



Kenan
Institute
Asia



2014

Annual Report

VISION

TO BECOME THE **LEADING PROVIDER** OF SERVICES
FOR **SUSTAINABLE DEVELOPMENT** IN ASIA.

MISSION

TO PROMOTE **RESULTS-ORIENTED**, SUSTAINABLE DEVELOPMENT IN ASIA WITH
AN EMPHASIS ON THE GREATER MEKONG SUBREGION, BY PROVIDING **PROJECT
MANAGEMENT, CONSULTING, TRAINING, AND RESEARCH SERVICES** ON BEHALF
OF OUR CORPORATE, GOVERNMENT, AND MULTILATERAL CLIENTS; AND,

TO PROVIDE OPPORTUNITIES FOR OUR TEAM OF PROFESSIONALS TO MAKE
MEANINGFUL CONTRIBUTIONS TO SOCIETY.

VALUES

STAKEHOLDER OWNERSHIP: PROVIDING FOR PARTICIPATION BY CLIENTS, PARTNERS,
AND BENEFICIARIES.

GOOD GOVERNANCE: HIGH ETHICAL STANDARDS, STRONG INTERNAL PROCESSES,
AND EXTERNAL AUDITING.

RESULTS-ORIENTED: CREDIBLE AND MEASURABLE RESULTS FOR ALL PROJECTS.

SERVICE TO SOCIETY: ACTIVITIES THAT PROVIDE SUSTAINABLE IMPROVEMENTS TO
SOCIETY AND THE ENVIRONMENT.

COMMITMENT TO EMPLOYEES: PROVIDING OPPORTUNITIES FOR DEDICATED
PROFESSIONALS WITH DIVERSE BACKGROUNDS TO CONTRIBUTE MEANINGFULLY TO
THE IMPROVEMENT OF THE REGION'S ECONOMIC, SOCIAL, AND ENVIRONMENTAL
CONDITIONS.

RESPECT FOR LOCAL CULTURES: UNDERSTANDING AND RESPECT FOR ASIAN
CULTURES.

BELIEF IN FREE MARKET MECHANISMS FOR DEVELOPMENT: USING THE VIBRANCY
OF FREE ENTERPRISE TO MEET DEVELOPMENT CHALLENGES BY SUPPORTING
CORPORATE SOCIAL RESPONSIBILITY, FINANCIAL LITERACY, ENTREPRENEURSHIP,
AND SMALL AND MEDIUM SIZED BUSINESS DEVELOPMENT.



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MESSAGE FROM THE CHAIRPERSON

DELIVERING SUSTAINABLE DEVELOPMENT EXPERTISE TO THE REGION



In many ways, 2014 marked the start of a new era for the Kenan Institute Asia. Entering our 19th year of delivering impactful sustainable development expertise to the region, we have continued our role as leaders in innovating science, technology, engineering, and math (STEM) education, implementing high-value corporate social responsibility (CSR) programming, developing the region's business and economic environment, and fighting against public health threats. At the same time, working with support from our key government and corporate donors, such as the Royal Thai Government, the U.S. Agency for International Development (USAID), Chevron, and Citi, Kenan has been able to significantly expand our regional impact. In 2014 alone, Kenan's nearly thirty projects directly benefitted over 7,500 individuals, indirectly impacting tens of thousands more.

In particular, Kenan has made great strides in its efforts to reform and improve STEM education, which has long been identified as one of the key development needs within Thailand and the region. Partnering with Chevron on the INCREASE I & II projects, Kenan trains teachers and principals to use inquiry-based curriculums that engage students and drive better math and science learning outcomes, benefitting thousands of students throughout Thailand.

Already the regional leader in innovative CSR programming, Kenan continued its work in bridging the gap between the private and the public sectors to achieve sustainable development. With dynamic projects like ThaiBev Leadership for a Better Quality of Life, Kenan fosters public-private partnerships that leverage expertise from the private sector to benefit the public.

Approaching the formation of the ASEAN Economic Community (AEC) in 2015, Kenan has been instrumental in preparing not only Thailand, but also the region for greater integration. As the leading implementer of the small and medium-sized enterprise (SME) component of the USAID-funded ASEAN Connectivity through Trade and Investment (ACTI) project, Kenan leverages its expertise in training and supporting SME owners and entrepreneurs in order to develop impactful regional SME initiatives.

In 2014, Kenan also greatly expanded its ability to provide its services outside of Thailand and ensure that integrated development is carried out sustainably. Our office in Hanoi, Vietnam was officially opened and is already proving to be a successful hub for innovative development. In addition, Kenan implemented the UNDEF-funded LEAD II project in Lao PDR, which delivered civil society capacity building to local NGOs.

Unfortunately, 2014 also marked the passing of our former Chairperson, Ambassador Nitya Pibulsonggram. He served Kenan and Thailand with unparalleled distinction and commitment, and we will miss him immensely. While it will be impossible to fill his shoes, I am honored to have the opportunity to guide Kenan on its path to become the leading provider of sustainable development services in the region.

Looking forward to 2015, we will build upon our successes and continue to expand our presence across the region, bringing impactful development projects to those who need it most. I encourage you to learn more about Kenan and join us in working toward a more prosperous and integrated Southeast Asia.

A handwritten signature in black ink, reading "J. Wattanasiritham".

Khunying Jada Wattanasiritham
Chairperson, Kenan Institute Asia

STUDENTS PARTICIPATING IN THE
CHEVRON INCREASE PROJECT



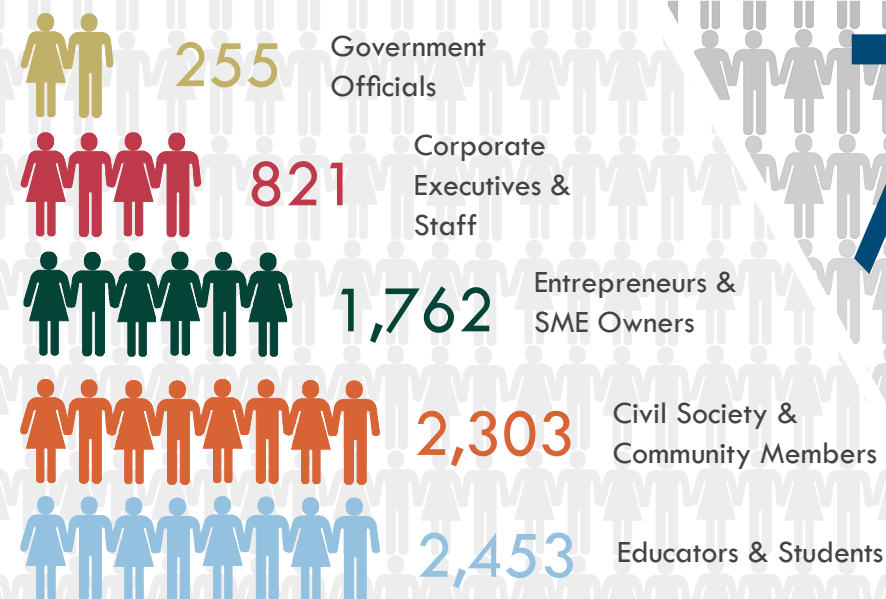
**TRANSFORMATIVE
EXPERIENCES**

KENAN INSTITUTE ASIA *in brief*

Kenan Institute Asia is a knowledge and capacity building organization implementing results-oriented, social and economic development programming on a not-for-profit basis. With our headquarters in Bangkok, we conduct activities in Cambodia, Lao PDR, Myanmar, Thailand, and Vietnam, as well as regional activities in Southeast Asia. Kenan approaches key development challenges in the region through an innovative, market-based approach, harnessing the resources and expertise of the private sector and the experience and knowledge of the public and civil society sectors to address key issues in business and economic development, education, and public health. Kenan provides its corporate, government, and multilateral clients with services including consulting, project design, management and implementation, training, and research.

