TABLE OF CONTENT
Word from our Founder & CEO

YCAB Model of Change & Impact

2018 YCAB Social Enterprise Financial Updates

2018 Partners & Volunteers

2018 Program Highlights

Portfolio Companies Results
WORD FROM OUR FOUNDER & CEO

We are grateful for another year of impact to present to you. Just like any journey in life, there are crossroads along the way before arriving at a destination. In our case, there have been at least two crossroads we have had to face over the years and it was only this year, in 2018, that we made the turn towards the right direction.

After a few years of enduring the pain of the group’s restructuring, we have now finally arrived at a place where we belong; a place where we feel more at home, a place where we can settle. The universe of YCAB as a social enterprise has gravitated towards YCAB Ventures as the key driver of its premise of change – or in other words, its business model – while YCAB Foundation will take its shareholding position in the company. With this, YCAB Foundation will be able to continue to do what it does best, which is to provide access to education to those who otherwise would not have the opportunity to do so through the mainstream education system.

Importantly, we are not just after the completion of a certain education level. Our ultimate goal is for our graduates to have independence, or kemandirian, so that they can sustain themselves and their family’s livelihood.

After many years of experimenting a few empirical approaches, this year we cracked it. We have finally arrived at the right approach for impact measurement: one, we came up with the kemandirian index for youth graduating from our learning center (Rumah Belajar) with high school equivalent program called Paket C; and two, we are tracking on the increase of welfare of the mothers, the clients of our economic empowerment program.

The findings are promising. Youth that graduated from our Rumah Belajar shows no significant statistical difference in terms of their kemandirian (independence) in comparison to youth graduated from mainstream high schools. This means that our graduates can get jobs at the same rate with those graduating from the mainstream schools.

The second finding is this. YCAB’s economic empowerment program – the microloans given to mothers with the condition that their children stay in school – has managed to lift its clients (mothers) out of poverty. The data shows that mothers who stay in our program for more than three years have increased their income from US$2/capita/day to US$5-6/capita/day. This means that our program has been successful in bringing low income mothers out of poverty towards a safe zone, the “aspiring middle class”, as per World Bank’s standard.

Closing 2018, we are more than blessed to be able to take YCAB from sustainability to “thrivability”. I am excited to see how YCAB will thrive in the future with the right structure backed up with empirical impact results.
“Going forward, we will continue to do good and do it well. Thank you and God bless you all.”

Veronica Colondam
Founder & CEO
YCAB Foundation
VISION
To love and enable youth through hope and opportunity.

MISSION
• To enable youth through holistic youth development programs where education and access to finances converge to enable sustainable independence.
• To implement an inclusive and innovative approach that brings clear results and measurable impact.
• To inspire and enable other like-minded organizations by fostering public–private partnership.

CORE VALUES

INTEGRITY
Integrity is where core values and action meet consistently, resulting in confidence and trust from our partners and sponsors.

SERVICE
An attitude that wants to bring out the best in what we can do to achieve goals without thinking of any reward.

EMPATHY
Caring for the community is a fundamental value that all YCABers must have.

RESILIENCE
We embrace every challenge at hand as it gives us opportunity to learn and to exercise creative problem solving.

VIBRANCY
Vibrance is another word for Passionate. Passion for doing things that are beneficial to others.

EXCELLENCE
We set a high standard for every project that we embark on simply because we won’t accept anything less.
**YCB MODEL OF CHANGE:**
ECONOMIC EMPOWERMENT TO ENABLE EDUCATION

PHILANTHROPIC/SOCIAL INVESTMENT

Mission-driven Microfinance

Self-Reliant Youth

Access to Capital

Working Graduates

Income Stability

Enabling Education

YCB FOUNDATION
**OVERALL PROGRAM RESULTS**

**3,421,186 youth**

TOTAL OUTREACH
(accumulated numbers since 1999)

### ECONOMIC EMPOWERMENT

<table>
<thead>
<tr>
<th>471,807 estimated indirect beneficiaries</th>
<th>145,787 microfinance clients</th>
<th>IDR 946 Bn total disbursement</th>
</tr>
</thead>
</table>

| 86% youth employment rate (2018)² | 3,452 job/business created | 2,896,729 youth received soft skill training |

| 52,650 youth continuing education | 42,504 certificates granted | 51 learning centers | 9,883 school/implementor partners |

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¹ Combined domestic and international data as of 31 December 2018 (accumulative since 1999), additional output in 2018 = 111,949 youths

² New metric, based on YCAB Impact study on Youth Self Reliance, samples of Learning Center alumni and Microfinance clients’ children age 22-24 y.o, 2018
In order to be consistent with YCAB's Model of Change and in the spirit of simplifying YCAB’s organization structure, YCAB Foundation has made 25% investment in YCAB Ventures. Hence integration is achieved when the operation of microfinance that enables education done under YCAB Ventures becomes the key driver of YCAB’s model of change working towards “kemandirian” through education.

