OneDollarGlasses Association Annual Report 2013

English translation

Page2 & 3 Foreword Martin Aufmuth, First Chairman "Most people could change the world, if only they wanted to."

Dear Friends and Supporters of the OneDollarGlasses association,

150 million people in this world need glasses but cannot afford them. It is absurd: while we in the western hemisphere are shooting satellites into space and build fully automated industrial plants, in other parts of this earth children cannot go to school, adults cannot read or work, just because they have vision problems. For people who struggle to make their living, good vision is a matter of survival.

Of the 39 million African people, identified by the WHO as blind, 6 million could actually see – if they only had glasses. The refractive error is - globally seen - one of the largest and yet most neglected problems of the international global development aid.

Rwanda, Eastern Africa: In March 2013, the first official training course run by OneDollarGlasses association was held here. The country is still marked by 1994's genocide.

For two weeks 16 young women and men from all 5 regions of the country were trained in the production of eye glasses. At the end of the training we chose the six best and most reliable amongst them: Angelique, Latifa, Odille, Abbas, Pherouse and Celestin. They were solemnly handed over bending machines. This was the foundation for the manufacture and sale of OneDollarGlasses in Africa. Highly motivated, these 6 trainees held their first independent training in July 2013 and passed on their knowledge to 20 new African trainees. The training was a great success. Shortly afterwards further training courses were organized in Rwanda, in Burkina Faso (West Africa) and in Bolivia (South America), where a short time later the first patients were supplied with glasses.

This has shown us: The training concept, the production and sales of OneDollarGlasses in developing countries does work and can be expanded quickly.

Another highlight of the year 2013 was the presentation of the "Empowering people.Award" by the Siemens Foundation. Out of 800 submitted projects OneDollarGlasses association was awarded the first prize in Nairobi, Kenya on 30th of October 2013. I had the honour of receiving the award in person.

The Competition had been open to technical innovations that would improve the living conditions of people in developing countries. Another great award was given to the student organization Enactus in Munich, who had chosen to participate in our project and to present it in Cancun, Mexico at the Enactus World Cup 2013.

As a direct consequence of these major awards the international press took notice of our project and published many articles about our association. This again triggered a wave of inquiries from around the world. The concept of OneDollarGlasses association actually seems to have hit a gap.

The number of countries in which we are present and active, has - within only one year – increased from zero to eight (April 2014)!!! Also, the number of our active supporters has grown considerably since 2012. In the year of our foundation, in 2012, there were seven founding members - today we have more than 40 members plus a remarkable number of volunteeers who contribute with enormous commitment to our objective: to permanently provide 150 million people with glasses.

I would like to take this opportunity to express my deep gratitude to all our volunteers, to our partners and supporters from other organizations and institutions. Thank you for all the donations from private individuals and from companies. I do hope you will enjoy reading our first annual report.

Martin Aufmuth

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150 million people in this world need glasses but can not afford to buy them. As a consequence, they can not learn nor work and nor provide for their families.

About us

The association was founded in 2012 by Martin Aufmuth, the inventor of OneDollarGlasses. The goal of the association is the establishment of a worldwide basic care for people with vision problems which gives them access to high quality and yet affordable, robust and individually customized glasses.

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Page 6 & 7 Global problem

The global problem of refractive error

According to a WHO study, there are approximately 150 million people on this earth, who suffer from a visual defect, which could be assisted with a simple visual aid. Many of these people however, live on less than 1 USD a day and also often live in remote villages far away from any ophthalmologist or optician. For them, the much needed glasses are priceless and unattainable. For this reason, not only many children cannot go to school, many adults are unable to work - the financial loss this situation causes worldwide adds up to an estimated 120 billion US-Dollars per year! This roughly corresponds to the amount of the entire global development aid. If we managed to provide all these people with glasses, we could thus double the worldwide development aid!

It happens that children have to leave school, only because they do not have glasses.

Previous approaches

Donated (used) glasses

Donated used glasses represent the most common approach to the problem. They have often been collected in better-off countries and are delivered unsorted. The process of sorting and cleaning them is cumbersome and time-consuming though.

