

FROM THE OFFICE OF THE PRESIDENT



Reading with Destiny at an in-school literacy program in South Carolina

Dear colleagues, partners and friends,

Children today are growing up in a world that's changing rapidly. The global balance of power is shifting, new technologies are making the world a smaller place and economic uncertainty lingers. With so much at stake and their futures on the line, children deserve a partner willing to invest in them.

In the past decade, we have seen remarkable progress in health, education and child survival, but we have also faced some unexpected obstacles. While millions of children are living healthier and more productive lives than ever before, tough new challenges have emerged—including the growing gap between rich and poor, urbanization and threats from conflict and climate change. These challenges will

shape the lives of this and future generations of children.

In Save the Children's 2013-2015 strategic plan, Investing in Impact for Children, we will work to meet the changing needs of children and the changes around us. We'll build upon our historic foundation of serving children for nearly one hundred years as we invest in innovation and double down on getting and measuring results. In this plan period, we will focus on five strategic priorities: Prioritize Results for Children, Be the Voice for Children, Resource our Ambition, Transform our Organization and Attract, Retain and Develop our People. In doing so, we will invest in children so they have what every child deserves—the right to survive and thrive.

Taking a class photo at an Early Childhood Development center in Egypt

This strategy was developed from the learning and accomplishments of our successful 2008-2012 strategy, Getting to Great for Children, and demonstrates our ongoing commitment to drive our Theory of Change in practice to create sustainable change for children at scale. As we complete our transition to one global movement and as the role of international non-governmental organizations continues to evolve, we'll work in partnership to reinvent ourselves and strengthen our relevance and effectiveness as a 21st century organization. We'll hold ourselves accountable and track our progress against our strategic priorities. And we will draw on our technical expertise, organizational strength and worldwide partners to fulfill our mission: to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives.

The best investment we can make is in children. Together, we will invest in their potential, their hope and their promise for a brighter future—and thereby create a better world for all of us.

So let's get started!

Carolyn Miles
President & CEO
Save the Children

On the cover: Helping Abebe and other girls stay in school in Ethiopia

Our Theory of Change

Save the Children's Theory of Change outlines how we work to achieve maximum impact for children. Our most successful programs drive all four pillars of our Theory of Change, creating sustainable improvements in the lives of children and catalyzing change at scale.



Investing in Impact for Children

Save the Children 2013-2015 Strategic Framework

By 2015, we will have successfully transitioned into one global movement, driven our Theory of Change in more countries and contributed significantly to achieving breakthroughs for children.



 Accelerate impact for children at home and abroad

 Invest in innovation and evaluation to measure our impact for children



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WE SUPPORT

 Increase brand recognition, advocacy outreach and campaign leadership

Strengthen our thought leader profile

 Engage grassroots networks and influential supporters Program & Policy Focus Areas

- Humanitarian Response
- Child Protection & HIV/AIDS
- Education & Child Development
- Health & Nutrition
- Hunger & Livelihoods
- US Programs



Invest in private undesignated fundraising

Grow grants and contracts



 Transition to one Save the Children and collaborate to lead

 Become a matrix organization with best in class teams

Pursue operational excellence



 Champion leadership, talent development and mobility within Save the Children USA and throughout the movement



Prioritize Results for Children

Save the Children's mission is to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives. Over the next three years, our goal is to achieve breakthroughs and drive our Theory of Change in more countries. To measure our success, we will pursue breakthroughs in countries where we can have maximum impact and take at least six Signature Program to scale through policy change and partnerships. We will invest in evaluation and refine our approaches with what we learn, working with others to bring about high-quality results for children.

Accelerate our impact for children at home and abroad

Save the Children aims to achieve breakthroughs: remarkable shifts from the current trend that enable sustainable change for the majority of affected children. A breakthrough is only achieved over multiple years, utilizing our full Theory of Change in partnership with others.

To make these long-term breakthroughs possible, the global Save the Children movement is working toward specific outcomes for children by 2015. Save the Children USA contributes to these outcomes through our six program and policy focus areas: Humanitarian Response, Child Protection & HIV/AIDS, Education & Child Development, Health & Nutrition, Hunger & Livelihoods and our US Programs. We provide technical expertise and leadership for international programs and deliver programs in the United States, working to ensure that we make this a better world for all children in need.