KENAN IN 2014

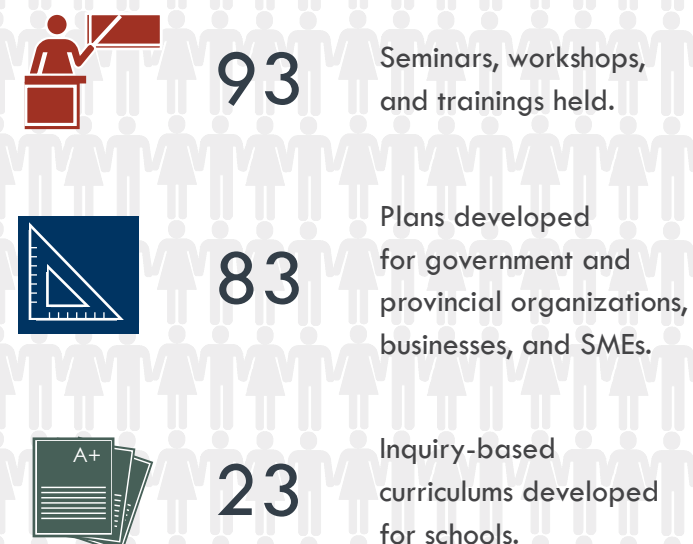
Beneficiaries



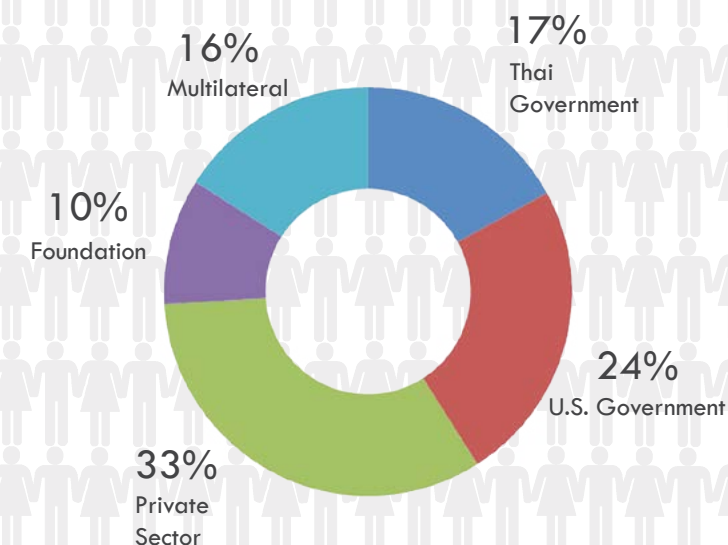
7,594

Total number of direct beneficiaries impacted in 2014 through 26 projects.

Major Project Outputs



Sources of Funding



Kenan's impactful programs and services work to improve livelihoods for thousands throughout Southeast Asia every year.

KENAN SERVICES

CONSULTING

Providing world-class business consulting services, as well as policy and evaluation consulting for government and multi-lateral agencies. Areas of special capability include: advising small and medium-sized companies and entrepreneurs, business planning, franchise market entry, integrated sustainable development master planning, sustainable tourism planning, corporate social responsibility (CSR) strategy and organizational development, business cluster, and value chain development.

PROJECT MANAGEMENT

Managing projects in a cost-effective manner from project design to impact assessments. Areas of special project management capability include: small business development, sustainable tourism, educational improvement, public health improvement, and CSR. Kenan has both the financial and management systems as well as the experienced people to assure project transparency and effectiveness.

TRAINING

Building development capacity in the region through effective, non-degree training, including training of trainers. Areas of special capability include: entrepreneurship, personal financial management, small business financial management, business cluster facilitation, management of strategic CSR programs, using IT for better learning, inquiry-based science and math education methodology, disaster management and planning, public health planning, financial literacy, and civil society capacity building.

RESEARCH

Practical development research necessary for designing projects and policies, and developing case studies in areas such as sustainable tourism development, intellectual property rights, cluster development, STEM education, and CSR. Curriculum development is conducted for middle and secondary schools, technical schools, and universities in the areas of science, math, IT, intellectual property, and CSR.

COMMUNITY MEMBERS WORKING
TOGETHER TO DEVELOP CIVIL SOCIETY



ENGAGING STAKEHOLDERS

EXECUTIVE COMMITTEE



KHUNYING JADA WATTANASIRITHAM MR. PIABUTR CHOLVIJARN DR. VARAKORN SAMAKOSES DR. JOHN D. KASARDA MR. SIVAPORN DARDARANANDA



KHUNYING KASAMA VARAVARN NA AYUDDHAYA MR. CHARLES BLOCKER, JR. DR. CHADAMAS THUVASETHAKUL DR. SUPAVUD SAICHEUA MR. RICHARD BERNHARD

BOARD OF TRUSTEES

- | | | |
|--|---|---|
| <p>MR. ANAND PANYARACHUN
Kenan Founding and Honorary Chairman
Former Prime Minister of Thailand</p> <p>KHUNYING JADA WATTANASIRITHAM
Chairperson, Kenan Institute Asia
Independent Director, Siam Commercial Bank</p> <p>MR. PIABUTR CHOLVIJARN
Kenan Vice Chair and President
Former Deputy Minister of Industry, Thailand</p> <p>MR. SIVAPORN DARDARANANDA
Secretary-General
Elephant Reintroduction Foundation</p> <p>DR. VARAKORN SAMAKOSES
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Director, Center for Air Commerce, Kenan-Flagler Business School, University of North Carolina at Chapel Hill</p> <p>AMBASSADOR WILLIAM H. ITOH
Former U.S. Ambassador to Thailand</p> <p>MS. JOAN GILLINGS
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Director General, Thailand International Development Cooperation Agency</p> <p>MR. RICHARD BERNHARD (EX-OFFICIO)
Executive Director, Kenan Institute Asia</p> |
|--|---|---|

OUR HISTORY

1996



Mr. Anand Panyarachun & Mr. Owen G. Kenan at Kenan's first Board of Trustees meeting.

1998

Since 1996, Kenan has leveraged its project management and technical skills to conduct sustainable development in Southeast Asia. Evolving from a project funded by the U.S. Agency for International Development (USAID), and with support from the Royal Thai Government, the William R. Kenan Jr. Charitable Trust, and the Frank Hawkins Kenan Institute of Private Enterprise (KIPE) at the University of North Carolina at Chapel Hill, Kenan was established with the belief that long-term development can best be achieved through free enterprise mechanisms, boundary-spanning partnerships, and practical expertise.

With former Prime Minister Anand Panyarachun as its founding chairperson, Kenan began by fostering development partnerships between U.S. and Thai organizations. Projects included recycling steel slag, producing low-cost HIV diagnostic kits, designing a waste water treatment plant, and generating electricity from landfill gas.

When the region was economically upended by the 1997 financial crisis, Kenan responded by working with major U.S. companies operating in Thailand to design the **American Corporations for Thailand (ACT)** program, which retrained those left unemployed by the crisis. Under ACT, Kenan designed and implemented over 50 projects, impacting more than 27,000 individuals, a high percentage of whom were able to subsequently find new jobs.

In 1999, the U.S. government selected Kenan to manage a major economic recovery and reform program called **Accelerating Economic Recovery in Asia (AERA)**. During the decade that followed, Kenan implemented a wide variety of projects, including operating the **Business Advisory Center**, which trained more than 300 small- and medium-sized enterprises (SMEs), provided customized bank training for over 2,000 managers and 18,000 officers at government-owned banks, created the **Business Support Organizations Partnership (BSOP)** program that developed 30 U.S.-Thai business partnerships,

and supported mechanisms to prevent the spread of multi-drug resistant malaria and influenza in the region.

2004



U.S. Ambassador Eric G. John, Governor Wichai Prais-Ngob of Phang-Nga, and Kenan's Paul Wedel.

2006

In response to the 2004 South Asian Tsunami on December 26, 2004, Kenan, with generous support from the William R. Kenan Jr. Charitable Trust and KIPE, launched the **Tsunami Recovery Action Initiative (TRAI)**. TRAI developed and promoted a model for sustainable tourism in the hard-hit province of Phang-nga. In addition, Kenan, with the support of the Bush-Clinton Tsunami Recovery Fund, the UN World Tourism Organization, the European Commission, Microsoft, and MSD (Thailand), developed complementary programming in Phang-nga that focused on sustainable tourism entrepreneurship, education, and community participation. Over five years, nearly 5,000 people participated in TRAI activities, empowering them to rebuild their lives with a sustainable foundation.



