



# Annual report

2018



مؤسسة الملك خالد  
KING KHALID FOUNDATION





Working to create equal opportunities  
for a thriving Saudi Arabia



# Contents

05	MESSAGE FROM OUR BOARD OF TRUSTEES
06	LETTER FROM THE CHAIR OF THE BOARD
08	LETTER FROM THE CHIEF EXECUTIVE OFFICER
12	OUR YEAR IN REVIEW
14	OUR APPROACH
16	SOCIAL INVESTMENT
22	CAPACITY BUILDING
28	POLICY DESIGN AND ADVOCACY
34	SHAGHAF FELLOWSHIP
38	KING KHALID AWARD
46	GLOBAL ENGAGEMENT
50	KING KHALID MOSQUE
54	FINANCIAL REVIEW
60	CONTACT US

## A message from our Board of Trustees

**I**t was with immeasurable sadness that we confirmed the death of our CEO Princess Banderi bint Abdulrahman Al Faisal in March of this year. On behalf of the Board of Trustees and the staff of the King Khalid Foundation, I would like to express our sincere thanks for the sympathy, kindness, and well wishes we received from partners all around the world in response to the news.

Princess Banderi's accomplishments as CEO of King Khalid Foundation were surpassed only by her commitment to her community. She worked creatively and tirelessly to honour the legacy of her grandfather, King Khalid bin Abdulaziz Al Saud, and to fulfil his instruction to "look after the weak, for the strong can look after themselves." Her name was synonymous with impactful and innovative philanthropy.

It was Princess Banderi's vision, experience and bold determination that helped to shape King Khalid Foundation into a force for positive social and economic change – and one operated in the service of the people of Saudi Arabia. She will be greatly missed: by her family, her colleagues, and her broad network of friends and peers.

May Allah bless her, and accept her among the highest ranks of the prophets and their companions. May He grant her the highest paradise, and the companionship of the Prophet Muhammad (peace be upon him).

PRINCE FAISAL BIN KHALID BIN ABDULAZIZ AL SAUD  
CHAIR OF THE BOARD OF TRUSTEES





## A new chapter in our journey

**K**ing Khalid Foundation was established in 2001 with a clear aim: to honour the legacy of King Khalid bin Abdulaziz Al Saud, and to fulfil his vision of a thriving Saudi Arabia. As such, we bear not only his name, but his values and aspirations, and our work is shaped by his belief that Saudi Arabia's success will be built upon its people.

At King Khalid Foundation, we are proud of the journey we have undertaken, and the pace of our progress. Our projects, partnerships and initiatives have helped to ignite positive social and economic change and, in doing so, have made a profound contribution to the lives of individuals and communities within Saudi Arabia. We continue to strive for better outcomes and greater impact, in collaboration with our government, private and civil sector partners.

As the kingdom moves to realise its ambitious development plans, nonprofit organisations are poised to play an increasingly central role. Through Saudi Vision 2030, the government has recognised the sector as an active driver of economic growth, and a channel for impactful change. This acknowledgment is significant, and nonprofit organisations will be encouraged to further streamline and professionalise their efforts in the coming years, in support of our national goals.

Against this background, I am excited to announce that King Khalid Foundation has adopted a new strategic plan, which is designed to propel the foundation into a new chapter of strength and success. The plan is

the result of a comprehensive internal review, which saw us reflect upon our successes, our challenges and the lessons we have learned in more than a decade of nonprofit leadership. We also took stock of our accomplishments, and identified how we could deepen our established strengths and continue to make meaningful progress. The plan has been benchmarked against both local and international best practices and – we believe – offers an effective blueprint for growth in our programmes, our culture and our outcomes.

Our strategic plan is a reflection of our values and a sign of our commitment to remain at the forefront of sustainable development work in the kingdom, and wider region. Above all, it underscores our commitment to achieving a Saudi society with equal opportunities, striving towards prosperity.

I will close by saying that I pray to the Almighty that the soul of the late Princess Banderi bint Abdulrahman Al Faisal be consigned to His mercy, and that her deeds are accepted. We trust in God's wisdom and His absolute justice. May God grant our daughter Banderi mercy and the companionship of the Prophet Muhammad (peace and the blessings of Allah be upon him).

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**PRINCE FAISAL BIN KHALID BIN ABDULAZIZ AL SAUD**  
CHAIR OF THE BOARD OF TRUSTEES





## Towards a thriving Saudi Arabia

**K**ing Khalid Foundation is a champion of meaningful social change. Since launch, we have led efforts to reshape Saudi Arabia's nonprofit sector, encouraging our peers to move beyond traditional models of charitable giving and towards sustainable social development. At every milestone we have affirmed our commitment to our vision and mission: to support the creation of a more equitable Saudi society, where every individual has the opportunity and freedom to thrive.

This year has seen the foundation enter a new era of growth, following the launch of our updated strategic

plan. As a framework for our short and long-term goals the plan is designed not only to scale our impact and reach, but also to better align our efforts with Saudi Arabia's national priorities and the needs of the community. We are a partner in the kingdom's future, and are confident the nonprofit sector will play an ever-greater role in making Saudi Vision 2030 a reality.

The process also saw a comprehensive review of our work, and the streamlining of our activities and grantmaking. In order to commit to using our resources effectively in the pursuit of sustainable development, we plan to focus our efforts on empowering innovative



nonprofit organisations through the channels of grantmaking, training and capacity building, and to use evidence-led policy design and advocacy to support causes and policies that will strengthen society.

Last year saw us further our goals across these focus areas. We published a number of key reports, including the first comprehensive review of the kingdom's nonprofit sector. The Nonprofit Trends Report 2018 not only confirmed the sector as a driver of economic growth, in support of Saudi Vision 2030, but laid out a roadmap for its future development.

We also took aim at the challenge of financial inclusion, releasing an in-depth overview of financial access in the kingdom, which identified marginalised groups that struggle to access mainstream banking services. Empowering these people and organisations remains a key focus of our work.

We invested in a number of nonprofits, including those whose primary focus is to train and skill women, and to help them enter the labour market. This aligns with Saudi Arabia's push for gender equality.

We made strides in our efforts to grow and uplift the nonprofit sector. The first cohort from our Shaghaf Fellowship graduated from the programme, and we welcomed a new intake of fellows. We are immensely proud of Shaghaf, which is a joint venture with the Bill & Melinda Gates Foundation, and seeks to build a pipeline of future nonprofit leaders within the kingdom.

We also marked a decade of the King Khalid Awards, a milestone achievement that speaks to the impact of the award and its influence on both the corporate and nonprofit sectors. During the last 10 years we have partnered with hundreds of organisations to support them in growing their sustainability, increasing their diversity and innovation, and improving their performance and governance. We hope to see these collaborations increase, following our landmark agreement with the Saudi Stock Exchange, or Tadawul, where we jointly committed to promoting responsible

business practices among companies listed on the bourse. This partnership reconfirms the King Khalid Award as a vital platform for social, environmental and economic change.