Within these areas of work, we will focus on a set of Signature Programs that have the potential to accelerate breakthroughs for children. Our pipeline reflects a process of testing and evaluating the feasibility, effectiveness and impact of a program; tackling changes in policy, practice and behaviors; and demonstrating the potential to achieve change at scale.



Getting a boost in learning outcomes in Zimbabwe

Invest in innovation and evaluation to measure our impact for children

Our programs reach children all over the world and it is our responsibility to ensure that they have significant positive impact. Using the Signature Program pipeline as a guide, we will increase investment to promote innovative approaches—for example, programs focused on urban children, girls and newborns in emergencies—and ensure that we measure impact so we can improve our effectiveness and apply and share our learning with others.

Signature Program Pipeline

DEVELOPMENT

HEALTH & NUTRITION
Very Young Adolescent Health
EDUCATION
Healing and Education
through the Arts
HIV/AIDS
Hidden Populations for
Prevention of HIV
HUNGER & LIVELIHOODS
Skills to Succeed
US PROGRAMS
Targeted Coordinated School
Health/Healthy Choices
Resilient & Ready
Communities

PILOT

CHILD PROTECTION
Child and Adolescent Friendly
Spaces in Emergencies
HEALTH & NUTRITION:
Reproductive Health / Family
Planning in Crisis Situations
HIV/AIDS & EDUCATION
Essential Package
HUNGER & LIVELIHOODS
Youth Savings
US PROGRAMS
Head Start

Early Language, Literacy

& Parent-school Connection

READY TO SCALE

HEALTH & NUTRITION Essential Newborn Care HEALTH & NUTRITION Community Case Management EDUCATION Literacy Boost



Youth advocates champion children's issues on Capitol Hill during our annual Advocacy Summit.

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Be the Voice for Children

s we work to be the voice for children around the world, we must rally support for children's issues at the local, state and national level. Our goal is to motivate and mobilize Americans to join us in making children—globally and at home—a national priority. To be successful, we will increase our brand recognition and agency profile, engage more individual supporters and track grassroots and influencer actions that drive policy change for children. This effort is central to our Theory of Change.

Increase brand recognition, advocacy outreach and campaign leadership

Save the Children's domestic and international work for children speaks for itself—but as competing issues divert the country's attention, we must make the argument for sustained commitment to children living in poverty. Greater brand recognition about who we are and what we do, combined with targeted media and advocacy campaigns to keep children top-of-mind, will amplify our message. Through this strategy, we will become America's organization of choice for helping children.

Strengthen our thought leader profile

To promote our expertise and advance the breakthroughs we seek, we will build on our reputation as a thought leader in the global effort to improve the lives of children. We will develop and advocate for policies that we know work for children, drawing on our experience in the field and results-oriented analysis. We will leverage Save the Children's unique perspective to put children's issues at the top of the agenda through op-eds, significant media coverage, policy roundtables and reports and participation in major events. We will convene a high-level Policy Advisory Council to help advance our case with policymakers. We will also influence the development of a new set of Millennium Development Goals and inform American foreign assistance policy related to the needs of children.

Engage grassroots networks and influential supporters

Every American can be a champion for children. We will identify and recruit supporters—including grassroots advocates, individual donors, high-level influencers and children and youth themselves—to join our community as we create engagement opportunities that inspire action. In addition, we will leverage key allies to advocate for children's issues in states across the country and in Washington, DC. Through our annual Advocacy Summit, we will provide opportunities for our supporters to take action and make their voices heard.

This strategy will draw upon the strengths of our marketing, fundraising, advocacy and programmatic teams, plus our newborn and child survival campaign, to catalyze our ability to achieve change for children.

Humanitarian Response

hen disaster strikes, children are often the most vulnerable. Over the next decade, an estimated 175 million children will be affected by natural disasters and more than one billion will live in conflict-affected areas. Urbanization and climate change provide new contexts and challenges for reaching children in emergencies in the United States and around the world.