Former U.S. Secretary of State Henry Kissinger with former Prime Minister Mr. Anand Panyarachun and ACT donors.

19

YEARS OF
SUSTAINABLE DEVELOPMENT



Embedding CSR in Vietnamese business schools.

Building on its successful implementation of the AERA and TRAI projects, Kenan shifted its focus to become the **leading provider of corporate social responsibility (CSR) programming** in the region. Kenan has partnered with multinational and local corporations, such as Citibank, Chevron, GE Money, Boeing, Microsoft, MSD (Thailand), and others, forming a number of long-term relationships focused on sustainable development. These partnerships have not only benefitted a large number of direct participants, but have also been instrumental in embedding CSR philosophies within local and multinational corporations.

In addition, Kenan began to leverage its resources and practical expertise to conduct projects throughout the Greater Mekong Subregion (GMS). Though Kenan's main activities between 1999 and 2009 were focused primarily on Thailand, under the AERA

project, Kenan also implemented a strategic plan to help neighboring countries, especially Cambodia, Lao PDR, and Vietnam, benefit from Thailand's development experience. By 2009, Kenan was conducting an increasing number of project activities in the region.

Today, Kenan leverages the experience and practical knowledge developed during its first 19 years to support sustainable development throughout Southeast Asia. With more than 50 professional development experts in Thailand, Vietnam, and Lao PDR, and with funding from USAID, the Royal Thai Government, the UNDP, the UNDEF, and major corporate donors, **Kenan projects have improved the quality of life for millions of individuals.**



Innovating science and math education with the Chevron INCREASE project.

2008

2010

2012

2014

2014 HIGHLIGHT VIETNAM OFFICE OPENING



EXPANDING REGIONALLY

Kenan and regional partners celebrate the opening of a new office in Hanoi, Vietnam.

In 2014, Kenan celebrated a major milestone by opening a new office in Hanoi, Vietnam. Strategically located in one of the fastest-growing and most dynamic cities in Southeast Asia, the office will serve as a foundation for Kenan's growing presence in Vietnam. As the country rapidly expands to become a middle-income nation, Kenan will leverage its knowledge, skills, and capacities to ensure that such development is sustainable.

BUSINESS & ECONOMIC DEVELOPMENT



THE CITI AT-RISK WOMEN FINANCIAL LITERACY PROGRAM
EMPOWERS WOMEN AND FAMILIES TO BREAK THE CYCLE OF POVERTY

BUSINESS AND ECONOMIC DEVELOPMENT

Kenan Institute Asia plays a critical role in supporting economic growth, creating employment opportunities, increasing economic cooperation, supporting business enablers, and preparing the region for the formation of the ASEAN Economic Community. We partner with policy makers and business leaders to build a strong and sustainable enabling environment to enhance economic growth. Kenan's programming and advisory expertise supports private sector development, from capacity building for micro entrepreneurship and small and medium-sized enterprises (SMEs) to policy support for governments and regional agencies.

NEW ENTREPRENEUR CREATION

Department of Industrial Promotion

Partnering with Thailand's Department of Industrial Promotion for the 9th year, Kenan continued its mission of providing training to aspiring entrepreneurs who lack the necessary financial and managerial skills to successfully expand their businesses. In 2014, 74 entrepreneurs participated in intensive training sessions designed to provide them with marketing strategies, financial and organizational management techniques, and business plan development and implementation methodologies. In addition, Kenan experts preformed one-on-one consultations to review business plans and arranged two study trips to visit successful SMEs. Out of the 74 developed business plans, 19 resulted in the establishment of a new business and 11 culminated in a business expansion, with an average investment of over 625,000 baht per entrepreneur. Since its start in 2006, the project has trained 953 entrepreneurs.



FRANCHISE GO INTER

Department of Business Development

For the fourth time, the Department of Business Development (DBD), under the Ministry of Commerce, and Kenan came together to implement the Franchise Go Inter project. The collaborative effort recruited over 80 Thai SMEs and worked with them to develop franchising business plans. Out of those 80 SMEs, 20 were selected for business matching opportunities in Thailand and 30 were selected to join Kenan for business matching trips to Beijing, China, Mumbai, India, Ho Chi Minh City, Vietnam, and Vientiane, Lao PDR. The project connected Thai businesses to nearly 400 foreign investors and helped to significantly raise the profile of Thai brands in foreign countries.

MARKET

USAID & Nathan Associates

Since 2012, Kenan experts have worked with Nathan Associates on the USAID-funded food security project, MARKET (Maximizing Agricultural Revenues through Knowledge, Enterprise Development and Trade) for ASEAN. The project works to develop business and farmer organizations, governments, research institutions, and non-governmental organizations to adopt better aquaculture production practices and fisheries management. An important part of the project is to identify gender roles, barriers, and opportunities in the aquaculture sector, and develop gender-sensitive activities. In 2014, the project implemented a series of public-private partnership activities in ASEAN countries to promote better disease control procedures at the national and regional levels, worked to develop sustainable ASEAN fishery and aquaculture standards, and held three workshops addressing gender issues in the aquaculture sector.

PROMOTING ENTREPRENEURSHIP

Aspiring entrepreneurs participate in a study trip, receiving financial and managerial training as part of the New Entrepreneur Creation project.

PROJECT PARTICIPANTS GAIN INVALUABLE MANAGEMENT AND TECHNICAL SKILLS



MEASURABLE RESULTS

CITI – KENAN PARTNERSHIP: 2014 HIGHLIGHTS

CITI LITERACY IMPROVEMENTS FOR BETTER FINANCE IN THAILAND (LIFT)

Citi/Citi Foundation

In a major initiative to reduce individual debt in Thailand, which has risen significantly in recent years, and empower households by developing their financial management skills, Citi and Kenan conducted the Literacy Improvements for better Finance in Thailand (LIFT) study. The year-long project assessed Thai government policies relating to debt and savings, and engaged relevant stakeholders across all segments of society, including debtors, policy makers, and bankers. With household debt at record levels, the study found that a vast majority of debtors lacked sufficient financial literacy to fully understand and rectify their situation, leading to an often vicious cycle of debt and poverty. In response, Kenan developed a multi-pronged approach to change financial literacy policies, including establishing a core group of activists to support savings policy changes and promote the teaching of financial literacy.

CITI AT-RISK WOMEN FINANCIAL LITERACY PROGRAM

Citi/Citi Foundation

Expanding on a partnership that goes back more than seven years, Citi Thailand, the Citi Foundation, and Kenan delivered financial literacy trainings to women who are considered at-risk, including those with little or no income who have difficulty making ends meet, and women in short-duration, high-risk occupations. Bringing together Citi and Kenan financial experts to equip at-risk women with personal finance skills, like how to budget, save, and monitor credit, the Citi At-Risk Women Financial Literacy project empowers those women to break the cycle of predatory lending, debt, and abuse that often keeps them in poverty.

In 2014, the project focused on holistic financial literacy development, integrating entrepreneurship skills into financial trainings, which were delivered in tandem with job and vocational trainings. Women learned



Mr. Darren Buckley, Country Head and Citi Country Officer, at a Kenan - Citi training.

about how to successfully manage their own resources while starting and operating a small business. The project has already had a major impact on the women, increasing their savings by 20% and their budgeting resources by 35%, six months after they completed training. Since the program started in 2008, 2,592 women and 52 families have gone through the trainings. In 2014 alone, the project trained 429 people, including 21 slum community members, 198 vocational women, and 210 incarcerated women.

ACTI - SME

USAID/Nathan Associates

Leading the SME component of the USAID-funded ASEAN Connectivity through Trade and Investment (ACTI) project, Kenan has leveraged its expertise in training and supporting SME owners and entrepreneurs to develop impactful regional SME initiatives. Led by Nathan Associates, the five-year USAID ACTI initiative's goal is to strengthen selected regional states' institutions to support trade and investment targets outlined in the blueprints for an integrated ASEAN Economic Community (AEC). Operating since 2013, ACTI-SME is a subcomponent of this project, which aims to fulfill the ASEAN Strategic Action Plan for SME Development by accelerating the pace of regional SME development, while at the same time making SMEs competitive and increasing their overall contribution to economic growth. The project focuses on the four least-developed ASEAN economies – Cambodia, Myanmar, Lao PDR, and Vietnam – and activities have included SME policy meetings, trainings, and resiliency development sessions. As part of the project, in 2014, Kenan launched the first of several regional Insights Conferences in Yangon, Myanmar. The conference addressed solutions for common problems facing ASEAN SMEs ahead of the formation of the AEC in 2015.