In our advocacy work, we continue our efforts to develop a social protection framework, and to reduce the economic vulnerability of Saudi citizens. In our annual Development Dialogues series, we gathered key stakeholders from the civil, public and private sectors to discuss how best to tackle poverty, and to identify and scale successful interventions. Central to the debate was the role the private sector could play in amplifying social and economic solutions, and aiding marginalised communities. We hope to facilitate many such cross-sector partnerships as we move forward.

Beyond Saudi Arabia, we continue to play an active role in global development discussions, sharing our experience and insights with the international community. We were honoured to represent Saudi civil society at the C20 summit hosted in Buenos Aires, Argentina, and to participate in working groups and panel discussions designed to influence the G20 agenda. We also participated in a high-level political forum hosted by the United Nations, designed to track progress towards the sustainable development goals, where we shared a co-authored report on Saudi Arabia's success in this space.

For all of these achievements, we must thank our team of expert, dedicated and highly skilled staff, who work daily to make our new strategy a success, and to meet the needs of our many stakeholders. We look forward to the future with confidence. More and greater achievements are on the horizon, and we will strive to achieve them, for the greater good of our country and its citizens.

**PRINCESS BANDERI BINT ABDULRAHMAN AL FAISAL**  
**CHIEF EXECUTIVE OFFICER**

**WRITTEN ON FEBRUARY 13TH, 2019**



**Our vision:**

**A Saudi society  
with equal  
opportunities,  
striving towards  
prosperity**

**Our mission:**

**To achieve prosperity by  
mobilising and enabling  
stakeholders through  
social investment, capacity  
building and advocacy**

# Our year in review

**S**audi Arabia is in the throes of a dramatic transformation. From widespread economic reforms, to a renewed focus on women's empowerment, the kingdom is looking ahead to a dynamic and diversified future.

At King Khalid Foundation, these vast changes have prompted a period of review and reflection. For more than a decade, we have worked to uplift and mobilise the nonprofit sector, and to improve the lives of vulnerable people and communities within Saudi Arabia. We have pioneered an evidence-led approach to identifying and solving social and economic challenges, and championed the rise of sustainable development. Our team has swelled from just 15 staff members in 2008, to more than 100 today, and our programme portfolio has more than tripled in size. We are proud to be counted

among the kingdom's most innovative philanthropic institutes, and to be a partner to some of the world's leading nonprofit organisations.

But as a learning foundation, we must strive to listen and adjust to new realities, and to ensure we continue to contribute as best we can to Saudi Arabia's rapid pace of development. Doing so has meant taking stock of our strengths and weaknesses, our successes and failures, and forging a new path ahead.

We are excited to share that, following a decade of measurable impact, 2018 saw the launch of our new strategic plan. The plan is a map for the future that allows us to build on our deep and established expertise, while streamlining our work for optimal impact. It will ensure we have the clarity and operational capability we need to achieve our goals and mission, and to support and empower our

## 2030

The work of King Khalid Foundation contributes directly to the goals laid out in Saudi Vision 2030, which aims to build a sustainable future for the kingdom and its people

partners. It will allow us to respond with urgency and agility to the emerging needs of our community.

With growth comes change, and our new path has seen us reorganise and consolidate our programmes. Our lines of work will now target three primary areas: social investment, capacity building, and policy and advocacy. Through these focus areas, we will act to tackle inequality and create opportunity, and pursue our vision of a thriving Saudi Arabia, driven by sustainable development, and supported by an active society.

We will continue to seek out the people, nonprofits, companies and initiatives that share our values, and equip them with the tools and skills they need to deliver lasting social change. With our advocacy work, we will build support for policies that tackle the root causes of exclusion, and empower vulnerable communities. Through collaboration and investment in the nonprofit sector, we will focus on creating a powerful ecosystem of impactful organisations, able to spark change from the ground up.

Our new strategic plan will also see us play a part in a larger story. Globally, we align closely to the UN's Sustainable Development Goals, which call for the eradication of poverty and inequality. Nationally, as we take action on some of Saudi Arabia's most complex challenges, we will contribute directly to the progress of the government's Vision 2030 ambitions.

We are deeply proud of the progress we have achieved as a foundation, and we are optimistic about the journey that lies ahead. We look forward to partnering with you as we chart a new era of growth.

- 2001** King Khalid Foundation is established as an independent, national foundation, to honour the legacy and values of King Khalid bin Abdulaziz Al Saud
  - 2002** The foundation organises the first forum for nonprofits within the kingdom
  - 2004** An impact analysis reveals a lack of effective management skills in the nonprofit sector. This prompts the foundation to provide specialist training courses
  - 2008** The launch of the King Khalid Award, a platform to drive social change and sustainable business practices
  - 2009** The launch of the foundation's Capacity Building portfolio, giving organisations the skills to learn, improve and scale
  - 2010** The inaugural Development Dialogues take place; a cross-sector discussion forum to discuss pressing socioeconomic issues
  - 2011** The foundation unveils its Social Investment programme, to fund and scale impactful nonprofit organisations
  - 2014** The Our Youth, Our Future initiative begins, in partnership with the Human Resources Development Fund (HRDF), to tackle youth unemployment in the kingdom
  - 2015** The Sustainability Leading Practices (SLP) scheme launches, to train Saudi enterprises in responsible business practices
  - 2016** The foundation unveils the Shaghaf Fellowship, designed to cultivate future nonprofit leaders in Saudi Arabia
  - 2017** The foundation begins a new era of evidence-led research to influence government priorities and policies
  - 2018** The foundation adopts a new operational strategy designed to grow its outcomes and impact, and prepare it for the future
- The King Khalid Award marks its 10-year anniversary, celebrating a decade of innovation, empowerment, and of driving sustainable best practices among nonprofits and companies

## Milestones



# Our approach

**W**e strengthen, support and enable the people and organisations working to tackle inequality and create opportunity in Saudi Arabia. We do so through grants, knowledge building and partnership, and by advocating for causes and policies that align with our vision of a thriving Saudi society. Through systemic change, we are helping to grow a powerful ecosystem of actors working collaboratively to solve Saudi's most complex challenges.

In line with our new strategy, we have streamlined our work to better deploy our resources, and serve our mission. Our programmes now fall under three primary pillars of activity: social investment, capacity building, and policy and advocacy. Alongside this, we continue to drive forward the King Khalid Award – the region's leading accolade for corporate sustainability, nonprofit excellence, and social innovation – and the prestigious Shaghaf Fellowship, which equips Saudi Arabia's emerging nonprofit leaders with the skills, tenacity and vision they need to deliver sustainable impact.

## Our work

### **Social investment**

We invest in people and organisations working to promote equality and create opportunity

### **Capacity building**

We empower nonprofits and companies to deliver sustainable social and economic change

### **Policy design and advocacy**

We design and advocate for policies that address inequality and promote prosperity

### **King Khalid Award**

We enable and inspire changemakers and drive the growth of sustainable business practices

### **Fellowship**

We're building a pipeline of nonprofit leaders committed to supporting social change

The following pages show just some examples of how our work is delivering impact in action.