Save the Children's Humanitarian Response strategy promotes and protects the well-being of children in 21 priority countries and wherever emergencies arise. We focus on programs that make a critical difference in the lives of children living in crisis: supplying vital health and nutrition interventions, providing safe places for children to cope with trauma and heal, securing food aid to combat hunger, supporting their education and helping families build strong livelihoods so they can sustainably support themselves and their children through the toughest times. But response is not enough—and it's not a long-term solution. We must also work to strengthen the preparedness and resilience of families and communities to better avoid and deal with disasters themselves. A growing focus on preparedness and resiliency, with closer integration of relief, recovery and development, is a hallmark of this next strategic plan.

To complement our on-the-ground efforts with local partners, we advocate with the US Government and international community to put adequate humanitarian funding in place and develop appropriate preventive and response policies to meet the needs of children.

We never know where or when the next emergency will arise. But we know we'll be there, helping families prepare and looking out for children.



OUTCOME STATEMENT

By 2015, Save the Children will support over 25% of affected children in each humanitarian disaster with health care, nutrition, livelihoods, and other kinds of support that saves lives and enhances human dignity.



In a world of economic inequality, global epidemics, conflicts, urban migration and natural disasters, the dangers for children have never been more complex. Children's right to safety and security is endangered by a wide range of threats, from physical violence to social stigma.

Our Child Protection & HIV/AIDS strategy supports children who face neglect, exploitation and abuse with a focus on two particularly vulnerable groups—children and youth affected by emergencies and by HIV/AIDS—in 31 priority countries.

We provide safe spaces and psychosocial support for children affected by conflict or disasters, bolstering their resilience and recovery, and we provide additional support to their caregivers. We also target those most at risk from HIV/AIDS as we work to prevent mother-to-child transmission of HIV and to enable earlier diagnosis and treatment of pediatric HIV. We partner with communities to care for infected children and reduce the stigma surrounding HIV and AIDS so that children and families can live free from discrimination.

Our programs give special attention to at-risk youth, including those living in urban settings. In times of crisis and in their everyday lives, children deserve to be protected from threats to their safety, health and wellbeing—so they can survive and thrive as they grow.



BREAKTHROUGH FOR CHILDREN

Children are cared for and protected in a family environment. The world no longer tolerates children being affected or infected by HIV and AIDS.

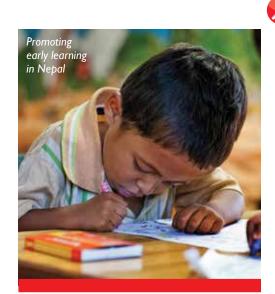
OUTCOME STATEMENT

By 2015, Save the Children will have contributed significantly to increasing the number of children who are living in safe, family-based care, and receiving care and support services to improve their overall well-being; and to preventing new HIV infection among children and youth at greater risk.

Education & Child Development

All children have the right to learn. Over the last decade, many countries have successfully increased the number of children attending school. But education quality has been compromised by overcrowded classrooms, poorly prepared teachers and a lack of basic school materials, with many children unable to read by third grade—and falling further and further behind.

It is not enough for children to simply attend school—they must learn while in the classroom. Save the Children's Education & Child Development strategy focuses on investing early and improving learning outcomes in 20 priority countries through Basic Education, Early Childhood Development and School Health and Nutrition to help children acquire vital literacy, math and life skills. Our programs work both in schools



and in communities to support children's learning and development.

We give special attention to vulnerable and marginalized populations, including girls, children affected by conflict and HIV/AIDS, ethnic minority populations and the urban poor. With a quality education as a strong foundation, we can invest in helping every child fulfill their potential.

BREAKTHROUGH FOR CHILDREN

Children and young people improve their literacy and children caught up in humanitarian crises have access to quality education.

OUTCOME STATEMENT
By 2015, in support
of Millennium
Development Goal
2, Save the Children
will have significantly
contributed to
getting three million
of the hardest to reach
children into school,
raising the quality of
learning environments
and improving the
learning outcomes of
600,000 children.