The “Portfolio Companies” of YCAB Ventures donate their dividends to benefit the Foundation. The “Affiliated Companies” are companies associated with the Foundation through personal shareholding of Veronica Colondam; her dividends from these companies are directly donated to the Foundation.
THE IMPACT

0.63
YCAB’s graduates are as competent as the graduates from mainstream school in terms of their employability (max. score 1.0)

86%
Youth are employed with fixed income

18%
youth become entrepreneurs and create jobs

51
Learning Centers

52,650
Youth continued education

42,504
Certificates granted

7%
Youth study in universities while having a job

Note
1 Based on 2018 impact study, conducted by researchers from the University of Indonesia to YCAB program alumni, aged 21-24 years. The self-reliance score is a composite index (scale 0-1) of 6 components: Job status, Work knowledge score, Self-determination score; Income score, Expenditure score, Savings score.
2 Based on 2018 welfare study, conducted by researchers from the University of Indonesia to YCAB Ventures clients, all of them are women micro entrepreneurs in the urban low income community.

Accumulative 1999-2018, note on estimated number of children as indirect beneficiaries from YCAB's economic empowerment program, is based on statistics number of 3.2 children among low income families.
145,787
Women ultramicro entrepreneurs received capital from YCAB Ventures

2000+
Women ultramicro entrepreneurs / year received training

IDR 946 BN
Total Disbursement

70%
Women ultramicro entrepreneurs reported an increase of confidence, ability to plan, problem solving and to decision making

Women micro entrepreneurs enjoy

295%
increased profit per week after becoming a micro capital recipient from YCAB

95%
have food security

58%
are able to start additional saving

471,807
Estimated number of children as indirect beneficiaries from YCAB’s economic empowerment program

99%
Children of micro capital recipients stay in school

IMPACT REPORT 2018
YCAB FOUNDATION
2018 IMPACT STUDY
MICROFINANCE BENEFICIARIES

16%

Women micro entrepreneurs surveyed were able to establish new businesses after receiving capital from YCAB.

Women micro-capital recipients from YCAB who had received training have a higher average operating profit than those who did not.

295%

Increase in profit per week
Before: IDR 898,750
After: IDR 2,656,997

Recipients who have received training have better SROI* than those who do not.

Note
* SROI (social return on investment) is based on the efficiency score calculated using the Free Disposal Hull (FDH) method by using the amount of investment for each type of beneficiary by YCAB as input and the self-reliance score as output.
2018 IMPACT STUDY
YOUTH SELF RELIANCE
(“Kemandirian” index)

86% are employed with fixed income
17% earn more than IDR 3.6 million per month
7% study in universities while keeping a job
18% become entrepreneurs

0.63
YOUTH SELF RELIANCE SCORE
(maximum score 1)

From the cost perspective, there is no statistical difference between the average score of Youth Reliant Index between youth who graduated from YCAB’s Learning Center and youth graduated from mainstream schools.

Benefits of YCAB Learning Center for dropouts*
YCAB Learning Center Alumni’s self-reliance score statistically have no significant differences compared to the formal school alumni.

Indirect effect of providing financial literacy training for women micro entrepreneurs that received capital from YCAB, to their children*
Children* from women micro entrepreneurs that received capital from YCAB, have better SROI*** rates than YCAB Learning Center alumni. However, there were no statistically significant differences
Children* from women micro entrepreneurs that received capital from YCAB and financial literacy training, have better SROI *** than those women micro entrepreneurs that do not receive trainings.