# Transforming our world

From economic empowerment, to advancing gender equality, our work supports more than half of the UN's Sustainable Development Goals





# **Social investment**





# Grantmaking for growth

## We invest in people and organisations working to promote equality and create opportunity

### Our impact

14

equal opportunity grants made, with a combined value of SR4.21m

176

people gained income-generating opportunities, through grantee projects

5

social startups registered, through grantee incubators and accelerator programmes

**W**e provide financial support to innovative nonprofit projects and organisations working to create equal opportunities in Saudi Arabia. Through strategic grantmaking, we aim to serve as a catalyst for initiatives that align with our goal of supporting inclusive social and economic growth.

#### Our progress

In 2018 we streamlined our grantmaking to better reflect our vision of a thriving Saudi society, where every individual has access to opportunity. Our grantmaking now targets projects and organisations that support skills development, employment and quality job creation, and which bring measurable long-term benefits to the wider community.

We focus particularly on improving income-earning opportunities among vulnerable groups in Saudi society, and on accelerating the rise of effective social enterprises.

At the heart of this new approach is our commitment to creating large-scale, sustainable impact, and to

ensuring our resources are used as effectively as possible. By investing in innovative nonprofit projects and social enterprises we are multiplying our impact, and helping to create a powerful ecosystem dedicated to public good.

Our grantmaking now centres on two primary areas:


#### Equal opportunity grants

We awarded 14 equal opportunity grants in 2018, with a combined value of SR4.21m. Funding was given to projects designed to give marginalised groups the skills and expertise required to access employment, improve their earning potential, or gain new economic opportunities.

Projects were selected from across Saudi Arabia, and represented a range of sectors. Among them was the Al-Mansorah Charitable Society for Social Development and Services, whose initiative aimed to give 100 young Saudi women the skills they needed to enter the job market. Through funding and mentoring, the project







also helped 30 young women to launch their own microenterprises.

We supported the Jazan-based Al Berr Society in its efforts to equip 80 unemployed people with the skills to make, package, market and sell soaps and perfumes. Through partnerships with the private sector, graduates were also helped to bring their products to market.

This is just a snapshot of how our grantmaking delivers impact. In the past year, our equal opportunity investments have helped 176 vulnerable people to access employment, launch their own small business, or increase their income. Some 70 per cent of beneficiaries reached by our grantees improved their employment-related skills.

### **Social entrepreneurship grants**

We invest in business incubators and accelerators that work with social startups, and which use training, expertise and mentorship to help early-stage entrepreneurs flourish. We committed SR942,620 in 2018 to helping three organisations to cultivate purpose-led businesses, resulting in the registration of five new social startups. Our goal is to ensure more social enterprises move from ideation to impact, and to encourage the growth of sustainable, inclusive businesses.

### **CASE STUDY**

## **Taking aim at youth unemployment**

The Middle East is home to the world's highest youth unemployment rates. In Saudi Arabia, strong economic growth has spurred job creation – but not at a pace fast enough to match its large and young population.

Training and skills organisation Masarat Global is among a number of actors working to help Saudi youth gain a foothold in the labour market. In 2018, the company received grant funding and capacity building support from King Khalid Foundation to kickstart a project designed to train and place young Saudis in jobs. Through partnerships with private sector companies, 'Forsati' aimed to equip unemployed and underemployed youth with skills that match the needs of the labour market.

The scheme helped 150 nationals boost their skills and employability for the workplace. Not only did 100 per cent of trainees go on to secure jobs but – thanks to the project's focus on securing decent employment positions – all have remained in their roles.

"Working with KKF represented a true meeting of minds," says Naif Hussain al Khalifa, CEO at Masarat Global. "We have been honoured to pool ideas and resources to help tackle the very pressing issue of youth unemployment in Saudi Arabia, and to offer a sustainable solution."

### **CASE STUDY**

## **Closing the disability employment gap**

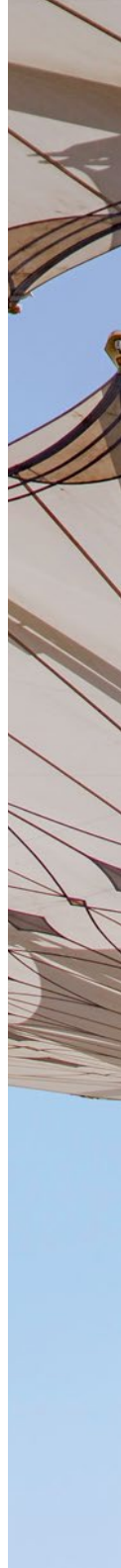
People with disabilities from low-income families make up some of Saudi's most excluded demographic. Ma'een for the Rehabilitation and Employment of People with Disabilities, a project devised by nonprofit volunteering organisation Sa3ee, aims to change that by opening up access to training and the workplace.

"Many people with disabilities are able to work and participate fully in society if they are just given the confidence and skills to do so," says Marzooq Abdullah Al Otaibi, chairman of Sa3ee's board.

In 2017, Sa3ee partnered with King Khalid Foundation and the New Trainers Training Center to help boost the vocational and professional skills of 42 young men and women with disabilities. Following this successful engagement, the foundation awarded Sa3ee a further grant in 2018, which helped it to reach a total of 500 beneficiaries – almost all of whom are now in work.

"King Khalid Foundation's support for impactful projects such as ours is exceptional," says Al Otaibi, adding that the organisation plans to train and place 1,000 more recruits by the end of 2019.

"It's a sign to all people with disabilities that they have huge potential, and should not be overlooked."





#### CASE STUDY

### Helping social enterprises take flight

Tasamy is in the business of ideas. The Riyadh-based nonprofit incubator works by helping early-stage social entrepreneurs to develop and scale sustainable solutions to social problems.

In 2018, Tasamy and King Khalid Foundation joined forces on a year-long incubator and accelerator programme, from which the foundation selected two social entrepreneurs from a group of 17 to support. Helped by seed funding, as well as expertise delivered via skills workshops, both social startups – one designing an employment programme and the other focused on education – have graduated from ideation through to implementation. Thanks to King Khalid Foundation's support, they are helping to tackle two important social problems.

"The projects matched King Khalid Foundation's goals exactly," says Ameera Alnujaim, project and quality assurance officer at Tasamy, "so it was really a perfect fit."

As the first programme of its kind and scale in Saudi, Alnujaim hopes it will lead to a more buoyant ecosystem for the country's purpose-led entrepreneurs.

"King Khalid Foundation is a pioneer in this sector, so when they step in and enable and empower social entrepreneurs, it encourages others to do the same," she says.



# Capacity building







# Creating catalysts for change

## We empower nonprofits and companies to deliver sustainable social and economic change

### Our impact

5

nonprofits supported through incubation

6

nonprofits accelerated to strengthen their organisational capacity

26

Saudi youth trained in social entrepreneurship

**O**ur capacity building programmes empower organisations to become catalysts for social and economic growth. Whether through strengthening internal resources, or bolstering core skills, we equip nonprofits and social enterprises with the tools they need to learn, improve and scale. By investing in the long-term health and effectiveness of organisations, we are creating a community of changemakers, working to support equal opportunities within Saudi Arabia.