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Arriving at a refugee camp on the

Somali-Ethiopia border, where Save the

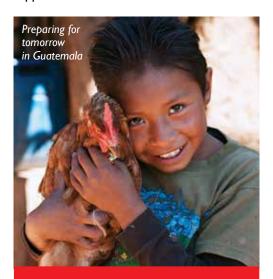
Hunger & Livelihoods

Millions of children face the everyday challenge of not knowing where their next meal is coming from—a situation that is exacerbated by persistent poverty, rising food prices, the effects of climate change and a growing gap between rich and poor. A hungry child is more vulnerable to illness, less able to learn in the classroom and, as a result, faces an uncertain future.

Our Hunger & Livelihoods strategy focuses on helping parents provide the basic necessities for their children by improving access to the right foods and building families' financial security in 15 priority countries. We work with poor families to help them develop permanent pathways out of poverty to a better life for their children. This includes working with parents and youth to save and manage their money, develop job skills and training and

gain access to employment. Improved farming and marketing practices help families feed themselves and sell their goods in the marketplace for additional income.

Through food, farming and finance support, we not only help families plan for their next meal but also build the skills they need to support themselves in the future.





BREAKTHROUGH FOR CHILDREN

More children thrive and fulfill their potential because their families can afford their basic necessities.

OUTCOME STATEMENT

By 2015, Save the Children will help more than two million children and adults through increased food security, better farming practices and access to financial services to make sure that every child gets the chance they deserve to grow up healthy, safe and educated.



No child should die from illnesses we can prevent. Children's health has improved significantly in the past two decades, but 7.6 million children still die every year before the age of five—mostly from preventable causes such as pneumonia, diarrhea, malaria and neonatal conditions. More than 40% of these deaths occur in the first month of life.

Save the Children's Health & Nutrition strategy focuses on the health and survival of mothers, newborns and children in II priority countries. We work with health workers to protect the health and well-being of both mother and baby before, during and after childbirth. And we address malnutrition, the underlying cause of one-third of all underfive deaths, by promoting healthy diets and feeding practices for mothers and children.

Through our global newborn and child survival campaign, EVERY ONE, we work with governments and others to reach 50 million young children and mothers every year with life-saving health and nutrition services and practices by 2015 and raise awareness and support around the world. We generate evidence on new or better technologies and approaches, and focus special attention on ensuring access to skilled frontline health workers who can help prevent or treat these causes of death in communities. We innovate to address neglected health needs or populations, including reproductive health and family planning, very young adolescent health and the urban poor.

Every child deserves to reach their fifth birthday. With support from local and global partners, proven best practices in health and nutrition and innovative solutions to emerging challenges, we can help more of them get there.