To find the correct pair of glasses within the multitude of different glasses which come in many different sizes and strengths is statistically almost impossible. Therefore, usually the lenses get removed from the frames and new, custom-made glasses are inserted. According to a study this costs in average 20 US Dollars, about four to five times of a pair of our OneDollarGlasses will cost. Moreover, the sustainability of the pre-used glasses is not given: when the glasses break, the patient usually does not get a replacement, permanent distribution structures are non existent. Also, when the glasses come from donations, people get increasingly dependent on support from richer countries.

Plus: there will never be enough used glasses to provide 150 million people around the globe permanently!

Ready readers from China

They are - so far - apparently of no significant relevance in developing countries. That may be partly due to the comparatively high costs (the product has to be shipped over to regions far off any major trade routes) but also due to lack of local sales structures. Moreover, these glasses are usually available only with lenses from 0.5 to 3.0 diopters, both glasses at equal diopters and fixed pupillary distance. Therefore they only cover a small section of the existing demand. The quality of ready readers is, especially in terms of durability, often insufficient.

Adjustable glasses

The concept of a Dutch organization comprises adjustable glasses. Two specially designed lenses can be shifted against each other so that the user can adjust the glasses to their personal spectacle strength.

A similar invention by Joshua Silver are 'inflatable' spectacles. Here the space between two round plastic plates gets 'inflated' with silicone oil, which results in a different strong curvature of the 'lens'. These glasses could so far, probably due to their comparatively high price, not prevail on a larger scale.

Page 8 & 9 The OneDollarGlasses

Requirements for a pair of glasses for developing countries

<u>1 Affordability</u>:

The glasses cost no more than a few US Dollars, so they remain affordable for people who have to live on less than 1 US Dollar per day.

2 Local production and maintenance:

Differences of eye distances as well as nose and face shapes of individuals can only be properly considered when produced and adjusted locally. The possibility of repair and exchange of defect glasses must be given locally.

3 Robustness:

The harsh environmental conditions in developing countries place increased demands to the stability of the frame (unbreakable, easy to repair) and durability of the glass (break-resistant, easy to be replaced).

4 Attractive design:

People must like the glasses, so that they dare to wear them in public; often they are the first to ever have glasses in the village.

5 Security of supply:

A sustainable supply with eyewear is only guaranteed if it works independently and without help from the outside.

Development aid re-defined

Thanks to Martin Aufmuth's invention of a newly developed, innovative manufacturing process it is possible to produce high-quality customized glasses at material costs of less than 1 USD: the OneDollarGlasses. They consist of an extremely lightweight and flexible spring-steel wire, two hardened lenses made of polycarbonate, heat shrink tubing and a pair of coloured beads. OneDollarGlasses association train local people in manufacture and distribution of the glasses. The cost of training and the initial provision of new OneDollarGlasses opticians are covered by donations. After this start-up funding , the project should be self-sustaining. From the sales of eyeglasses, the OneDollarGlasses optician can buy more material and with the remaining profits cover their living expenses. The selling price of the glasses is around 2 to 3 customary local daily wages. This ensures that everybody can afford our glasses. This aid concept makes it possible to supply an almost unlimited number of with limited amount of donations.

Our vision: good vision for everyone

Together with the people in developing countries we want to ensure a primary care with glasses permanently. For this purpose, we depend on support: support by the political decision-makers, by donors and by volunteer helpers in Germany.

To be able to see well is a fundamental human right. It is closely related with education, freedom of expression and democracy.

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Our Projects

Official launch in March 2013

After Martin Aufmuth had successfully tested the concept of the training in two try-outs in Uganda in 2012, he initiated the first regular training in Rwanda in March 2013. In the same year, other trainings followed in Burkina Faso, Ethiopia and in Bolivia. In 2013, during 3 training camps 48 Rwandans went through the training. 18 of them were selected to permanently stay in the project. It also involved 6 trainers from Germany and 3 coaches from Uganda.

In Burkina Faso a total of 21 people were trained by two German and one Rwandan coach. Here 7 trainees started running the project in this country.

In Bolivia 14 participants went through the training course run by two German coaches.

2013 - Project countries are in two continents: Burkina Faso, Ethiopia, Rwanda and Bolivia.