#### Our progress

We accelerated the growth and impact of social enterprises, nonprofits and their employees through a blend of workshops, practical training, and focused, individual support. In 2018, five nonprofits were incubated, and a further six were helped to boost their abilities in specific areas. In our training workshops, nonprofit professionals from across Saudi Arabia were supported to hone their skills, and better serve their missions.

In our work with early-stage social enterprises, we focused on enabling Saudi youth to develop and pitch initial ideas for social projects. We also forged new partnerships, joining with the MIT Enterprise Forum Saudi Arabia, which acts to find, explore and grow young entrepreneurial talent, as its national Social Entrepreneurship Partner.

We also paired with Mowgli Mentoring to link fledgling social entrepreneurs with mentorship opportunities. A first-of-its-kind engagement in the kingdom, the partnership aims to unlock entrepreneurship potential and boost economic success, using the advice and support of experienced mentors.

A snapshot of our achievements this year include:

#### Incubation

Our incubation programme gives a mix of practical and strategic support to promising nonprofits within Saudi Arabia, building their capacity, and scaling their impact. We put strong focus on teaching nonprofits to adopt innovative best practices, and



to track their outcomes and impact. We also encourage nonprofits to engage with our active alumni network, which drives knowledge sharing among peers and helps to uplift the wider sector.

We incubated five nonprofit organisations this year, in cause areas ranging from healthcare, to housing, to support for victims of crime, among others. Nonprofits benefited from a full review of their operations, and long-term, tailored support to enrich their work and sustainability.

### Acceleration

Our acceleration programme helps nonprofits strengthen one distinct area of organisational capacity. We use one-to-one support to help organisations to identify and solve problems, and to boost their expertise within the defined area.

We accelerated six organisations this year, sourced from across Saudi Arabia, with a focus on developing governance plans and building an effective Board of Directors. Effective management will be crucial

**Below.** Social enterprises are a tool for job creation, economic sustainability and community good



“The training our employees received from King Khalid Foundation has had a clear impact on the success of our organisation, and tangible benefits for our beneficiaries”

Fatima Ahmed El Tounsi, executive director,  
Taiba Women’s Social Development Association

to advancing their missions, and to encouraging impact-focused work that benefits the wider community.

#### Training workshops

Through training, we help nonprofits and their employees gain the tools and knowledge they need for success. Our workshops this year gave in-depth, practical training in topics including impact measurement, financial planning and sustainability, and marketing and communications, reaching employees from more than 50 nonprofit organisations.

Our workshops deliver clear results. Of the 34 nonprofit employees who attended our workshop on impact measurement, tests showed 81 per cent had improved their skills and knowledge following the event. The Jubail-based nonprofit Wajih Women’s Charity Association, which works to support vulnerable families, reported an almost 90 per cent rise in its project revenues following its participation in a financial resources development workshop. This increase in its resources will be vital to helping it

expand its programming and reach additional beneficiaries.

#### Social entrepreneurship workshops

Social startups combine economic sustainability with social good, and can be powerful catalysts for community impact. We work to equip Saudi youth with the expertise they need to turn ideas into early-stage projects or businesses, and the confidence to develop as leaders.

We supported 26 young nationals to identify and shape initial ideas for social-led projects, initiatives and enterprises, and to pitch these to a panel of expert judges. Through our engagement with MITEF Saudi Arabia, we helped raise the profile of social-led businesses and – with targeted workshops – support entrepreneurs to enroll in the annual MITEF Saudi Startup Competition. This collaboration aligns with our aim to grow the social startup space, and to drive innovation and enterprise.







#### CASE STUDY

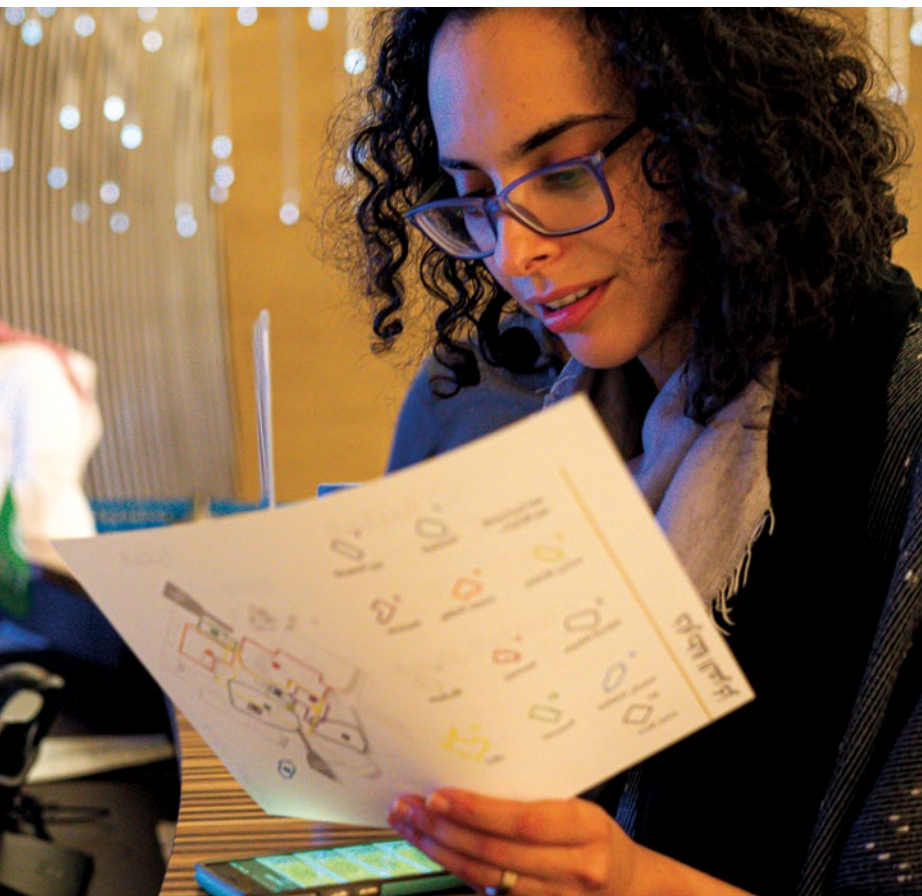
### Skilling women for the workforce

Al Janoob Women's Association knows that gender equality goes hand-in-hand with economic empowerment. Having worked with vulnerable women in Saudi's southern region since its launch in 1983, the Asir-based nonprofit now also focuses on equipping women with the skills to earn an income.

This year, 430 women have benefited from Al Janoob's support, of which 120 have been trained in tourism and factory work and placed in jobs. More than 230 low-income families have received financial support with rent and food, helping them to evade the cycle of poverty. It is vital work that has been refined and energised following the organisation's incubation by the King Khalid Foundation, says head of programmes Jawaher Al Zahrani.