BREAKTHROUGH

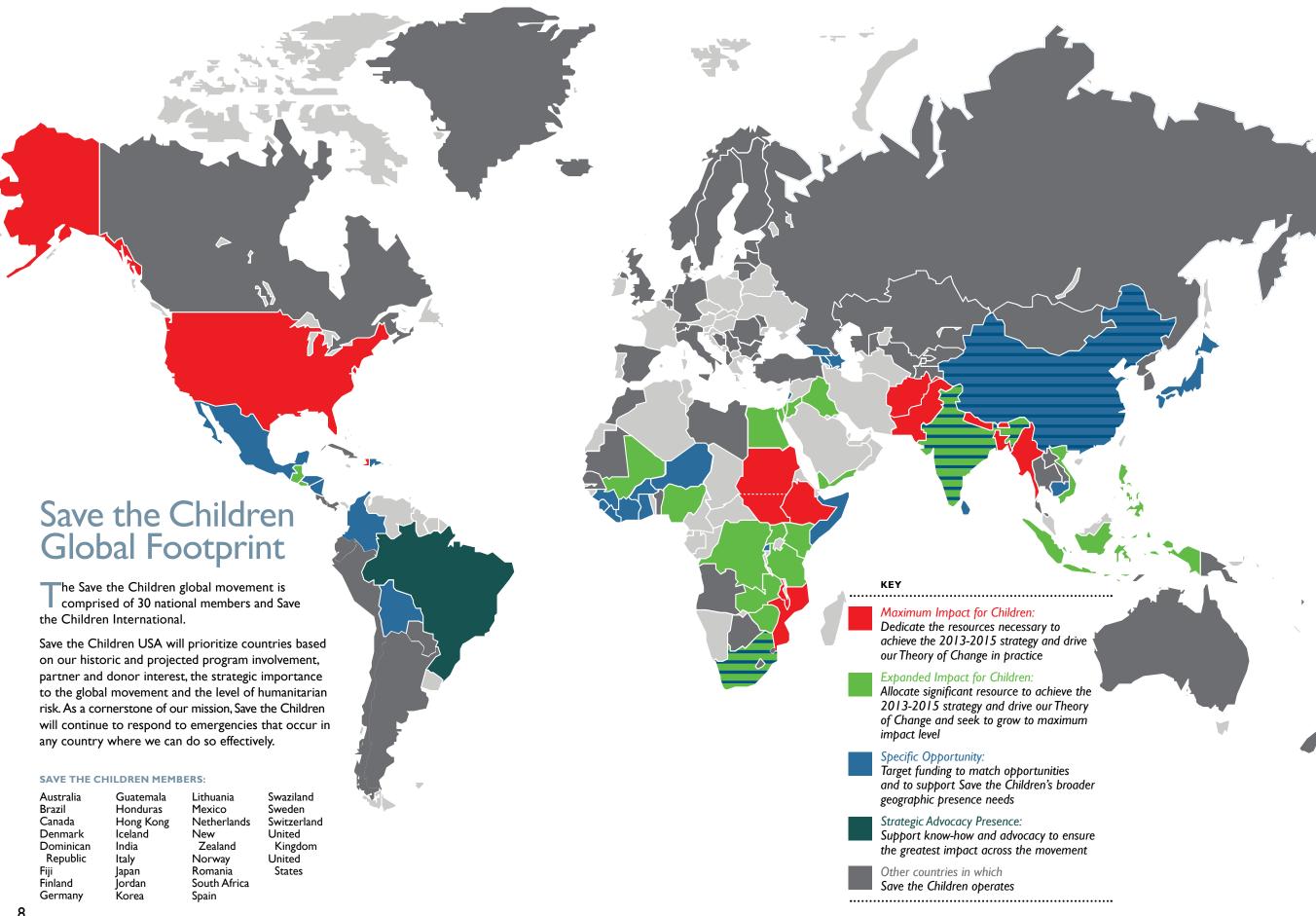
No child under five dies from preventable causes and the public no longer tolerates continued high levels of child deaths.

OUTCOME STATEMENT

By 2015, Save the Children will have significantly contributed to achieving Millennium Development Goal 4 of reducing under-five mortality by two-thirds in 21 priority countries.



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Together with our Save the Children colleagues and partners around the world, we serve children and families in need in nearly 120 countries.

Afghanistan Latvia Albania Lebanon Angola Liberia Libya Lithuania Malawi Mali Mauritania Mexico Moldova Mongolia Bolivia Montenegro Bosnia Morocco Botswana Mozambique Brazil Myanmar Bulgaria Nepal Burkina Faso Netherlands Cambodia New Zealand Canada Nicaragua Chile Niger China Nigeria Colombia Norway Costa Rica Occupied Cote D'Ivoire Palestinian Cuba **Territories** Denmark Pakistan Dominican Panama Republic Papua New Democratic Guinea People's Paraguay Republic of Peru **Philippines** Korea Democratic Romania Republic of Russia the Congo Rwanda Ecuador Senegal Egypt El Salvador Serbia Sierra Leone Estonia Singapore Ethiopia Solomon Islands Somalia Finland South Africa South Sudan Georgia Germany Spain Sri Lanka Ghana Greenland Sudan Guatemala Swaziland Guinea Sweden Haiti Switzerland Honduras Taiikistan Hong Kong Tanzania Iceland Thailand India Timor Leste Indonesia Turkey Iraq Uganda United Kingdom Israel United States Italy of America Japan Uzbekistan Jordan Kazakhstan Vanuatu Kenya Vietnam Korea Yemen Kosovo Zambia

Zimbabwe

Kyrgyzstan

Laos





Resource our Ambition

In the past decade, the agency's rapid growth has allowed us to raise our ambitions and do more for children. We must now fuel our ambitious goals for the future with the flexible resources needed to achieve them—resources that support investment in innovation, minimize risk and build a solid infrastructure to secure our ability to help children in need. Our goal is to diversify and grow our revenue to more than \$720 million annually by 2015 by doubling our undesignated funds and increasing funding through public and private grants and contracts.