REAL FLOOD RECOVERY

Asia Foundation / Give2Asia

Following the 2011 floods in Thailand, which directly impacted thousands of micro-, small-, and medium-size enterprises (MSMEs) in central Thailand, the Asia Foundation's Give2Asia program and Kenan began working together to ensure that MSMEs are better prepared for future crises, whether they are environmental, economic, or political. To this end, the Rural Entrepreneurship through Action Learning (REAL) Flood Recovery project assisted over 120 MSMEs in three of the provinces most affected by the floods, namely Ayutthaya, Nonthaburi, and Pathumthani. The project provided these MSMEs with three-day REAL trainings and consulting services designed to improve their immediate post-flood business plans, help them apply for loans, and develop their business continuity plans to ensure continuous operation in the face of future disasters. Kenan consultants provided technical assistance in reviewing MSME business plans, helping MSMEs submit documents to lending institutions in support of their flood recovery loan applications, and training MSMEs on how to identify business opportunities following natural disasters.



IMPROVING FINANCIAL LITERACY

A stakeholder talks about obstacles and solutions for achieving financial literacy in Thailand, as part of the Citi LIFT project.



EMPOWERING AT-RISK WOMEN

Kenan and Citi have worked together since 2007 to teach financial literacy to at-risk and imprisoned women, empowering them with basic financial skills, like budgeting, saving, and investing.



STRENGTHENING SMALL BUSINESSES

A small business owner participates in a workshop teaching entrepreneurial skills and business continuity planning, as part of the REAL Flood Recovery project.

KENAN & THAILAND'S OFFICE OF SMALL AND MEDIUM ENTERPRISE PROMOTION (OSMEP)

APEC SME PROMOTION OSMEP

Building on Kenan's longstanding partnership with the Thai government, Kenan consultants supported OSMEP in preparing for and chairing the 38th and 39th Asia Pacific Economic Cooperation Small and Medium Enterprise Working Group (APEC SMEWG) meetings. This project continued Kenan's substantial work supporting OSMEP as the chair of the 36th and 37th APEC SMEWG meetings and further enhanced its role as a leader in regional SME development. The 38th and 39th meetings, held in Taichung, Taiwan and Nanjing, China in March and September 2014, respectively, served as major forums for developing ideas and policies to best assist SMEs in the Asia Pacific region. Kenan experts provided technical expertise and policy advisory to OSMEP, as well as delivered presentations to the forum, and worked with member economy representatives and APEC officials to ensure that working group meetings ran smoothly. Major outcomes from the meetings included financing for innovative technology SME start-ups and ethics capacity building for SMEs in the medical devices, construction, and bio-pharmaceutical sectors.



FINANCING APEC SME INNOVATION APEC SMEWG & OSMEP

Kenan, in partnership with OSMEP, implemented the APEC-funded Financing APEC SME Innovation Workshop in Bangkok. The workshop brought together over 100 entrepreneurs, venture capitalists, policy makers, and SME leaders to discuss government policies to promote venture capital investment in APEC economies. Over two days, workshop participants learned from innovation and venture capital experts, networked with regional entrepreneurs and investors, and worked together to devise a set of policy recommendations to encourage domestic and cross-border venture capital investment throughout APEC.

PROMOTING APEC SME INNOVATION THROUGH SMART IPR POLICY APEC SMEWG & OSMEP

In 2014, Kenan also brought together APEC delegates, SMEs, and Intellectual Property Rights (IPR) policy makers and leaders to promote APEC SME innovation through the development of smart IPR policies. The two day workshop in Bangkok convened over 90 participants to foster discussion, share best practices on IPR protection, policy-making, and cross-border enforcement, and produce a set of policy recommendations that will improve APEC IPR systems and promote SME innovation, thereby fostering regional economic growth.

WORKING FOR SME ENTREPRENEURS

Kenan and OSMEP advocate for policies that directly benefit SMEs throughout Thailand.



LOOKING BACK: SME CONSULTING - BLACK CANYON COFFEE

Mr. Pravit C. Pong likes to say that the secret to success is to never give up, and as the founder and CEO of the Black Canyon (Thailand) Co. Ltd. coffeehouse chain, he knows a thing or two about perseverance. Mr. Pong is a self-styled "beantrepeneur" who leads one of the fastest-growing multinational coffee chains in Southeast Asia, serving over 1 million cups of coffee in Thailand alone every year. When he started Black Canyon in 1993, however, there was only a single, small shop in Bangkok that sold coffee and a fusion of Thai and western foods.

Black Canyon grew steadily throughout the 1990s, expanding in Thailand by franchising to local entrepreneurs, as well as establishing company-owned branches. By 2000, however, the company was facing the dual challenges of steering itself through the continued aftershocks of the 1997 Asian Financial Crisis and dealing with a rapid expansion of its brand that was quickly outpacing its management systems. That's when they decided to turn to Kenan for help.

Working with Black Canyon to conduct an extensive SWOT analysis, Kenan consultants were able to identify the company's major problems and chart out a sustainable business plan for the future. Kenan was also instrumental in helping Black Canyon vet and select an international expert in coffeehouse franchise management who worked with the company to improve their organizational and management systems, and fine-tune their scaling up practices. The Black Canyon management team has since said that those improved systems played a significant role in allowing them to manage their stores more effectively while expanding their business.

Today, Mr. Pong oversees a coffeehouse chain that is still expanding and which boasts 326 total outlets, including 271 in Thailand and 55 in key international markets, like Malaysia, Indonesia, Singapore, Myanmar, Cambodia, Lao PDR, and the Philippines.



Mr. Pravit C. Pong, founder and CEO of the Black Canyon (Thailand) Co. Ltd. coffeehouse chain.

CROSS-CUTTING SERVICES



DEVELOPING YOUTH COMMUNITY LEADERS IS CENTRAL TO THE THAIBEV LEADERSHIP FOR A BETTER QUALITY OF LIFE PROJECT

CROSS-CUTTING SERVICES

Kenan works to provide students, farmers, educators, entrepreneurs, and business managers and owners with important tools for sustainable development. Kenan's cross-cutting services include working with corporations to implement sustainable and impactful corporate social responsibility (CSR) projects that emphasize stakeholder engagement, strengthening the ability of civil society organizations (CSOs) to play a constructive role in their communities, and implementing a holistic approach to sustainable tourism development by engaging with local communities, businesses, tourists, and governments to improve livelihoods for local community members, while preserving their natural environments and cultures.

EMPOWERING WOMEN THROUGH LEARNING

Diageo MOET Hennessy (Thailand) Ltd.

Seeking to develop the workplace and interpersonal skills of female hospitality workers in Thailand, Diageo MOET Hennessy Thailand Ltd. (DMHT) partnered with Kenan and the Hilton Hotel Group to launch a major initiative that will empower over 6,500 female hospitality workers through extensive trainings. The three-year project is part of DMHT's Plan W, a sustainable development strategy to empower two million women in 17 Asian-Pacific countries, including Thailand, by 2017. As the leading implementer of Plan W in Thailand, Kenan is empowering female hospitality workers through the improvement of teamwork, problem-solving, communication, and conflict management skills, while addressing workplace awareness of sexual harassment. Strengthening these critical life skills will help to address gender issues in the Thai hospitality industry and lead to improved career development opportunities for thousands of women. Conducting 15 trainings in 2014 alone, the project has already directly impacted over 400 Hilton Worldwide female hospitality employees from six hotels in Bangkok, Pattaya, and Hua Hin.



Kenan and Diageo MOET Hennessy (Thailand) Ltd. (DMHT) partner to empower over 6,500 female hospitality workers, as part of DMHT's Plan W.

