buffett Early Childhood Fund

The Carmel Hill Fund

Conrad N. Hilton Foundation

Crown Family Philanthropies

Dubai Cares

The ELMA Philanthropies and the ELMA Relief Foundation

The Charles Engelhard Foundation

Ford Foundation

GHR Foundation

James Annenberg La Vea Foundation

Bill & Melinda Gates Foundation

Hau'oli Mau Loa Foundation

William Randolph Hearst Foundation

The William and Flora Hewlett Foundation

John D. & Catherine T. MacArthur Foundation

Margaret A. Cargill Foundation

Newman's Own Foundation

Stavros Niarchos Foundation

David and Lucile Packard Foundation

Robert Wood Johnson Foundation

Robin Hood Foundation

Ronald McDonald House Charities Global

Ronald McDonald House Charities

New York Tri-State Area

Open Society Foundations/Open Society Institutes

Owenoke Foundation

The Oprah Winfrey Foundation

Anonymous (3)

Our Board of Trustees

Anne Mulcahy, Chair

Former Chairman and CEO Xerox Corporation

Mark V. Mactas, Vice Chair

Former President and COO Towers Watson Former President, Chair and CEO Towers Perrin

Cokie Roberts, Vice Chair

NPR and ABC News

Charles R. Perrin, Chair

Save the Children International Former Chairman Warnaco, Inc. Former Chairman and CEO Avon Products, Inc. Former Chairman and CEO Duracell International, Inc.

Tom Murphy, Chair Emeritus

Former Chairman and CEO Capital Cities/ABC

Cynthia Augustine

(as of 3/2014) Executive VP Global Chief Talent Officer

Susan Decker

Former President Yahoo Inc. Director Berkshire Hathaway Costco Wholesale Lead Director Intel Corporation

Joaquin Duato

Worldwide Chairman Pharmaceuticals Johnson & Johnson

Randall Eisenberg Managing Director AlixPartners LLP

Debra Fine

Founder and President Fine Capital Partners

Jennifer Garner

(as of 3/2014) Actress Artist Ambassador Save the Children USA Philip H. Geier, Jr.

The Geier Group Chairman Emeritus The Interpublic Group of Companies

Jeffrey Goldstein

Managing Director Hellman & Friedman LLC

Charlotte Guyman

(as of 3/2014) Director Berkshire Hathaway Corporation Director Space Needle Corporation Board of Advisors BrooksRunning Partner Social Venture Partners Microsoft Alumni Foundation

Bill Haber

President OSTAR Enterprises Co-Founder Creative Artists Agency

John Hayes

Chief Marketing Officer American Express Company

Austin Hearst

CEO and Chair Chestnut Holdings Board of Hearst Corporation

Ernie Herrman

(as of 3/2014) TIX Companies

Dr. Larry Horowitz

(as of 3/2014) President and Managing General Partner Selby Lane Enterprises, LLC Managing Partner Selby Life Sciences

Brad Irwin

President and CEO Welch Foods, Inc. Former President Cadbury North America

Josh James

(through 2013) Founder and CEO Freda Lewis-Hall

Chief Medical Officer Pfizer, Inc.

Joan Lombardi

Director Early Opportunities, LLC Buffett Early Childhood Fund Sr. Advisor Bernard van Leer Foundation

Linda Koch Lorimer

Vice President Global and Strategic Initiatives Yale University

David J. Mastrocola

Former Partner and Managing Director Goldman, Sachs & Co.

Henry McGee

(through 2013) Senior Lecturer Harvard Business School

Carolyn S. Miles

President and CEO Save the Children USA **Board of Directors** Darden Business School University of Virginia

Henry Miller

(through 3/2014) Chairman Marblegate Asset Management, LLC

Tom Moser

Former Vice Chair KPMG LLC

Bradley C. Palmer

Founder and Managing Partner Palm Ventures Former Senior Associate James D. Wolfensohn, Inc.

Bea Perez

(as of 3/2014) Chief Sustainability Officer The Coca-Cola Company

Judith Reichman, M.D.

Physician, Author Assistant Clinical Professor Obstetrics and Gynecology Cedars-Sinai Medical Center and UCLA Former Medical Contributor, Women's Health NBC, The Today Show

Dr. Andrea L. Rich

Former President and Director Los Angeles County Museum of Art **Executive Vice Chancellor Emeritus and Former Chief** Operating Officer University of California, Los Angeles (UCLA)

Sunil Sani

Heritage Sportswear, LLC CGS Industries, Inc.

Richard J. Schnieders

Former Chairman and CEO Sysco Corporation (SYSCO) President, SYSCO Director, SYSCO

Pernille Spiers-Lopez

Former President and CEO IKEA, North America Former Global HR Manager The IKEA Group Trustee Save the Children International Corporate Director Meijer Corporation, Coop- DK

Helene R. Sullivan

(through 3/2014) Former Vice President of Finance Save the Children

Amelia Vicini

President Fundacion Inicia Member, Board of Directors and Executive Committee Vicini Group Former Sr. Fashion Editor Town and Country Magazine

David Westin

Principal Witherbee Holdings, LLC Former President ABC News

Ronald Williams

(through 2013) Former Chairman and CEO Aetna, Inc.

Dona Davis Young

Former Chairman, President and CEO The Phoenix Companies Director **AEGON** and Foot Locker





NOTE NEW ADDRESS:

501 Kings Highway East Suite 400 Fairfield, CT 06825

2000 L Street NW Suite 500 Washington, DC 20036

I-800 Save the Children www.SavetheChildren.org











ON THE COVER:
Classmates Angel and Frankie,
both age I I, love to learn – and
they recognize the importance of
a quality education to their futures.
Thanks to your generous support,
Save the Children was able to help
children like these get back to
learning as soon as possible after
Typhoon Haiyan's devastating
blow to the Philippines. We set up
temporary learning spaces, supplied
with books and other learning
materials. Now Angel can continue
imagining herself as a character
in her beloved books, including
her favorite: Cinderella.