Note
* 21-24 years;
** The self-reliance score is a composite index (scale 0-1) of 6 components: Job status, Work knowledge score, Self-determination score, Income score, Expenditure score, Savings score
*** SROI (social return on investment) is based on the efficiency score calculated using the Free Disposal Hull (FDH) method by using the amount of investment for each type of beneficiary by YCAB as input and the self-reliance score as output.
MRS. DWI KAWENI

Client of YCAB Ventures
Nyimas Tangerang
Dwi had never thought of starting a business of her own. However, one of the requirements to be accepted as YCAB venture’s client is to have a pre-existing business. So, she is glad that she started to bake cakes for business. Everyday her homemade cakes are sold around the village by couriers or by orders made directly to her. The cost to make a slice of cake is only Rp 800 per piece which she can then sell to couriers for Rp 1,000/slice. Her sales reaches 800 cake slices per day, sometimes she may get order for more than 1000 slices per day.

With the help from her family, Dwi gets up around half past one every night to bake cakes so that they can be distributed to couriers at exactly at six in the morning. This daily preparation is only for cakes that are meant to be distributed to the couriers, excluding the occasional special-order cakes from her loyal customers. So, one can imagine her lack of sleep.

“During the fasting month, I can’t rest. From dawn to nine in the evening I have to bake cakes. I only can take a break during prayer time at Maghrib and Isya.” She elaborated it when remembering the difficulty to carry out business during the month of Ramadan.

Dwi is blessed with two children, one of whom is already studying in university. The tuition cost through the regular route did not dampen Dwi’s enthusiasm. But with her thriving small business, she is sure that she can afford her children tuition fees. She did not even apply scholarship for her child’s education.

“Thank you. My life moves forward. Our children go to school. Everything can be fulfilled.”

Dwi has more confidence on making financial planning for her business after taking part in YCAB’s financial inclusion training. She is very discipline to manage her daily income. Some used to cover her daily needs and some she saves. She said that training really helped her to plan better and save more.
**YCAB SOCIAL ENTERPRISE 2018 FINANCIAL UPDATE**

**Revenue**

- **2017**: IDR 47,8 billion
- **2018**: IDR 49,4 billion

**Expenses**

- **2017**: IDR 47,7 billion
- **2018**: IDR 52,38 billion

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1 Combined financial information: YCAB Foundation and YCAB Ventures, exchange rates are based on yearly average in data.oecd.org.

2 Decrease in numbers due to restructuring. 2018 numbers no longer accounted for Shared Services related revenue or expenses.
Ycab Portfolio Companies Valuation

IDR 56 Billion

IDR 47.8 Billion

2017 2018

Total Valuation

2 Combined financial information: Tera Klinik, Terrazone, MyDNA, exchange rates are based on yearly average in data.oecd.org

Ycab Affiliated Companies Financial Update

IDR 5.9 Billion

IDR 2.3 Billion

2017 2018

Total Revenue

IDR 2.5 Billion

2017 2018

Total Expenses

3 Combined financial information: FLIP, PLUS dan DanaCita, exchange rates are based on yearly average in data.oecd.org
## YCAB Social Enterprise Group

### 2018 People Updates

<table>
<thead>
<tr>
<th></th>
<th>YCAB Foundation</th>
<th>YCAB Microfinance</th>
<th>Business Unit</th>
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</thead>
<tbody>
<tr>
<td><strong>Number of Employees</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2017</td>
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<td>2017</td>
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</tr>
<tr>
<td>2018</td>
<td>109</td>
<td>2018</td>
<td>452</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td></td>
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</tr>
<tr>
<td><strong>Number of Volunteers</strong></td>
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</tr>
<tr>
<td>2017</td>
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<td>264</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2018</td>
</tr>
</tbody>
</table>
NOTABLE PARTNERS

accenture

ARNOTT'S

Bali United

BANK INDONESIA

BFI Finance

BNI

CIMB Niaga

Dow

facebook

HSBC

Indosat Ooredoo

Kao

L’Oreal Paris

Mandiri Investasi

Microsoft

Multistrada Arah Sarana Tbk

Northstar

ORICA

Samsung

tokopedia

Tower Bersama Group

USAID
VOLUNTEERS FROM AROUND THE WORLD

List of international universities where our volunteers and interns originated:

**USA**
- Harvard Business School
- UC Berkeley
- UCLA
- University of Pennsylvania
- University of South California
- Art Institute of Seattle
- Babson University
- Biola University
- Dartmouth University

**LONDON**
- London School of Economics & Political Science
- University of Warwick

**SINGAPORE**
- Singapore Institute of Management
- Yale - NUS

**JAPAN**
- University of Tokyo
Volunteers since 1999: 17,227
Volunteers in 2018: 264

INDONESIA
- Bandung Institute of Technology (ITB)
- University of Indonesia
- Padjajaran University
- State University of Jakarta (UNJ)
- Dipenogoro University
- Brawijaya University
- Bina Nusantara University
- Telkom University
- Atmajaya University and many more.