LEAD II

United Nations Democracy Fund

Developed as an innovative expansion of the successful Lao Encouraging and Applying Democracy for Civil Society (LEAD I) project, LEAD II continues the work of building the advocacy capacity of civil society organizations (CSOs) and encouraging engagement between CSOs and local and national leaders. In addition, Kenan expert mentors are assisting 16 leading local CSOs in implementing grants, totaling more than US \$100,000, to conduct advocacy activities promoting community and national changes. Taken together, the LEAD I and II projects have been instrumental in bringing together Lao PDR's government and burgeoning CSOs to ensure that they are collaborating to effectively develop the country.

In 2014, the LEAD II project built the capacity of 36 government officials and held advocacy capacity building workshops that directly impacted 146 civil society leaders. Key project activities included awarding advocacy grants to 16 Lao PDR CSOs, on-going mentoring for those grant recipients to build their capacity, developing their operational skills and overall sustainability, and assisting them with project implementation, and developing and maintaining a project website in English and Lao that serves as a hub for CSO information in Lao PDR. This year, the grants component project benefitted over 25,000 people in urban and rural communities throughout Lao PDR.

LEADERSHIP FOR A BETTER QUALITY OF LIFE

Thai Beverage Public Company Limited (ThaiBev)

Building on years of extensive community engagement and development experience, Kenan and ThaiBev launched a partnership to foster a better quality of life in Bang Kuwat community through improved social participation. Strategically located just 30 kilometers north of Bangkok on the Chao Phraya River, Bang Kuwat is home to one of ThaiBev's largest distilling facilities, the Sura Bangyikhan Co. Ltd. The three-year project aims to strengthen local relationships, improve employee engagement, empower community leaders, and promote youth leaders to address the community needs of today and tomorrow. Kenan and ThaiBev are also partnering with students from the University of the

Thai Chamber of Commerce's Beta Young Entrepreneurship program who are mentoring Bang Kuwat youth leaders through trainings and community projects.

Since beginning in June of 2014, the Leadership for a Better Quality of Life project has successfully implemented a youth-centric participation model, fostering active participation among all stakeholders. In addition to developing youth leadership curriculums and conducting trainings, Kenan organized six youth-led community activities. Over the next three years, the project will directly benefit at least 120 community members, 60 community leaders, 120 students, and 45 ThaiBev employees.

"MAE MOH MODEL": DEVELOPING AN ECO ENERGY TOWN

The Electrical Generating Authority of Thailand (EGAT)

Partnering with EGAT for the first time, Kenan is creating an Eco Energy Town development strategy for Mae Moh District, in Thailand's Lampang Province, which is home to a significant lignite mining site and EGAT's largest electricity generating power plant in northern Thailand. Kenan experts conducted field surveys, interviews, focus group discussions, and site observations to develop both a one-year action plan and a five-year strategic plan to make Mae Moh the first Eco Energy Town in Thailand.



BUILDING A BETTER QUALITY OF LIFE

As part of the ThaiBev Leadership for a Better Quality of Life project, Bang Kuwat youth leaders engage in a youth camp designed to foster active community participation and develop leadership skills.

CORPORATE SOCIAL RESPONSIBILITY

PROMOTING CSR IN VIETNAM

As part of Kenan's mission to promote sustainable development by engaging the private sector, Kenan launched a new Corporate Social Responsibility (CSR) initiative in Vietnam. The program is working to inform and educate companies about the significant impacts they can make in leading and supporting sustainable development efforts. The awareness raising initiative consists of both knowledge and capacity building activities, including updating the "State of CSR in Vietnam" study, which was originally conducted by Kenan in partnership with the Vietnam Chamber of Commerce and Industry (VCCI) and supported by the United Nations Development Programme (UNDP). Training activities for Vietnamese government officials on how to encourage and promote CSR, an introductory CSR workshop for AMCHAM Vietnam members, and a training workshop for Vietnamese SMEs have already been completed. The updated study will be released in early 2015.



LEADING THE WAY IN CSR PROGRAMMING

Kenan experts lead CSR trainings throughout Thailand and the region.

CORPORATE CONSULTING SERVICES

As the leader in regional CSR programming, Kenan offers tailored CSR consulting services to corporate clients seeking to strengthen their stakeholder relationships. Developed by in-house experts across a range of fields, Kenan CSR programs are unique in their cross-cutting design and depth of stakeholder engagement. By providing implementation support, in addition to project design, research, and training, Kenan distinguishes itself from other consulting companies by ensuring that projects are successfully realized. In 2014, Kenan provided consulting services to a number of select companies, two examples of which are presented below.

Building on Kenan's work developing a CSR strategy for [Rangsit Plaza Company](#), which operates large shopping complexes like Future Park Rangsit, Kenan trained Rangsit employees on how to embed that CSR culture into their day-to-day operations. Kenan coached Rangsit employees as they implemented four major employee-driven CSR activities. In all, Kenan experts directly trained and impacted over 240 Future Park employees, providing them with the knowledge and skills to continue implementing CSR activities in the future.

For the fourth consecutive year, Kenan experts provided training for [Thailand Post Company](#) employees on implementing in-house CSR programming and promoting awareness of good corporate governance. Over 110 managers received coaching on how to support Thailand Post as it aligns itself with national corporate standards and seeks to follow the State Enterprise Performance Appraisal Standards (SEPA).

KENAN SUCCESS STORY: CITI AT-RISK WOMEN FINANCIAL LITERACY

MAKING A MEANINGFUL IMPACT IN A BANGKOK SLUM

The Citi Financial Literacy for At-Risk Women project works by focusing not only on women, but also on their families and the larger circumstances that often lead to poverty. As part of this initiative, Kenan and Citi volunteer trainers met in September of 2014 to teach financial literacy skills to a group of families living in poverty in Bangkok.



SKILLS FOR A BRIGHTER FUTURE

Mr. Phan Potiharn and his son, Nong Mag, at home in Bangkok.

One of these was the family of Mr. Phan and Mrs. Pimjai Phuangthong, and their young son, Nong Mag. Originally from Sakon Nakhon Province, they were living in the Sua Yai Utis slum in Bangkok, where Phan worked as a commercial painter. Their goal was to earn enough money to move back to Sakon Nakhon and open up a small grocery store, but they were having trouble saving anything based on their low wages. That's when Kenan and Citi trainers stepped in and worked to teach the Potiharn family the necessary financial literacy skills needed to make an impact. Phan tells it best himself:

"On the first day, trainers worked with my wife and I to set out a life goal. For a long time, we've wanted to open a small grocery store in my hometown of Sakon Nakhon, but until the training, we had never sat down and made a plan to do so. We calculated how much money we would need to open the store. From that, we figured out how much money we would need to save, and then divided that amount into daily, monthly, and yearly savings.

"Before calculating the necessary savings, however, we also calculated all the expenses. By the time they were all added up, I was completely embarrassed. I'd never realized how much money I regularly spent on unnecessary items, like cigarettes and liquor. It was even higher than the amount I gave to my family.

"Kenan and Citi trainers were instrumental in showing me how I could save enough money for our grocery store within three years by simply reducing my unnecessary, daily expenses. Six months after the training, I've stopped drinking and have largely cut out all of my unnecessary purchases. I've started giving more money to my wife and have been able to spend more time with my son. We've even started a savings account in the bank, which is growing steadily towards our goal."



FINANCIAL LITERACY TRAINING FOR FAMILIES

Kenan and Citi volunteer trainers teach financial literacy skills to families from Bangkok's Sua Yai Utis slum.

INNOVATIVE EDUCATION

PROJECT-BASED LEARNING IS A KEY ELEMENT
OF THE CALTEX FUEL YOUR SCHOOL PROJECT

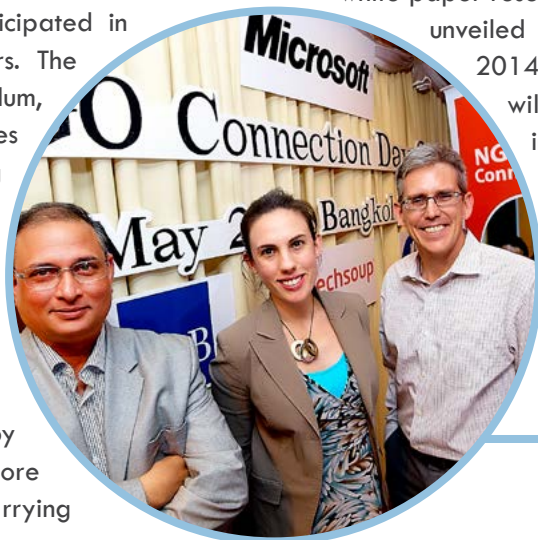
INNOVATIVE EDUCATION

Kenan works with educational institutions, governments, corporations, and multilateral agencies to equip youth and adults with the skills and knowledge to become workforce leaders. Utilizing evidence-based practices to improve education in both the formal and non-formal sectors, with a particular emphasis on enhancing math and science teaching and learning outcomes, Kenan helps our clients deliver a substantial and lasting impact on student job market readiness, and institutional and systems improvement.