Rwanda

In the land of 1000 hills

20 years ago, in 1994, one of the worst genocides in human history occurred in Rwanda: within only 100 days about 1 million people were, mostly with machetes, systematically slaughtered. "The world was not there", the evening news on 7th April 2014 titled an interview with Esther Mujawayo, refering to the 20th anniversary of the genocide in Rwanda. As the sociologist, who lost her husband as well as numerous relatives, most Rwandans are still haunted by the memory of the bloody murders in 1994. Rwanda, "land of a 1000 hills" is today the most densely populated country in Africa. Due to its good economic data is it often called "East African Switzerland. According to the International Monetary Fund economic growth alone in 2012 amounts to nearly 8 percent. By 2020, Rwanda's president Paul Kagame wants his country to be at the top of the "Middle Income Countries".

The conditions are good: foreign investors are welcome, major investments particularly in the transport and energy sector are agreed on, corruption is low. Despite all this progress Rwanda remains one of the poorest countries of the world (Index for human development of the United Nations 2011: No. 166 out of 182). 45% of the population are living in extreme poverty, 29% of adults are illiterate and only 16% of the population has access to the power supply. As in many other developing countries in Rwanda exists an extreme prosperity gap: in the capital Kigali rents are partially as high as in a German City; only half an hour's drive from the capital transports you back into the Stone Age. Rwanda is the only country in Africa that has introduced a health insurance that covers almost 100% of the population. And yet, even basic visual care and supply with glasses Rwanda is still far away. Even if an ophthalmological examination has taken place and defective vision has been detected, the patient usually returns back home unaided. Often opticians are too far away and glasses are too expensive for people who have to get by with 1 USD a day or less.

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Project started in March 2013

In March/ April 2013, we have performed our first training in Rwanda. Our partner organization from Hamburg/Germany, the Children's Fund Third World (Kinderhilfswerk Dritte Welt e.V.) gave us invaluable support. The training took place in the Training Centre of African Muslim Agency (AMA) in Musambira. The manager of AMA's let us use the center for two weeks without charges. The preparation and organization of the training was done by Ali Achmad Ndayisaba, recommended to us by the Children's Fund Third World.

Local organizer

Ali Achmad Ndayisaba, born in 1974, was brought up in modest circumstances in the countryside. In 1994 the year of the genocide, he was 20 years old. Almost all of his family members were murdered then, only his parents and two sisters survived. As young man Ali fought on the side of the current president Paul Kagame for the liberation of his country and for democracy. After the end the war he converted from Christianity to Islam, because, as he says, in many churches people were murdered and the representatives of the church did not do anything about it. He studied civil engineering and runs his own business as a building contractor today. He is highly committed to our project, because he wants to do his share in improving the living conditions of poor people in his country.

With the support of a student organization, Ali chose 16 young women and men from all five regions of the country. The admission requirements for the training were to have had at least 12 years of education at a school and fair knowledge of the English language. Together with three other trainees from Tanzania they arrived in Musambria on March 23, 2013 - a small town about 26 km southwest of the capital Kigali. The training was run by Martin Aufmuth and by Jakob Schillinger, Eva Beuchert and Narei Rassuli, three students from our partner organization Enactus Munich. Dr. Eckhard Müller-Guntrum, lawyer and an active member of the OneDollarGlasses association, supported the project with valuable legal advice. The students were highly motivated and learned quickly. At the end of the course the six most successful candidates; Angelique, Latifa, Odille, Abbas, Pherouse and Celestin received five bending machines as free loan. The mayor of the district Kicukiro in Kigali organised two rooms for further training and working for the freshly baked OneDollarGlasses -opticians. Abbas, who was best at manufacturing the glasses, got appointed provisional Technical Manager. The team practiced intensively and sent - 7 weeks later, as agreed on - 700 sample glasses over to Germany for final inspection. The quality of the eyewear was surprisingly good. In June 2013 the team took the initiative and presented their OneDollarGlasses at the national craft fair - they were promptly rewarded with the 1st prize! A month later, they organized completely independent from our German headquarters, their first training session with 24 participants. The top eight candidates of that training again joined the existing team and are now continuing their work. In August 2013, when another team from Germany revisited Rwanda, they found a team of six, by then guite experienced first-generation trainees, eight already fairly well-trained from the July-course plus a small group of new trainees. This third training was again mostly independently conducted by the Rwandan staff, while Martin Aufmuth and Dr. Eckhard Müller-Guntrum who were present at the time, had about 30 visits with Rwandan authorities within about two weeks.