SINGAPORE
- 3

JAPAN
- 1

AUSTRALIA
- University of Canberra
- University of Melbourne
- University of New South Wales
- University of Technology Sydney

INDIA
- 5

SINGAPORE
- 3

INDONESIA
- 232

AUSTRALIA
- 5
DAUS
Student of Rumah Belajar Cipinang
"I was traumatized. I didn’t want to go to school. Because when I first entered Rumah Belajar, I had missed a month worth of curriculum time. But then I realized, I was the only one who could change the fate of my family economic condition. One day, I want my mother to be able to go to the Hajj,” Daus added enthusiastically.

When he was placed as favourite champion during the National YCAB Drawing Competition, he decided that the money from the competition will be used to settle his junior high school tuition fee from this old school to redeem his junior high school diploma.

Being the youngest of 5 siblings, he aspires to have a culinary business and travel around the world. He is also very keen to study English language to achieve his dreams. “Every morning I wake up at 3 AM to help my mother prepare nasi uduk to sell. Usually my mother gives me 15,000 rupiah per day for my daily transport and meal. That amount has to be enough to cover all my needs. I just don’t want to ask her for more,” he exclaimed, smiling at his mother.

“I will save the rest of my daily money and give it to my mother to increase her business capital.”
RUMAH BELAJAR YCAB PROGRAM RESULTS IN 2018

- YCAB runs Self Development Class in Duri Kepa as part of Center of Change initiative, supported by Silid Aralan Inc. Philippines, for junior high school students and their parents.

- Teachers have been trained by We The Teachers (WTT).

- 5 Learning Centers have been transitioned to local partners, while 2 learning centers were closed in 2018.
**YCAB’S HIGHLIGHTS: RUMAH BELAJAR ACHIEVEMENTS**

- Darius Waruwu, YCAB education equivalency teacher, Duri Kepa Learning Center, achieved 3rd place in the West Jakarta Region GTK Education & Education Competition Level II, Equality Tutor Category, on March 28-29 2018.

- PKBM (Pusat Kegiatan Belajar Masyarakat) Cinta Anak Bangsa managed to obtain B Accreditation from BAN PNF (National Non-Formal Education Accreditation Agency) where the accreditation process was held on November 13, 2018.

- YCAB Learning Center, represented by Rini Triyuni, Head of PKBM has been recognized as the 1st Winner of PKBM (education equivalency) Management Competition in the city of West Jakarta. In 2019 YCAB aims to compete representing DKI Jakarta at the National level competition.
Y Cab Projects Results in 2018 (Non-Rumah Belajar)

Highlights of 2018 projects:

- Y Cab through the consortium of USAID-RWAP, and Microsoft held skills competition & job fair events.
- Y Cab, Do Something Indonesia, and Facebook implement a holistic approach in educating youth, parents and schools on critical thinking.
- Work readiness and entrepreneurship programs are supported by HSBC & BI.
- Soft skills and health programs are supported by Kao and Dow.
- Do Something Indonesia followers have reached 13,476 in 2018, increased by 35% from 9,953 in 2017.
NOTABLE PARTNERS

- BANK INDONESIA
- DO SOMETHING INDONESIA
- Dow
- Facebook
- HSBC
- Indosat Ooredoo
- Kao
- L'Oréal Paris
- Microsoft
- USAID
YCB - GLOBAL SEVILLA
SCHOLARSHIP PROGRAM UPDATES IN 2018

GLOBAL SEVILLA SCHOOL UPPER SECONDARY SCHOLARSHIP RECIPIENTS

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>12</td>
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</table>
HIGHER EDUCATION YCAB SCHOLARSHIP RECIPIENTS (ONGOING)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>

NOTABLE PARTNERS

GLOBAL SEVILLA
Full Indah Campus
DINI AMALIAWATI
Rumah Belajar Duri Kepa Graduates
Dini Amaliawati is 22 years old. She has been taught to be independent by her parents since the early age. Every day she had to walk quite far just to go to school. Then one day, Dini and her mother decided to move to Jakarta hoping to change their future there. They had to work at a laundry place with an average income of thirty to forty thousand rupiah which is around U$2.5 per day during their early days in Jakarta.