MICROSOFT IT FOR NGO CONNECTION DAY 2014

Microsoft Thailand Ltd.

Now in its third year, the Microsoft NGO IT project utilizes Kenan's unique development strategies by reaching out to NGOs located both in Bangkok and rural areas to build their management, leadership, and ICT process improvement capacities. The project holds regular Round Table and Connection Days, which are designed to bolster the technological capacities of local NGOs and provide them with critical IT training and software donations. Many local NGOs lack the IT infrastructure needed to truly help the people they serve and the Microsoft NGO IT project therefore reaches thousands of indirect beneficiaries. NGOs are also encouraged to build relationships with each other and share IT best practices crucial to their work. In 2014, 161 individuals representing 91 NGOs participated in training seminars. The training curriculum, which includes lessons on using Microsoft's productivity software, was designed to improve the ICT capabilities of NGOs, thereby making them more efficient in carrying out their mission.



NATIONAL SCIENCE TECHNOLOGY AND INNOVATION POLICY OFFICE (STI) WHITE PAPER

Ministry of Science and Technology

In 2014, Kenan built on its wide-ranging experience as a leader in improving Thailand's education methods by partnering with the National Science Technology and Innovation Office (STI) to develop a white paper recommending policies and public-private partnership programs for strengthening science, technology, engineering, and math (STEM) education in Thailand's formal and non-formal sectors. Kenan collaborated with the Teacher's College of Columbia University to conduct extensive research, interviews, and planning workshops for over 50 key stakeholders, including representatives from the food, energy, and automotive industries. The STI white paper research results were unveiled in October of 2014, and the findings will be instrumental in developing Thailand's future education policies.

CONNECTING NGOS

Microsoft employees and local Thai NGOs come together for a Connection Day, as part of the NGO IT project.

BY THE NUMBERS

49,600

Number of students benefiting from Kenan Innovative Education projects in 2014.

865

Number of principals, master teachers, and teachers trained by Kenan in 2014 alone.

154

Number of schools throughout Thailand that have directly benefitted as a result of Kenan projects in 2014.

3

Number of years Chevron has agreed to fund an inquiry-based learning project in Songkhla, Nakhon Si Thammarat, Chumphon, and Surat Thani.



PROMOTING TECHNOLOGY-ENHANCED LEARNING

Teachers and students alike benefit from the Boeing TEL II project, which gives teachers the tools to effectively use technology in classrooms with limited ICT options.

BOEING TEL II

Boeing Corporation

Partnering together for five years to enhance teacher capabilities and utilize computer technology in Thailand's classrooms, Boeing and Kenan are leading the way in promoting technology-enabled learning in schools that have limited information and communication technology (ICT) options. This year, the Boeing Technology Enhanced Learning II Project (Boeing TEL II, formerly Boeing One Computer Classroom), expanded on the original project's goals by providing professional development

for teachers in 48 Bangkok Metropolitan Area schools on how to maximize the use of one computer per classroom to enhance teaching and learning outcomes. In 2014, Kenan experts trained 233 teachers, 56 principals, 10 master teachers, and 15 senior education officials using Boeing TEL II techniques, benefitting an estimated 23,000 students. These trainings included lessons on Teaching Scripts, an innovative tool designed to optimize instructional practices that promotes higher-order thinking and

learning, and sequenced learning concepts. In addition, the Boeing TEL II project introduced a Principals and Supervisors Training program to educate school leaders on new teacher practices and develop a mentoring system within the schools. Boeing TEL II casebooks highlighting competition-winning teachers and high-impact practices for implementing Boeing TEL methodologies in real classrooms were also developed and distributed.

CHEVRON – KENAN PARTNERSHIP:

2014 HIGHLIGHTS

CHEVRON INCREASE I & II

Chevron

Chevron, Thailand and Kenan began working together in 2013 with the goal of increasing the number of Thai students studying science in schools throughout Thailand’s Songkhla and Nakhon Sri Thammarat provinces. The initial project was so well-received and proved so effective that, in 2014, Chevron and Kenan expanded their partnership to create a second, simultaneous Chevron Inquiry-based Classroom Reasoning for Experiential and Active Science Education II (Chevron INCREASE II) project. Chevron INCREASE II brought Kenan’s signature inquiry-based education model to additional schools in Chumphon and Surat Thani provinces.

Chevron INCREASE I & II work by training teachers and principals to use inquiry-based science education techniques, instead of relying on rote memorization, in their seventh through ninth-grade science classes, with the aim of encouraging students to pursue higher education and vocational opportunities in those fields. By developing new curriculums and teaching methodologies, training teachers and principals, providing mentoring for students and teachers, and promoting school-community days and student camps to ensure community buy-in. Kenan has trained 520 school principals and teachers, benefitting an estimated 26,000 students in 75 schools in Chevron communities.



IMPROVING STEM EDUCATION

Students in the Chevron INCREASE project learn science skills through an inquiry-based approach.



Students involved in the Caltex Fuel Your School project develop critical thinking and problem-solving skills through project-based learning.

CHEVRON CAREER TECHNICAL EDUCATION (CTE) STUDY

Chevron

As part of Chevron and Kenan’s dynamic partnership to reinvigorate Thailand’s math and science education system, the Chevron Career Technical Education (CTE) Study developed a plan to train students to become skilled workers who can meet the demands of Thailand’s private sector. The four-month study looked at the auto industry in Samut Prakarn province and the energy industry in Songkhla, both of which suffer from a significant shortage of skilled workers and technicians, particularly in the STEM fields. The main cause behind this shortage is a mismatch between the skills and interests of students currently graduating from the education system and the needs of the labor market. The Chevron CTE Study addresses that mismatch by proposing detailed recommendations, such as public-private partnerships, internships, and a retooling of the vocational education system, for a nation-wide CTE program.

CALTEX FUEL YOUR SCHOOL

Caltex

In 2013, Caltex partnered with Kenan to create the Caltex Fuel Your School community campaign, an innovative approach to enhancing public education endorsed by Thailand’s Ministry of Education. Through the project, Caltex uses a percentage of proceeds from the sale of fuel at its stations throughout Thailand to fund a project-based learning initiative that strengthens teacher and student skills in critical thinking, problem-solving, teamwork, communications, and project management. Teachers are trained to guide students through project-based learning and students are encouraged to apply what they learn in the classroom to their communities. Caltex employees and its retailers play a major role in the project, providing mentorship to students at school-based community events. In addition, Fun Caltex Days/Camps and a Caltex Project Competition were held for students, with participation from community members. To date, 31 teachers from 31 schools throughout Khon Kaen, Udon Thani, and Nong Khai provinces have received training, benefitting over 600 students.

STUDENTS BENEFIT FROM INNOVATIVE APPROACHES TO TEACHING STEM EDUCATION



IMPACTFUL PROJECTS

ENTREPRENEURSHIP TRAINING IS AN ESSENTIAL
PART OF THE REAL FLOOD RECOVERY PROJECT



EMPOWERING ENTREPRENEURS

LOOKING BACK: CITI TRIPLE BOTTOM LINE SMALL HOTELS

Kenan began integrating the concept of corporate social responsibility (CSR) into Thai businesses over a decade ago, and in 2010 Kenan partnered with Citi and the Citi Foundation to lead the way in bringing another innovative business practice to Thailand. The triple bottom line, or TBL, strategy is a business framework that transforms the traditional profit/loss bottom line into three correlated pillars of sustainability: social, environmental, and financial. Rather than purely taking monetary profit into account, the TBL comprehensive accounting concept incentivizes corporations to run their businesses with social goals in mind as well.

