Letter from Gabriella Morris

It has often been said that “necessity is the mother of invention.” The application of that wisdom to the UNICEF Bridge Fund became apparent as soon as I began this new journey in August. As I tackled the learning curve of UNICEF’s immense and complex humanitarian relief efforts, the need to deliver critical resources in real time was indisputable. I am proud and humbled to join this team and play a role in ensuring that our colleagues around the world receive the tools they need to address emergencies and “build back better” the lives they touch. This team of global heroes has been neither deterred nor discouraged in the face of addressing, this year alone, 289 humanitarian situations in 83 countries, often at great risk to their very lives. They are now facing extraordinary challenges as they tackle five global emergencies of the highest level, including Ebola. As they educate communities about the virus, support infection control, protect health workers and equip health facilities, I know they are grateful that you, too, are part of the team.

ImpactAssets 50 Selection

We are very excited to share that the Bridge Fund has been selected to be a part of the ImpactAssets 50 this year. The ImpactAssets 50 is a public, searchable database of outstanding impact investing fund managers. The database showcases a range of funds across the globe, spanning diverse issue areas and investment, with demonstrated and compelling social and environmental impact. Fund managers included in the IA 50 2014 manage a combined $15.5 billion in assets devoted to creating measurable, positive impact. The IA 50 selection committee is chaired by ImpactAssets’ Chief Impact Strategist Jed Emerson and includes experts from The CAPROCK Group, Labrador Ventures, Tonic, UBS and other leading impact investors. Featured funds in past years have included Acumen, the Grameen Foundation and Root Capital.
Accelerating Funds to Stop Ebola

Since late March 2014, Liberia, along with several other countries in West Africa, has faced an unprecedented public health crisis, with an outbreak of Ebola that has to date claimed 2,413 deaths in Liberia alone. With a fatality rate of up to 90 percent for those who are infected, a rapid response to prevent and control the Ebola outbreak is a national priority. Since prevention is the most successful solution in breaking the chain of transmission of the Ebola virus, UNICEF is working to provide families in Liberia with 50,000 household protection kits. These kits, which cost less than $30 each, will help protect family members when a person is showing Ebola-like symptoms. The kits contain items critical to prevention and protection including protective gloves and masks, water buckets and chlorine for disinfection. The Paul G. Allen Family Foundation has committed funding to the U.S. Fund for UNICEF to support procurement of 50,000 kits in Liberia. In September 2014, the Bridge Fund board approved $500,000 of accelerated funding to support the contribution from the Paul G. Allen Foundation, helping UNICEF with procurement and delivery of these Ebola prevention kits.

Polio Eradication in Chad

In July, the Bridge Fund continued its commitment to polio eradication by accelerating $10.6 million to UNICEF for polio eradication activities in Chad, the Democratic Republic of Congo, Afghanistan, Pakistan, Iraq and UNICEF’s Western and Central Africa regional office. This funding provided cash to bridge the second half of a $21.2 million grant from Rotary International, which traditionally makes half of the grant funds availability immediately and reimburses UNICEF with the rest after UNICEF provides proof of expenditure. Acceleration of this funding will enable UNICEF to continue its polio eradication work uninterrupted, without the need to tap limited unrestricted sources for interim funding.

OPV Update

In 2013, the Bridge Fund guaranteed $17 million worth of procurement for oral polio vaccines (OPV) to one of UNICEF’s largest suppliers. The guarantee provides $3 million to $5 million of OPV purchases by UNICEF each year from 2013 through 2016. The Bridge Fund met its first-year procurement goal in 2013. As of the end of the third quarter of calendar year 2014, UNICEF had completed 79% of its procurement goal, putting it ahead of schedule for the year.
IRIS Reporting

Below is a summary of the impact of our transactions over the past quarter using IRIS (Impact Reporting and Investment Standards) to reflect the social, environmental and financial impact of our work. For more detailed transaction-level IRIS reporting, please contact Neha Bajaj at nbajaj@unicefusa.org.

<table>
<thead>
<tr>
<th>IRIS ID</th>
<th>METRIC</th>
<th>TOTAL Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>OD7481</td>
<td>Sector Activities</td>
<td>Health, Water</td>
</tr>
<tr>
<td>OD6247</td>
<td>Social Impact Objectives</td>
<td>Disease-specific prevention and mitigation, Health improvement, Access to clean water</td>
</tr>
<tr>
<td>PD5752</td>
<td>Target Beneficiary Demographic</td>
<td>Women, Minority, Children and Adolescents</td>
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<tr>
<td>PD2541</td>
<td>Target Beneficiary Socioeconomics</td>
<td>Poor, Very Poor</td>
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<tr>
<td>PD1516</td>
<td>Product/Service Detailed Type</td>
<td>Healthcare products, Pharmaceuticals/Medications, Water purification</td>
</tr>
<tr>
<td>PD2587</td>
<td>Country Names</td>
<td>Afghanistan, Chad, Pakistan, Democratic Republic of Congo, Iraq, Western and Central Africa region, Liberia</td>
</tr>
<tr>
<td>PI1945</td>
<td>Number of children and adolescents who were clients</td>
<td>2,400,000</td>
</tr>
</tbody>
</table>

Treehouse Investments, LLC

Treehouse Investments, LLC, a family office comprised of long-time supporters of UNICEF, made its third loan of $1 million this year, with a total investment of $3 million in the Bridge Fund. Their first investment in the Bridge Fund was made in 2012 and helped to set the path for more individual philanthropists to participate in our program.

Maurice and Luly Samuels

Maurice and Luly Samuels of Boston recently made a $100,000 grant commitment to the Bridge Fund. The Samuels will be traveling to visit the Copenhagen Supply Division to see their Bridge Fund investment in action this October. They are longstanding UNICEF donors and philanthropists interested in child welfare, education reform and economic opportunity.
UNICEF Bridge Fund Program (Segment) Statement of Financial Position (unaudited)*

**ASSETS**
- Cash and Investments: $12,287,648
- Contributions Receivable: $26,562,316
- **Total Assets**: $38,849,964

**LIABILITIES**
- Loans Payable: $27,850,000
- Accrued Interest Expense: $359,355
- **Total Liabilities**: $28,209,355

**Net Assets**: $10,640,609

**TOTAL LIABILITIES & NET ASSETS**: $38,849,964

*as of September 30, 2014*

UNICEF Bridge Fund Program (Segment) Statement of Activities (unaudited)*

**REVENUE**
- Contributions Revenue: $13,097,786
- Investment & Interest Income: $(10,157)
- **Total Revenue**: $13,087,629

**EXPENSES**
- Grants to UNICEF: $10,597,786
- Interest Expense: $165,375
- **Total Expense**: $10,763,161

**Net Income**: $2,324,468

**Net Assets – Beginning**: $8,316,141
**Net Assets – Ending**: $10,640,609

*for the three months ended September 30, 2014*

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The UNICEF Bridge Fund is an innovative financial tool created by the U.S. Fund for UNICEF to speed lifesaving assistance to children in need. The Bridge Fund provides UNICEF with flexible capital to react immediately when supplies are needed, reducing or eliminating timing gaps between the start of a crisis and the moment funding becomes available.

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For more information on the Bridge Fund, please contact:

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