During this time our Rwandan partner organization 'OneDollarGlasses Rwanda' was founded in the presence of a notary at the Ministry of Justice, the association was certified by the Rwandan Board of Standard (RBS), comparable to the German TÜV Institute) and contacts to the Ministry of Health and various other authorities were established and intensified. On another visit to Rwanda by Martin Aufmuth and Alex Armbruster in October 2013, the group had produced several thousand frames in advance to be ready for the time after the official sales licence.

Outlook

The registration of the local NGO OneDollarGlasses Rwanda was a prerequisite for an official sales license for our glasses by the ministry of health of the Rwandan Governance Board (RGB). This permit was not given until the end of 2013 due to a pending signature of the competent district administration. To counter the danger that trained OneDollarGlasses opticians might turn away from the project, we encouraged them to engage in other African countries meanwhile.

Page 14 & 15 Burkina Faso

Land of the honest

In the "Land of the honest" as the West African country Burkina Faso translates, life expectancy is low, power and water are scarce and 90% of the people live as subsistence farmers of what the barren land will bear: fruits, vegetables and cereals.

The country is one of the highest indebted and yet least developed countries in the world and its population suffers from a poor health system. Health restrictions such as a refractive error usually are ignored as people focus lies on pure survival. Also, many people do not even know that vision problems can be dealt with. Ophthalmologists and opticians there are scarce and hardly anyone can afford to buy glasses.

The first training

Katrin Rohde, founder of the charity A.M.P.O. has been living in Burkina Faso for 27 years. She knows about the concerns and needs of the people. She is aware of the consequences non-corrected defective vision entails: children labeled as stupid because they cannot read the black board, adults who cannot work due to their bad vision, old people, who are entirely dependent on other people's help.

Through a friend, she learned about our project and was immediately impressed. After a personal meeting with Martin Aufmuth the first training course held by two students from our partner organization Enactus Munich followed in July 2013. Jakob Schillinger and Narei Rassuli were initially trained in Germany to act as coaches, then took part in a training in Rwanda and held their first independent training in Burkina Faso. They were accompanied by Daniel Schinow, our volunteer camera man.

The training room for the 21 trainees from the region around the capital Ouagadougou was situated within the orphanage for boys at the A.M.P.O. site. Katrin Rohde and Denis Yameogo, head of the infirmary, supported us actively with all organizational issues and were valuable partners. Jakob Schillinger: "All children and even adults are calling Katrin `Maman`. I found it absolutely thrilling to teach 21 inquisitive and keen Burkinabee how to produce OneDollarGlasses after weeks and weeks of preparation back home. In French on top of that... The trainees worked highly concentrated at 35° C in the shade, ignoring the sweat that dripped from the foreheads... They were so motivated that even during break time they remained seated and continued to work."

Working with disabled people

To live as a disabled person in one of the poorest countries in the world is a brutal fate – it can hardly be surpassed by anything! Therefore, it was extremely exciting for us, as we had a couple of walking impaired amongst our trainees in Burkina Faso. Souleymane Siguiri is one of them. Since he had never been able to afford a wheelchair, he has developed a remarkable technique of moving around: he walks with his hands on his legs by coordinating his legs with the hands. Souleymane had originally been trained as architect and accountant. 15 years ago, he was employed for an entire two years in which he was never paid even once. Therefore he left and has been unemployed ever since. At the time when he first learned of the OneDollarGlasses association, he was - in his own words-despaired and had resigned. In the training he recognized the chance of a lifetime. And he used it. Souleymane learned incredibly quickly and at the end of the training period he was one of the seven

best trainees, who were given three bending units on loan. The new OneDollarGlasses opticians were given a room on the A.M.P.O. grounds in order to be able to further train their abilities and to set up their sales structures. Souleymane was appointed group leader. About a month later, he and his team sent over sample spectacles for quality control to Germany. In October 2013 Celestin, one our now fully trained coaches from Rwanda, flew over to Burkina Faso and gave them a follow-up training. He found the team around Souleymane technically so advanced and well-trained that they were given the ok for the sales of their glasses in Burkina Faso. In December, the first glasses had been sold and Souleymane sent us the first Excel list with data of the sales.

Outlook

In order to gain the security of a long-term commitment and the support from state-side, as in the other countries, we strive to get official agreements in Burkina Faso. The next training is planned for April 2014 in order to further develop the manufacture and distribution of the glasses in the country.