Invest in private undesignated fundraising

We will invest in raising more undesignated funds for Save the Children's work for children in the US and internationally. Just as we work to improve children's lives holistically, through a variety of interventions and approaches, we will likewise work to strengthen our ability to serve children in different ways. But this



Smiling outside a primary school in Afghanistan

work requires resources that are rarely provided through grants, which restrict funds to very specific activities. Flexible, undesignated funds allow us to design and pilot new programs for children, advocate for their needs, raise awareness about children's issues and ensure that we optimize our systems to best deliver on our promises to children, partners and donors alike.

We will strive to double our private undesignated revenue by 2015 through initiatives that engage our supporters and new approaches that will make us a stronger, more effective agency for children.

Grow grants and contracts

In the next three years, Save the Children will strengthen our relationships with public and private-sector partners to grow grants and awards that align with our program, policy and geographic focus areas. In addition, we will build our capacity to compete for more government contracts that will help expand

our development and humanitarian work in countries across the globe.

The US Agency for International Development (USAID), the World Food Programme, the Global Fund and several UN agencies, among others, as well as private foundations, corporations and trusts, will continue to be integral players in our global effort for children, both as partners on strategies and approaches and as funding partners.



uring the 2013-2015 plan period, we will reinvent ourselves to serve children as a 21st-century global organization. Our goal during this period is to ensure high-quality programs, operate more efficiently and deliver our mission with integrity and accountability. Indicators of our success include cost reduction; increased efficiency and productivity; improved local partner feedback and donor satisfaction; and better aligned resources to drive our strategy.

Transition to one Save the Children and collaborate to lead

As we work to transition to one global movement, we must maximize opportunities and address risks by adopting a more disciplined, streamlined approach and focusing on compliance and quality assurance to ensure success. We will leverage our expertise in key areas to help create stronger global processes—including quality standards in areas like policy development, program delivery, grant and financial management and accountability mechanisms—that maximize our collective capacity.

Building upon Save the Children's development philosophy of supporting strong local organizations, we will work to build both technical and management capacity of local partners and to advocate for foreign aid reform that supports smart, sustainable local capacity-building. Our history of technical expertise and evidence-based advocacy, in coordination with local partners, will help us deliver sustainable change and lead the way to a better world for children.

Become a matrix organization with best-in-class teams

We will drive more effective and efficient results for children through cross-functional Business Teams with clearly-defined objectives and resources in our six program and policy focus areas. As a networked and nimble organization, we will draw on skills from across the agency and the global movement to help us take a broader, more integrated and aligned approach to our work for children.

Pursue operational excellence

As we face the challenge of transforming our organization while maintaining revenue growth, we will invest in continuous improvement to better address risk, reduce our costs and improve productivity. We will promote strong analysis that informs decision making; deliver projects and processes that simplify the complex; reduce costs and boost productivity; and leverage technology to thrive in a fast-paced world.

Attract, Retain and Develop our People

Our strongest asset is our people. In this plan period, our goal is to establish a leadership culture and train our people in the skills they need to function effectively in a diverse, global organization. We will measure our success through employee engagement, the number of trained staff and increased opportunities for career mobility.

Champion leadership, talent development and mobility within Save the Children USA and throughout the movement

To realize our mission, we will drive a leadership culture across all levels and geography in the agency. This culture will emphasize team building and succession planning as we identify top talent and develop their careers with training and cross-functional exposure. We will value diverse talent, accept staff development as a key responsibility and hold managers accountable for performance feedback, career growth, skills training and talent sharing.