During the incubation process, King Khalid Foundation aided Al Janoob in building and deploying a strategic and operational plan, streamlining its programming, and adopting effective management practices.

The results came quickly: between 2016 and 2018, the nonprofit's operating budget fell from 36 per cent to 25 per cent. In the same period, donations rose by 43 per cent. The organisation has also seen 12 per cent of its beneficiaries become financially independent since 2016. With strong foundations, Al Janoob is on track for further success.





# **Policy design and advocacy**







# Advancing equality and opportunity

## We design and advocate for policies that address inequality and promote prosperity

### Our impact

6

policies influenced by our targeted policy and advocacy work

3

research papers published to support our goals of social and economic inclusion

108

meetings and workshops held to build alliances and advance our agenda

**W**e advocate for causes and policies that support the economic empowerment of Saudi citizens, and power the country's strategic goals. Using an evidence-led approach, we design policy solutions that contribute to building an effective social protection system in the kingdom, and ensure the rights of all Saudi residents are represented.

Through alliances with government decision-makers, civil society leaders and the private sector, we educate and mobilise major stakeholders, and build support for key policies. We have a successful history of shaping policy at a national level, influencing more than 10 policies and laws, including landmark legislation around domestic abuse.

#### Our progress

Last year saw us expand our efforts to develop a social and economic architecture that meets the needs of Saudi society, and drive national discussions around wellbeing. We held more than 108 workshops and meetings in support of our advocacy

agenda, which focuses on building the kingdom's social protection framework, championing financial inclusion for vulnerable groups, and campaigning for better data on the nonprofit sector.

We also worked to strengthen the social space, hosting workshops on topics such as how best to tackle regulatory obstacles faced by social startups, and how to remove barriers to growth in the nonprofit sector.

Globally, we represented Saudi's voice in development discourse, attending the UN High Level Political Forum on the Sustainable Development Goals as part of a national delegation, and sharing a report on the kingdom's progress towards the goals.

Our work in this space also led to the first cross-sector panel discussion aimed at finding new strategies to drive responsible business practices in Saudi's private sector. The event, which gathered key private, public and civil sector actors, examined current sustainability practices, and debated how best to encourage further progress.



“Nonprofits were previously seen as having limited potential. This report confirms the sector as a viable conduit for change”

Princess Banderi bint Abdulrahman Al Faisal,  
Nonprofit Trends Report 2018

We also participated in the G20 Summit, held in Argentina, as part of the forum’s civil society engagement group, the C20. As Saudi Arabia gears up to host the G20 in 2020, we look forward to supporting the preparation for this important event.

A snapshot of our other achievements this year include:

#### **Improving social protection**

The foundation has long led calls for the adoption of a national poverty line to reduce the economic vulnerability



of Saudi citizens. This year, in line with our focus on building a robust social protection system, our annual Development Dialogues event focused on how private and nonprofit partners can amplify government efforts to end poverty and promote wellbeing. The forum emphasised the need for a nationally recognised poverty threshold to ensure we can better design social protection interventions, and measure their impact.

This year also saw our participation in the newly formed Social Protection Working Group; a cross-sector group designed to drive social and economic protection up the national agenda, and build alliances with key decision-makers. The foundation also paired with the General Organisation for Statistics to host a workshop, and unveil the Socio-economic Families Survey; a first of its kind research project designed to gauge living standards, financial status and inequality among families in Saudi Arabia. The data will be used to design effective social protection interventions, which can be deployed across all sectors, and analyse their outcomes.

### Shaping effective interventions

Empowering society through social and financial inclusion is a key focus of our work. In 2018, we published an in-depth overview of financial access in the kingdom. The first report of its kind, Financial Inclusion in Saudi Arabia identified marginalised groups that struggle to access mainstream banking services, including women, those in debt, and stateless persons. By identifying those who

are economically vulnerable, and advocating for targeted financial inclusion measures, we aim to give them the tools to raise their living standards – and in turn, help create a more inclusive Saudi society.

Last year also saw the publication of the landmark Nonprofit Trends Report 2018, which revealed how the sector is reinventing itself as a conduit for positive social change. The comprehensive report tracked the role played by nonprofit organisations in powering sustainable development, and in fuelling the labour market and broader economy, and also revealed the volunteering and giving habits of Saudi citizens. The report acts both as a review of the current nonprofit landscape, and offers a roadmap for future growth and progress. Its recommendations included improving legislation, as well as measures to attract young talent to the sector to inspire innovation, and drive it forward.

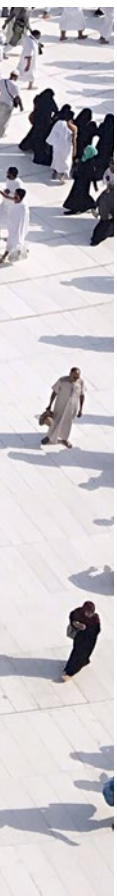
### Turning research into impact

The goal of our evidence-led research is to identify, and drive, opportunities for positive change. In 2017, we published a paper exploring the need for an increase in Saudi Arabia's social spending, in order to offset the impact of VAT on low-income groups. The Ministry of Finance not only adopted social spending as a distinct category within the 2019 budget, but also allocated an 8 per cent increase in health and social benefits spending.

# 28%

## Financial inclusion

In Saudi Arabia, 28 per cent of the adult population is unbanked. Just 58 per cent of women in the kingdom have bank accounts





# Shaghaf Fellowship







# Shaping the leaders of tomorrow

## Building a pipeline of nonprofit leaders committed to supporting social change

### Our impact

20

fellows and 14 nonprofit organisations have enrolled in the Shaghaf Fellowship to date

88%

of the 2016 Shaghaf Fellows have chosen to pursue a career within the nonprofit sector

The Shaghaf Fellowship equips emerging nonprofit leaders with the skills, tenacity and vision they need to uplift the social sector, and become effective agents of change. Through an intensive development programme, which is designed to give young Saudis the tools they need for impact, Shaghaf is cultivating a pipeline of future changemakers.

The fellowship is operated in partnership with the Bill & Melinda Gates Foundation.

#### Our progress

The inaugural cohort of nine Shaghaf Fellows graduated in 2018, following an almost two-year programme of training, mentoring, and full-time employment with a Saudi-based nonprofit. Alongside quarterly workshops, fellows attended an immersive training programme in nonprofit management at Columbia Business School in New York, and participated in a trip to the Gates Foundation in Seattle, to see the work of some of the world's leading nonprofits in action. The model

allowed fellows to gain first-hand exposure to global best practices, and then have the opportunity to apply this knowledge in their jobs.

Shaghaf is structured to act both as a fast-track path to leadership, and as a channel for attracting ambitious Saudi youth into the nonprofit sector. It works to transform local nonprofits through the adoption of global best practices, and ensures the sector offers a promising career path to Saudi's brightest graduates.

The first round of Shaghaf Fellows were honoured in a graduation ceremony, which celebrated their hard work, dedication and progress, and acknowledged the support of our partner nonprofit organisations in the fellowship's success.