For three years, Kenan and Citi worked with small hotel owners and managers in Bangkok and central Thailand to make their businesses more profitable and sustainable by using the TBL strategy. Participants in the project received extensive training on the TBL concept, including sessions on how investing in the social and environmental aspects of their businesses would benefit them in the long term.

The project was also successful in partnering with the United Nations Environment Programme (UNEP) to further promote TBL in Thailand. Kenan consultants led workshops for project participants using a software tool, called Envirotel, which was developed by the UNEP to guide users through an easy-to-understand process for achieving cost-effective environmental savings in their operations.

Over the course of the project, Kenan built the capacities of 238 small hotels. As a direct result of those trainings, 37 of the participating hotels hired 151 new employees, 129 hotels implemented 216 employee-based environmental/community engagement projects, and 178 hotels implemented 356 initiatives which resulted in strategic operational costs savings.

In addition, Kenan and Citi were instrumental in expanding the role of CSR in Thailand to include the TBL strategy, one of the most innovative and powerful business practices for sustainable operations.



PARTNERING FOR SUSTAINABLE SMALL HOTELS

A small hotel operator learns about the value of environmentally sustainable growth, as part of the Citi TBL Small Hotels project.

PUBLIC HEALTH



STUDENTS LEARN BASIC MALARIA PREVENTION
SKILLS AS PART OF THE CAP-MALARIA PROJECT

PUBLIC HEALTH

Kenan Institute Asia fights the spread of infectious diseases by strengthening public health systems and providing communities with the tools to protect themselves. Kenan has extensive experience working with public and private sector partners on the eradication and control of infectious diseases like malaria, and avian and pandemic influenza. Building on this work, Kenan has developed models of behavior change for stopping the spread of infectious diseases and preventing lifestyle diseases with a particular emphasis on school-based behavior change communication programming.

GLOBAL FUND FOR MALARIA THAILAND

The Global Fund / BVBD

Striving to eliminate malaria from the Greater Mekong Subregion, Kenan engaged its experience in school-based behavior change communication (BCC) programming and developing public-private partnerships to implement the third year of the Global Fund for Malaria project in Thailand. The five-year project, which is funded by the Global Fund to Fight AIDS, Tuberculosis, and Malaria through a grant awarded from Thailand's Bureau for Vector Borne Diseases (BVBD), now operates in nine provinces along Thailand's borders with Myanmar and Cambodia. The project's holistic

approach in combating malaria includes developing science and health lessons to train students and teachers in malaria BCC, as well as testing, evaluating, and documenting the quality of anti-malaria drugs, and bringing the public, private, and civil society sectors together to build partnerships that strengthen Thailand's malaria pre-elimination strategy.

In 2014, the project expanded its school-based BCC trainings to reach a total of 150 schools in nine provinces across Thailand, impacting over 4,000 students. Over 400 teachers and

principals were also trained in malaria prevention methodologies, including practical health education teaching scripts designed to address disease prevention within students' daily lives. In addition, 160 government officials attended workshops on malaria drug-quality assurance, BCC, and capacity strengthening. Finally, the project continued its Cambodian-language initiative in conjunction with the CAP-Malaria project to better identify and treat Cambodian migrant workers with malaria.



**ELIMINATING
MALARIA**

As part of the Global Fund for Malaria project in Thailand, Kenan uses school-based behavior change communication programming to address disease prevention within students' daily lives.

CONTROL AND PREVENTION OF MALARIA

USAID / URC

Kenan and the University Resources Co. (URC) worked together to implement the USAID-funded Control and Prevention of Malaria (CAP-Malaria) project. The project is focused on combating malaria through four major initiatives, including: developing cost-effective methods to reduce disease transmission, improving the quality and effectiveness of facilities that treat the disease, increasing the management capacity of the National Malaria Control Program, along with

other local institutions, and supporting the establishment and maintenance of a strategic system for organizing malaria control information. Kenan was the lead implementer of this project in Thailand and, as such, it partnered with the Bureau for Vector Borne Diseases (BVBD), Ministry of Public Health, to increase its overall capacity and ability to prevent malaria outbreaks.

In 2014, the project entered its third year, with operations in four regional, border provinces. Major project achievements included ensuring private sector participation in the World Malaria Day campaign, providing technical and organizational advice to 29 malaria posts and four border malaria posts, and training BVBD staff in management, program planning, and monitoring and evaluation.



**PROTECTING THE
MOST VULNERABLE**

Kenan strives to protect those most vulnerable to malaria, especially school-aged children.



**WORLD MALARIA
DAY 2014**

Students participating in World Malaria Day 2014.



CREATING A
BRIGHTER FUTURE

Kenan's projects benefit tens of thousands of community members throughout Southeast Asia every year.

KENAN 2014 HIGHLIGHT

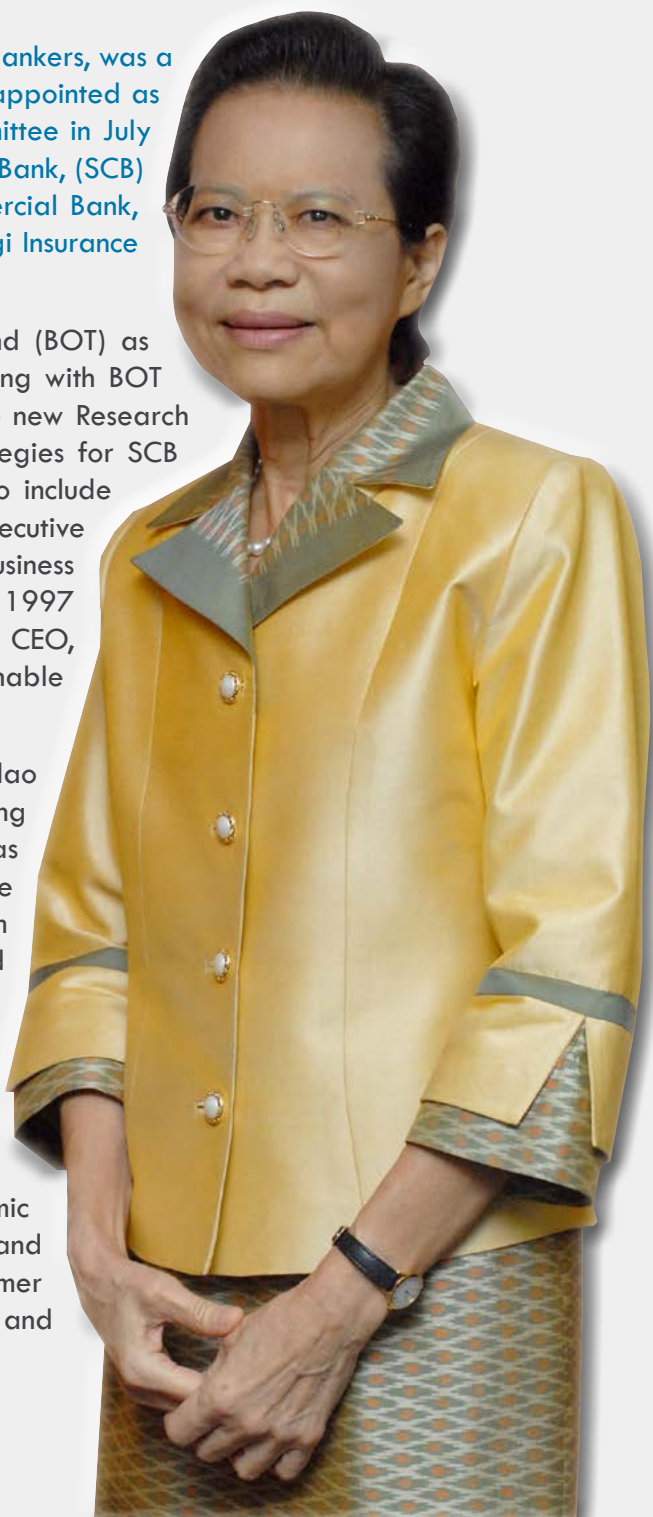
KHUNYING JADA WATTANASIRITHAM
CHAIRPERSON, KENAN INSTITUTE ASIA

Khunying Jada Wattanasiritham, one of Thailand's leading bankers, was a founding trustee of the Kenan Institute Asia in 1996 and was appointed as Chairperson of the Board of Trustees and the Executive Committee in July 2014. She retired as President and CEO of Siam Commercial Bank, (SCB) in 2007, but still holds positions as a Director of Siam Commercial Bank, and Chair of the Siam Commercial Life Assurance and Samaggi Insurance companies.