When they arrived in Jakarta, Dini and her parents lived in a tiny rented house in Duri Kepa, West Jakarta. Due to their economic constraint, she was unable to continue her study. It was then Dini started to look for information about YCAB’s Rumah Belajar (learning center) through his brother, Ivan.

She immediately applied as a student of Rumah Belajar after knowing that the tuition cost is only ten thousand rupiah per month which is around U$ 80 cents. She joined every vocational program provided at Rumah Belajar. She was very excitedly to do all that knowing all those classes would be fruitful for her. During the program, she learned new things such as environmental studies and leadership skills which she found super beneficial for later career.

Currently, Dini is living her dream working as a Principal at the Arsaloka Kindergarten. Dini also provides private lessons with flexible and super affordable cost for underprivileged kids from the of age 6-8 years old in her neighbourhood.

Dini believes education must start from home for character building. Parents plays pivotal role in this process. Moreover, parents need to be proactive in helping their children to progress even further in life. Dini believes that only through hard work and perseverance one can progress. She also believes in the power of worship through prayers. That’s what she believes. That’s what she has practiced all these years.

“YCAB has taught me to grow, to find myself and provide education for our future generations.”
2018 YCAB MICROFINANCE SNAPSHOTs
2018 YCAB Microfinance in Numbers

### Active Clients
- 2017: 37,124
- 2018: 40,156
- Increase: 8%

### Number of Units
- 2017: 33
- 2018: 37
- Increase: 4%

### Number of Field Officers
- 2017: 173
- 2018: 208
- Increase: 20%

### Non Performing Loan
- 2017: 3.86%
- 2018: 4.53%
- Increase: 0.7%

### Income (IDR)
- 2017: 23.7 BN
- 2018: 28.7 BN
- Increase: 15%

### Outstanding (IDR)
- 2017: 37.9 BN
- 2018: 43.3 BN
- Increase: 14%

### Disbursement (IDR)
- 2017: 172 BN
- 2018: 202.7 BN
- Increase: 17%
MRS. TRI AMINI

Client of YCAB Ventures
Kedoya, West Jakarta
The first time Tri came to Jakarta in 2000, she began her life by working as a sales promotion girl (SPG) in one of Jakarta’s shopping malls. After she got married and had a child, Tri decided to start a salted egg business.

“Doing this business from home is very beneficial to me as I can work while taking care of my child. It means I don’t miss out on any of his development,” said Tri.

In Srengseng area, Kembangan, West Jakarta Tri started her salted egg business. The location is on Haji Niming street, West Jakarta, where she both lives in and produces the salted eggs. Then one day, one of her friends introduced her to YCAB microfinance programme. From that point on, Tri began to receive additional capital to grow her business in 2015.

“Hard work never betrays the results,” Tri explained when asked about her motivation to run salted egg business.

Starting from just selling it to warteg (street food stalls) around her house area, she is now supplying to several supermarkets, like Carrefour and one of the well-known hotels in Jakarta.

Starting with a capital of five-hundred thousand rupiah, her profit has now increased six times per day. With her initial capital, Tri was only able to produce 250 salted eggs. But now, every day she can produce between 1,300 to 1,500 salted eggs. After receiving capital assistance of three million rupiah (U$250) from YCAB Ventures, she has been able to increase her production by sourcing duck eggs directly from farmers. This way she can be more efficient in her production.

Every day Tri starts her work at six in the morning. Tri’s home production is now assisted by a number of people in Tangerang area. They work together in a “volume or bulk” system where Tri pays for and profit from this wholesale deal.

“Thank God, now I am able to send my children to school and fulfil my dream of having our own comfortable house to live in.”

As the result of her business growth, Tri now is able to fulfil one of her dreams of owning her own house. And not far from this house, she also managed to open a food stall where she retails her salted eggs and some other variety of daily necessities including cooking gas. Tri started this new business two years after she first received loan from YCAB Ventures.
“Education is a powerful tool to transform lives.”

Veronica Colondam
“Child by child, We build our world”
www.ycabfoundation.org

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