Of the nine fellows, eight chose to remain in the nonprofit sector following their graduation, working in cause areas ranging from healthcare, to education and employment, in communities across Saudi Arabia. We are excited to follow their progress as they embark on the next stage of their leadership journey.





### New beginnings

Last year we also welcomed the second class of Shaghaf Fellows to the King Khalid Foundation community. From thousands of applications, we chose 11 fellows, who were then partnered with a Saudi-based nonprofit employer to begin their fellowship journey. Over the course of 16 months, they

will undergo intensive training and mentoring, giving them the mix of skills, experience and knowledge they need to impact positively on the nonprofit sector and its outcomes.

At the end, they will join a growing network of bright, ambitious young Saudis, working to tackle inequality and create opportunity in communities across the kingdom.

### Hear from our 2016 Shaghaf Fellows on their experience:

"Shaghaf is an opportunity like no other. It immersed me in the nonprofit sector and gave me a depth of understanding and knowledge that I could not have gained otherwise."

**Shahad Toukheim**

"Shaghaf represented two remarkable years of learning and achievement in the full sense of the word. We benefited immensely and we are still looking forward to much more."

**Muatamad Bakeiss**

"Shaghaf taught me that the nonprofit sector is more than just charity work: it is development work. And there is space to develop and make a change."

**Daliah Al Bouri**



# King Khalid Award



# Championing sustainable development

## We enable and inspire changemakers and drive the growth of sustainable business practices

### Our impact

640

award applicants, across all three categories

80%

improvement in knowledge among award applicants who participated in training workshops

Sr1.5m

distributed in prize money to winning organisations

The King Khalid Award honours the people, organisations and initiatives solving complex social challenges with creativity and skill, and empowers others to follow in their footsteps.

Each year, the award recognises and celebrates excellence in the fields of corporate sustainability, nonprofit management, and social innovation within Saudi Arabia. Through targeted capacity building, it drives the growth of responsible business practices and scalable social change, enabling candidates to better serve their communities and sustainability goals.

All applicants that enter the award benefit from expert, tailored analysis of their organisational capabilities, to identify strengths and shortfalls and examine how to improve their outcomes. This scorecard is paired with learning opportunities and specialist support, helping organisations to innovate, improve and evolve. King Khalid Award winners describe the application process as transformational, creating a critical blueprint for their growth and ongoing development.





“Winning the King Khalid Award is a validation of our work and our investment in excellent management practices”

Dr Salman Abdul Wahab Dajjam,  
secretary general, Al Kawthar.  
Winner, King Khalid Award for Excellence in  
Nonprofit Organisations 2018

#### CASE STUDY

### Tackling financial illiteracy with hands-on learning

More than a quarter of adult Saudis remain unbanked, and without access to basic financial services. Even among those that do have bank accounts, financial literacy – knowledge of how to budget, save and spend within their means – is often minimal, leaving them vulnerable to debt and poverty.

The Alhasalah Initiative, which was established in Riyadh in 2014, is tackling the issue by providing practical training in money management. So far, 9,000 people have benefited from its classes, which cover topics such as how to set personal budgets and how to increase savings – and they have accrued a social media following of more than 100,000. Meanwhile, 85 experts have been trained up in Saudi Arabia and Bahrain to expand the programme, using a ‘train-the-trainer’ approach.

Alhasalah’s participation in the King Khalid Awards has enabled it to carry out valuable self-assessments, says its founder Saad Al Hamoudi, and learn how to refine its model.

“The process has definitely helped us to develop our business,” he says. What’s more, their win has given them a much-needed financial boost, covering one year’s worth of programmes and activities.

Al Hamoudi is confident it will also enable them to expand, and bring vital awareness to the issue of financial illiteracy.

“Word will spread among the Saudi community,” he says, “and help us to achieve our objectives of helping current and future generations to live in a balanced financial system.”

**Alhasalah Initiative.  
Winner, King Khalid  
Development Partners  
Award 2018**



## CASE STUDY

### Bridging the healthcare gap

In the nine years since it was founded in Abha City in 2010, Al Kawthar Health Charity has provided healthcare services to around 5,000 needy people and implemented 80 healthcare initiatives. It is critical work in this remote region where many people have limited income and access to medical care.

"Through our projects and awareness programmes, we are helping to bridge the needs of the community," says secretary general Dr Salman Abdulwahab Deajim.

Winning the King Khalid Award for Excellence in Nonprofit Organisations has helped provide funding for Al Kawthar's programmes, as well as the 1,600 volunteers who work in the community. "It was a huge morale boost for our staff and volunteers," explains Deajim.

Of equal value was the organisational scorecard Al Kawthar received as part of the application process, which examined how best to improve the nonprofit's outcomes. "This gave us the opportunity to make adjustments to our work, and create a plan for future growth," says Deajim.

What did winning mean to them? "The recognition that we work with excellence," says Deajim, "but we are already planning further improvements."

**Al Kawthar Health Charity. Winner, King Khalid Award for Excellence in Nonprofit Organisations 2018**



#### Our progress

This year marked the 10th anniversary of the King Khalid Award, and the celebration of a decade of meaningful change. From its beginnings in 2008, the award has become the most important and relevant accolade honouring people and organisations transforming Saudi society for the better.

It has been a journey filled with inspiring nonprofits and innovative changemakers, and one that has helped steer corporate sustainability from the margins to the mainstream of business. Today, the King Khalid Award remains the only initiative of its kind not only to celebrate the ideas that work, but to power impactful social change on a large scale. We look forward to the next decade of growth.

A key achievement this year was the signing of an agreement between

the foundation and the Saudi Stock Exchange, or Tadawul, which saw both parties pledge to promote sustainable business practices among companies listed on the exchange.

This year also saw the successful hosting of our Daim showcase, which gathers outstanding social initiatives, and markets them to handpicked companies and potential investors. Participants are selected from the King Khalid Development Partners Award group finalists, and invited to share their work.

More than 40 representatives attended the showcase, which was hosted at the foundation's headquarters in Riyadh, helping to build ties between social enterprises and the private sector. We were delighted to see two social initiatives formalise their work, transitioning from volunteer enterprises to registered entities.



# King Khalid Development Partners Award

**T**he King Khalid Development Partners Award celebrates the people and groups who, through their work, make a measurable difference to the lives of people in Saudi Arabia.

This year's winner was chosen through a public voting process, which saw social media users vote for their favourite organisation among the three finalists, who had been selected from more than 560 applicants. Alhasalah, a Riyadh-based initiative dedicated to advancing financial literacy in Saudi Arabia, took the category's top prize with 42 per cent of votes, followed by Adam's Campaign, which acts to tackle racism and promote inclusivity. In third place was the Al Khobar-based initiative

My Book Club, which focuses on inspiring a passion for reading, with the goal of contributing to an educated, knowledgeable Saudi society.

Winners received a monetary prize, and were feted at the award's gala ceremony, under the patronage of HRH King Salman bin Abdulaziz Al Saud, the Custodian of the Two Holy Mosques.