We will also provide opportunities for our team to move between Save the Children USA, member offices and Save the Children International to strengthen our global movement for children.

In all that we do, we will live our values of accountability, ambition, collaboration, creativity and integrity.

Agency Growth he 2013-2015 plan period represents a time of uncertainty. Our external environment provides several unknown factors, including the domestic and global economic recovery, a projected reduction in foreign assistance, a potential shift in funding that favors local organizations and changes in political leadership. Internally, we are embarking on the final stages of a transition to one integrated program delivery system for countries across the globe. We face not only the need to align systems, increase efficiency and improve productivity, but also the opportunity to expand our work to new countries where the needs of children are great. With these factors in mind, we have outlined a low operating revenue scenario and a relatively conservative high operating revenue scenario to project 4%-8% growth by 2015. Our investment in growing undesignated funds will play a critical role in diversifying our revenue portfolio, helping us to manage risk and enabling us to make strategic choices. This includes investing in program innovation, raising awareness about the positive impact our programs have on children's lives, driving efficiencies in our core infrastructure and investing in the development and mobility of our global team—all of which drive results for children around the world. Smiling and growing at a health clinic in Guatemala

AGENCY GROWTH THROUGH 2015



NOTE: Neither scenario assumes a new majo humanitarian emergency in the 2013-2015 period.

Our low operating revenue scenario reflects minimal economic recovery and no investment in expanding our public and private fundraising efforts, limited country expansion and less US Government funding due to reduced budgets.

revenue scenario reflects a stronger economy,

Our high operating

leveraged with an investment in growing undesignated funding. It assumes that we are successful in expanding programming in at least two to four new priority countries with US Government funding.

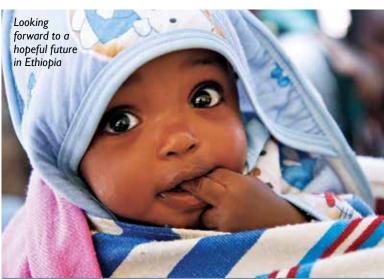
Our Global Movement

y 2015, Save the Children will have solidified its position as the leading global organization of or children. The 30 national members of our global movement will be working together to speak out with one voice and achieve breakthroughs for children using a shared Theory of Change. We will deliver our international programs through one infrastructure, managed by Save the Children International, enabling more efficient and coordinated programming and policies for children around the world. Together, we will reach more than 100 million children and leverage at least \$2 billion in resources.

How our Global Movement Works

Save the Children is greater than the sum of our parts. We leverage strengths from across the movement to deliver results for children.

Thirty national Save the Children members provide funds, technical expertise and advocacy know-how to power the global movement. They design programs and shape policies, build and share knowledge, engage policymakers and lead on global initiatives that inform the direction of the movement. Each national member also runs their own domestic programs and participates in global advocacy and communications. While each Save the Children member is independent and governed by its own board and CEO, there is also an international board that oversees the international activities of the movement. As the largest member, Save the Children USA has four seats on this international board.



Save the Children International manages our international program delivery, coordinates global processes for the field, leads on some campaigns and global initiatives and works with members to strengthen the global movement.

Save the Children regional and country offices deliver our work on-the-ground. Our global team of field staff informs, designs, delivers and monitors programs for children. They provide critical leadership on identifying local needs, shaping solutions and engaging with partners who make our work possible.

Leading within the Movement

Each national member contributes its strengths and expertise to our global effort to improve the lives of children. In 2013-2015, Save the Children USA will collaborate within the movement to lead in areas where we have a strong background and expertise:

PROGRAM TECHNICAL & POLICY **EXPERTISE**

- Humanitarian Response
- Child Protection HIV/AIDS
- Education & Child Development
- Health & Nutrition
- Hunger & Livelihoods
- US Programs

DOMESTIC PROGRAM BEST PRACTICES

RESULTS MEASUREMENT CHILD

SPONSORSHIP

DIGITAL MEDIA

INFORMATION TECHNOLOGY APPLICATIONS

GLOBAL CORPORATE PARTNERSHIPS

CONTINUOUS GLOBAL ADVOCACY IMPROVEMENT