Khunying Jada started her career at the Bank of Thailand (BOT) as an officer in the Economic Research Department. After working with BOT for eight years, she joined SCB in October 1975, to head the new Research and Planning Office. Her work initially involved setting strategies for SCB to expand its international business and subsequently grew to include corporate and capital markets as well. She was appointed Executive Vice President in charge of Corporate and International Business in 1992. Following the large capitalization of SCB after the 1997 financial crisis, Khunying Jada was promoted to President and CEO, and guided the bank back to stability, profitability, and sustainable growth before she retired.

She was awarded the royal decoration of Chulachomklao along with the title Khunying in May 2000. In 2006, Khunying Jada served as Chair of the Thai Bankers Association and was appointed a member of the National Legislative Assembly. She also received the prestigious "Best CEO of 2006" award from the Stock Exchange of Thailand. Khunying Jada has utilized her experience as a professional banker for the benefit of many non-profit organizations, including Kenan, the Books for Thailand Foundation, and the Thai Red Cross Society.

Khunying Jada earned her Bachelor of Arts and Master of Arts degrees in Natural Sciences & Economics from Cambridge University. She also received a Master of Arts degree in Economic Development from Williams College. She was born in Bangkok and was married to the late Mr. Paiboon Wattanasiritham, a former Deputy Prime Minister and Minister of Social Development and Human Security.



YOUTH LEADERS PARTICIPATING IN THE THAIBEV
LEADERSHIP FOR A BETTER QUALITY OF LIFE PROJECT



INNOVATIVE PROGRAMS

IN LOVING MEMORY OF KENAN CHAIRPERSON NITYA PIBULSONGGRAM (1941-2014)



Mr. Nitya Pibulsonggram was Kenan's Chairperson from 2009 to 2014. Mr. Pibulsonggram was a career diplomat who served as the Foreign Minister of the Kingdom of Thailand. He received his bachelor's degree at Dartmouth College, and his master's degree at Brown University. Ambassador Nitya Pibulsonggram was born in Bangkok in 1941.



FINANCIAL REPORT

AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF KENAN FOUNDATION ASIA,

I have audited the accompanying financial statements of Kenan Foundation Asia ('the Foundation'), which comprise the statement of financial position as at 30 September 2014, and the statements of income and changes in fund balance for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards for Non-publicly Accountable Entities and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kenan Foundation Asia as at 30 September 2014, and its results of operations for the years then ended in accordance with Thai Financial Reporting Standards for Non-publicly Accountable Entities.

Paiboon Tunkoon

Certified Public Accountant (Thailand) No. 4298
PricewaterhouseCoopers ABAS Limited
Bangkok, Thailand

STATEMENT OF FINANCIAL POSITION

As at 30 September 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash and Cash Equivalents	6,268,675	3,203,221
Accounts Receivable and other current assets	<u>7,160,061</u>	<u>17,127,158</u>
	<u>13,428,736</u>	<u>20,330,379</u>
Non-current Assets		
Long-term investment	196,021,529	127,010,791
Property and Equipment	2,526,628	3,010,158
Other non-current Assets	<u>1,965,636</u>	<u>2,019,152</u>
	<u>200,513,793</u>	<u>132,040,101</u>
Total Assets	<u>213,942,529</u>	<u>152,370,480</u>
LIABILITIES		
Current Liabilities		
Finance Lease Liabilities	97,243	235,745
Accounts payable and other current liabilities	<u>6,096,956</u>	<u>6,567,940</u>
	<u>6,194,199</u>	<u>6,803,685</u>
Non-Current Liabilities		
Finance Lease Liabilities	-	73,416
Total Liabilities	<u>6,194,199</u>	<u>6,877,101</u>
FUND BALANCE		
Initial donation	500,000	500,000
Unrealized surpluses		
Fair value changes on investments	9,405,310	6,237,609
Accumulated excess of revenues over expenditures	<u>197,843,020</u>	<u>138,755,770</u>
Total Fund Balance	<u>207,748,330</u>	<u>145,493,379</u>
Total Liabilities and equity	<u>213,942,529</u>	<u>152,370,480</u>

INCOME STATEMENTS

For the years ending 30 September 2014 and 2013

	2014	2013
REVENUES		
Donation Income	139,090,183	62,175,803
Interest Income	16,998,065	16,432,595
Other Income	<u>39,360,460</u>	<u>37,314,935</u>
Total Income	<u>195,448,708</u>	<u>115,923,333</u>
EXPENDITURES		
Program Expenses	86,812,428	80,294,412
Administrative Expenses	<u>49,549,030</u>	<u>34,483,453</u>
Total Expenditures	<u>136,361,458</u>	<u>114,777,865</u>
Income Over Expenditures	<u>59,087,250</u>	<u>1,145,468</u>

STATEMENTS OF CHANGES IN FUND BALANCE

For the years ending
30 September 2014 and 2013

	Initial donation	Unrealized gain/(loss) of fair value changes	Accumulated excess of revenues over expenditures	Total
As at 1 October 2012	500,000	13,677,041	137,610,302	151,787,343
Unrealised gain of fair value changes in available-for-sale investments	-	(7,124,875)	-	(7,124,875)
Transfer to income statement upon the sale of investments	-	(314,557)	-	(314,557)
Income under expenditures	-	-	<u>1,145,468</u>	<u>1,145,468</u>
As at 30 September 2013	<u>500,000</u>	<u>6,237,609</u>	<u>138,755,770</u>	<u>145,493,379</u>
As at October 1 2013	500,000	6,237,609	138,755,770	145,493,379
Unrealized gain of fair value changes in available-for-sale investments	-	3,883,711	-	3,883,711
Transfer to income statement upon the sale of investments (noted 12)	-	(716,010)	-	(716,010)
Income over expenditures	-	-	<u>59,087,250</u>	<u>59,821,158</u>
As at 30 September 2014	<u>500,000</u>	<u>9,405,310</u>	<u>197,843,020</u>	<u>207,748,330</u>

*All amounts in Thai Baht.

DONORS AND CLIENTS

FOUNDING DONORS



United States Agency for
International Development



Kenan Family Foundation



Thailand International Development
and Cooperation Agency

MAJOR CORPORATE CLIENTS



Citi Foundation



DIAGEO MOËT HENNESSY



KEY CLIENTS

- American Bar Association
- Asia Foundation
- Boeing
- Chevron
- Citibank, Citi Foundation
- Diageo Moët Hennessy
- Electricity Generating Authority of Thailand
- Future Park Rangsit
- Global Fund to Fight Aids, Tuberculosis, and Malaria
- Kenan Institute of Private Enterprise
- Microsoft
- Nathan and Associates, Inc.
- Office of Small and Medium Enterprises Promotion, Thailand Ministry of Industry
- Rockefeller Foundation
- Thai Beverage
- Thailand Department of Foreign Trade, Ministry of Commerce
- Thailand Department of Industrial Promotion, Ministry of Industry
- Thailand Department of Skill Development, Ministry of Labour
- Thailand Institute for the Promotion of Teaching Science and Technology
- Thailand Ministry of Education
- Thailand Ministry of Public Health
- Thailand International Development Cooperation Agency, Ministry of Foreign Affairs
- United Nations Democracy Fund
- United States Agency for International Development
- University of North Carolina at Chapel Hill, Kenan Flagler School of Business
- Vinythai
- William R. Kenan Jr. Charitable Trust

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Kenan
Institute
Asia

ABOUT US

The Kenan Institute Asia is a knowledge and capacity building organization implementing results-oriented, sustainable development programming on a not-for-profit basis.

WHAT WE DO

Business and Economic Development
Innovative Education
Public Health
Corporate Social Responsibility
Civil Society Capacity Building
Sustainable Tourism

WHERE WE WORK

Cambodia
Lao PDR
Myanmar
Thailand
Vietnam
Regional Projects in Southeast Asia

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