Category applicants all benefited from an expert review of their social initiative, and access to specialist training to improve their work. Group finalists will also have the opportunity to take part in next year's Daim workshops and annual showcase, where they can connect with potential investors and network with private sector companies.

“The award is a reflection of King Khalid Foundation’s commitment to building an inclusive economy, to investing in the Saudi people, and to unlocking the potential of sustainable development for Saudi society”

Saad Al Hammoudi, founder, Alhasalah.  
Winner, King Khalid Development Partners Award 2018



# King Khalid Award for Excellence in Nonprofit Organisations

**T**he King Khalid Award for Excellence in Nonprofit Organisations honours outstanding management practices that help nonprofits to better serve their communities and mission. The award aims to teach and encourage innovative and effective management policies, and to seed a diverse network of nonprofit organisations dedicated to impactful change.

This year's winner was Al Kawthar Health Charity, a nonprofit dedicated to improving access to healthcare among low-income groups in Saudi Arabia. It focuses on providing skilled care in remote or rural areas, where healthcare services are patchy, and has reached more than 40,000 patients to date. The organisation was praised for its clear, strategic planning, decentralised management system, and focus on evaluation of outcomes.

The Medina-based Osrati Association took second place, impressing the judging panel with its work in development and family care. It provides grants to low-income families, alongside family programmes and premarital support for couples, and has reached some 151,876 beneficiaries through its work. The organisation excelled in areas including governance practices and impact

measurement, and in the streamlined contribution of its programmes towards its mission.

In third place was Al-Oula Women's Association, a Jeddah-based nonprofit which works to develop the academic and sporting skills of children, and to help them achieve their personal goals. Judges praised its clear vision and mission, its investment in staff development and training, and the diversity of its board.

All three winners received a monetary prize, and were celebrated at the King Khalid Award gala ceremony in November, under the patronage of HRH King Salman bin Abdulaziz Al Saud, the Custodian of the Two Holy Mosques.

Category entrants all received a free, 360-review of their management practices from our team of experts, to inform their ongoing development. They can also participate in capacity-building workshops to refine and develop their management expertise. Candidates are also encouraged to join our community of leading nonprofits, where they can benefit from networking with inspiring and effective peer organisations, and learn from industry best practices.



## King Khalid Sustainability Award

**T**his year saw the renaming of the King Khalid Responsible Competitiveness Award to the King Khalid Sustainability Award, a shift that reflects the rising importance of corporate sustainability to inclusive development. As before, the award honours inspiring enterprises that have taken sustainability to the heart of their business model, and used it to unlock profitable growth.

This year's winner was Huawei Saudi, a leading provider of ICT solutions, with a 946-strong workforce. The company stood out for its exceptional and inclusive supply chain policies, which support local providers and build local capacity through training courses. It also won praise for its active employee development programmes, which provide ongoing skilling and support.

Second place was secured by National Petrochemical Company (NATPET), which

has built a competitive edge through investment in sustainable products, and by building its reputation within its customer base and wider industry. The company first applied for the award in 2014 and has worked consistently to improve its sustainability processes. NATPET has also maintained its Saudisation rate since 2015; a sign of its investment in the local community.

All award applicants received a detailed evaluation of their sustainability initiatives, scored to reflect how well their core business meets social, environmental and economic challenges. They were also invited to join ongoing training workshops to share insights with their peers, and to learn from best practices in sustainable development. Our goal is to support companies in gaining a competitive edge through sustainability and – through this – to drive inclusive economic growth.

“Receiving the King Khalid Award raises the confidence of our customers and partners in Huawei Saudi”

Abdel Rahman Riad Al-Mubarak, director of public relations, Huawei Saudi.  
Winner, King Khalid Sustainability Award 2018



# Global engagement







## Partnering for global development

### We contribute to creating a more equitable international community

**W**e are an active voice in global development dialogues, and a champion of the UN's Sustainable Development Goals. Through our collaboration with the World Economic Forum, the United Nations and both the G20 and C20, we are helping to shape a more equitable global community.

We believe effective solutions come through collaboration. At King Khalid Foundation, we actively pursue avenues for global engagement, and to meaningfully contribute ideas and solutions to pressing global challenges. Our work is aligned with international efforts to tackle poverty and inequality, meeting more than half of the Sustainable Development Goals, and we are keen to share Saudi Arabia's experience in this space with the wider development community.

Among the highlights of the year was our participation in the G20 forum's Civil Engagement Group (C20), which gathered in Argentina for the 2018 summit. We formed part

of the official Saudi Arabia delegation and – as representatives of the kingdom's nonprofit sector – took our place alongside other prominent development actors to influence and shape the G20 agenda.

The event was the culmination of our close and long-term support for the C20 working group, which saw us engage in a series of global panels and online discussions ahead of the summit, to tailor its policies and priorities. We were also honoured to accept an invitation to join the C20 steering committee for the upcoming G20 2019 summit in Japan, in reflection of our consistent support.

#### Encouraging innovation

The C20 is a vital channel for civil society organisations from around the world, offering a platform to convene, debate and build high-level proposals that can be shared with the G20 forum.

With Saudi Arabia poised to host the G20 in 2020, we are delighted to have entered a bid to lead and host the C20 during the kingdom's presidency. This is a sign of our commitment not only to the C20, but more broadly to the Sustainable Development Goals, and to championing evidence-based policy design. We see this as an important opportunity to build ties between civil society organisations in Saudi Arabia, and those abroad, and to trade knowledge and expertise in both a local and global context. Most importantly, it cements our role as a partner in effective global development, pursuing meaningful social impact both within the kingdom and on the international stage.





# King Khalid Mosque







## Connecting the community

# Through our support for the King Khalid and King Abdulaziz mosques, we unite and engage Muslims of all generations

**A**s a devout Muslim, King Khalid bin Abdulaziz Al Saud was an advocate for Islamic communities worldwide. His legacy includes two mosques, which today form part of the foundation's portfolio, and act to bring his message of inclusion and compassion to new generations of Muslims.

King Khalid Mosque is among Riyadh's most recognisable landmarks, and a focal point for the city's community. Since opening its doors in 1984, the mosque has been a gathering point for daily prayers, Friday congregational worship, and for funeral prayers. During the holy month of Ramadan, iftar and suhoor meals are distributed to worshippers,

with hundreds of people catered to by the mosque each day.

As part of its commitment to religious education, and community cohesion, the mosque also hosts a range of Islamic lectures, alongside courses in Quran recitation and memorisation.

King Abdulaziz Mosque was initially constructed by King Khalid bin Abdulaziz Al Saud, and was rebuilt after his death at a cost of more than SR3 million. Located in Riyadh, the mosque spans two floors, and occupies an area of 1,994 sq m. In 2018, its community outreach efforts included lessons and lectures, and prizes for students enrolled in Quran memorisation workshops.



## King Khalid Mosque: 2018 achievements

### Ramadan

**64,600**

iftar meals served to worshippers during the holy month of Ramadan

**78,546**

attendees to iftar lectures during the course of the holy month

**984**

acts of redemption during the holy month

### Education

**360**

lessons and lectures held

**144,000**

people reached by daily lectures and lessons

**469,059**

online views of Islamic lessons and lectures, from 30 countries

### Community

**4,829**

beneficiaries reached through community work

**533**

new Muslims, with two courses held to support their education

**220**

students enrolled in Quran memorisation lessons



# Financial review





## Financing for impact

# We manage our resources to ensure the long-term sustainability of our work, and to best meet our strategic goals

**A**t King Khalid Foundation, we support the pursuit of sustainable social and economic change. We focus our resources and grantmaking on empowering innovative organisations and enterprises, and to advocating for policies and causes that promote equal opportunities.

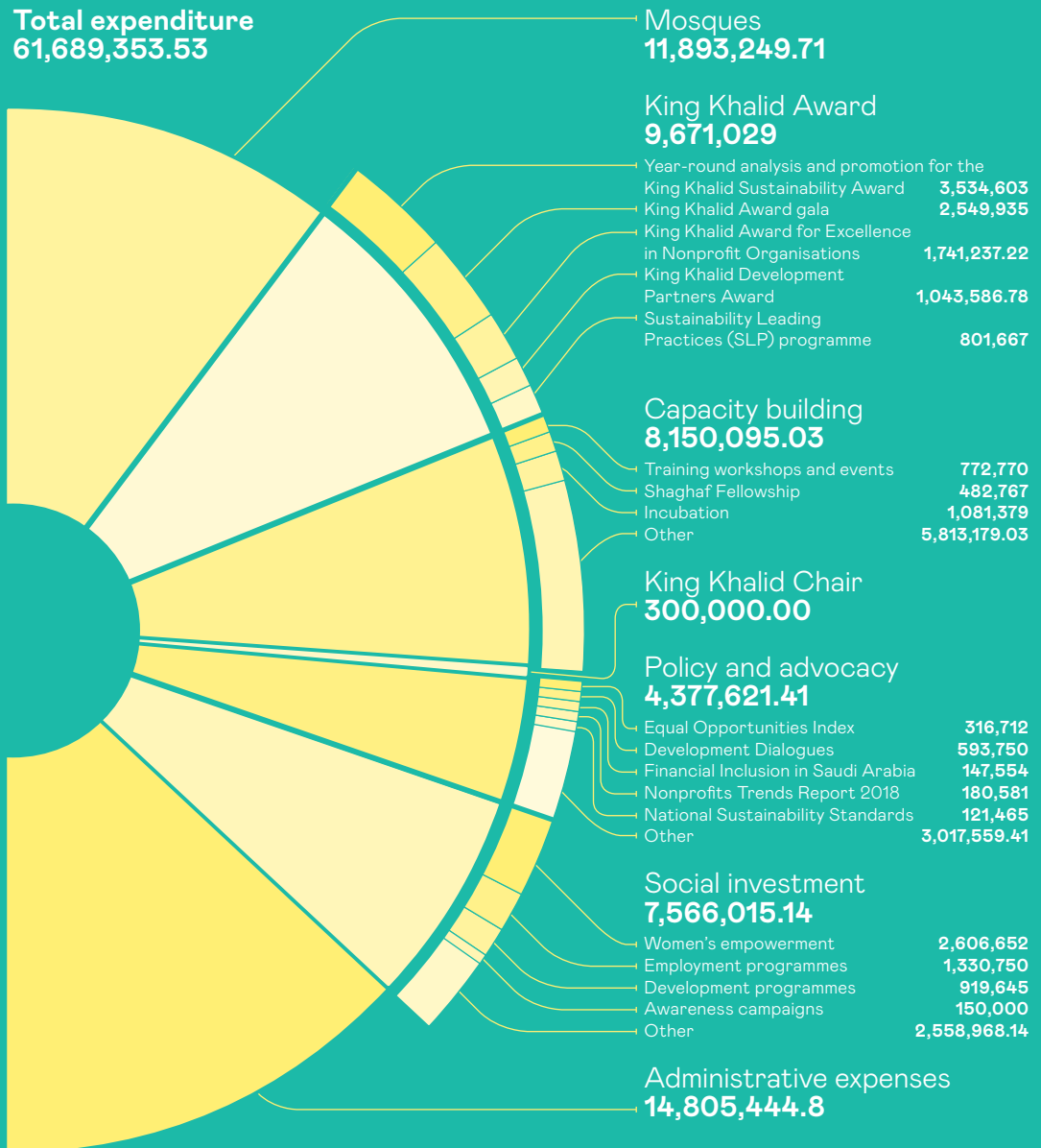
We focus our funding on results. To this end, we bring the same rigour to our operational performance as we do to evaluating our programme portfolio. Through careful stewardship of our assets, and by striving to keep a balanced

ratio between our programme and overhead expenditures, we can confidently adjust to opportunities and challenges, and make long-term commitments to advancing sustainable change.

We are proud to be transparent about our spending, and we reap the benefits of our financial efficiency. We believe that greater accountability from nonprofit organisations is key to building public trust in the sector, and to encouraging effective and impactful giving, both within Saudi Arabia and the wider Arab region.

# Budgetary spending, 2018

**Total expenditure**  
**61,689,353.53**



\*All figures shown in Saudi riyals





## **Together for sustainable impact**

**We believe in an equal Saudi society, where every individual has access to opportunity and is free to reach their full potential. We believe that achieving this means bringing together key actors to collectively work towards delivering lasting social change.**

**We are proud to work with a community of partners who share our belief in the transformative impact of opportunity, and our commitment to tackling the barriers that hamper it. Together, we strive for better outcomes, and sustainable change.**

**To all our partners, we thank you for your invaluable support and your commitment.**

## Our leadership

Our work is led by the Board of Trustees, which is chaired by Prince Faisal bin Khalid bin Abdulaziz. The trustees bring a vast range of knowledge, experience and leadership to the task of governing the foundation, and to preserving our mission.

HRH Prince Abdullah bin Khalid bin Abdulaziz Al Saud  
President, Board of Trustees

HRH Prince Faisal bin Khalid bin Abdulaziz Al Saud  
Chair, Board of Trustees

HRH Princess Moudhi bint Khalid bin Abdulaziz Al Saud  
General Secretary, and head of the Investment Committee

HRH Princess Al-Johara bint Khalid bin Abdulaziz Al Saud  
Board member

HRH Princess Al-Bandari bint Khalid bin Abdulaziz Al Saud  
Board member, and member of the Investment Committee

HRH Prince Hussam bin Saud bin Abdulaziz Al Saud  
Board member, and member of the Investment Committee

HRH Prince Mohammed bin Khalid bin Abdullah Al Faisal  
Board member, and member of the Investment Committee

HRH Prince Faisal bin Abdullah bin Faisal bin Turki  
Board member

HRH Princess Nouf bint Mohammed bin Abdullah Al Saud  
Acting CEO. Board member, and member of the Investment Committee

To learn more about our work, or to explore partnership opportunities, please contact us. Together, we can help to build a bright future for all Saudi residents.

#### **Find us**

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