Page 16 & 17 Bolivia

OneDollarGlasses association in South America

In Bolivia, two-thirds of the population is living in poverty. Most people did not have any access to health care at all in 2010.

Almost every second person lives in the country and thus far away from any ophthalmologic care. The very low population density worsens the matter: a community like El Villar, with almost 5,000 inhabitants spreads out over an area of about half as large as the Saarland/Germany. Thus it is a particular challenge to reach the people in the first place.

Project start

The first steps to introduce the OneDollarGlasses to Bolivia were accompanied by Max Steiner, president of 'Hostelling International/ Bolivia', and - as in Rwanda and Burkina Faso – also by students from Enactus Munich. Under the project name 'Lentes para todos' Narei Rassuli and Jakob Schillinger (Enactus) plus Leon Becker and Bruno Sweepers ('Weltwärts- Program') held a training from 4th to 13th September, 2013 for ten Bolivians from Santa Cruz and two from the rural area of El Villar.

The trainees learned to use the bending machine and the basic concepts of optics and were given an insight into economic aspects of the work as OneDollarGlasses opticians. At the end of the training, the six best trainees received three bending machines as a loan. The team practiced to manufacture the glasses under the expert guidance of Leon Becker, who had just graduated as a mechanical engineer in Germany. When Max Steiner visited us Germany in November the first glasses were already of such high quality that we agreed to an immediate launch of sales.

Bolivia was thus the first country where the sales release occurred after only one training. This was especially due to the expert guidance of Leon Becker and to the outstanding organization by Max Steiner. Two bending machines remained in Santa Cruz; the third was taken to El Villar by Leon Becker and Juan Carlos. They are planning to build up a second manufacturing facility there and want to train more OneDollarGlasses opticians.

Difficulties and challenges

As it is common in most countries, in Bolivia only trained optometrists are allowed to measure out refraction of patients. Max Steiner managed to win over the Director of the prestigious Instituto de Salud y Seguridad Ocupacional Medio Ambiente (Issem). The Institute offers a two-year training for optometrists. The Institute will from now on ask their students to join the project 'Lentes para todos' for a 3-month internship. The plan behind this is to send out teams consisting of one optometrist from Issem plus one OneDollarGlasses optician into the country in order to provide glasses to people. By partnering with Issem we obtain simultaneously the official authorization for our work in Bolivia.

Outlook

For 2014 we have planned the expansion of the production capacity in El Villar and additionally the set-up of a second production facility in Santa Cruz. To promote the sales of our eyeglasses we are running several campaigns, i.e. in schools. At the same time the cooperation with the government is to be intensified.

Page 18 & 19 Ethiopia

In the Horn of Africa

Ethiopia is one of the oldest Christian states in the world, and, with almost a hundred million inhabitants the most populous landlocked country of the world. It is also one of the poorest countries on this planet. Ethiopia, which was never colonized, is a multi-ethnic state with more than 80 different languages spoken.

Most people live from agriculture. Approximately every second Ethiopian is malnourished; three million are infected with the HIV-virus. Thousands of children become orphans due to AIDS every year.

According to the WHO, not even every second Ethiopian has access to clean drinking water, which has been stated a human right by the UN in 2010. But health and adequate medical care are the elementary needs of a person. They build a foundation to any community, the chance to develop and thus, the level of social security of a society. There is no security for the people in Ethiopia.

While in Germany there is about one doctor to 400 inhabitants, in Ethiopia the average is roughly 32,500. A primary supply with glasses was, under these conditions, far away in the future.

Project start

The enormous need for glasses has also been recognized as a major problem by the association 'Partnership with Alem Katema' which was founded when the Bavarian town Vaterstetten twinned with the Ethiopian Alem Katema. So far they had been collecting used glasses and sent them over to Africa. But, over the years this approach turned out to be too expensive and inefficient. When Jo Neunert, member of the 'Partnership with Alem Katema e. V.' learned about the OneDollarGlasses initiative, he discussed the idea with the chief physician of the ENAT Hospitals, Dr. Ayele Teshome at his next visit in Ethiopia. Dr. Teshome was very enthusiastic and encouraged Jo Neunert to organize a training at his hospital. Back in Germany Jo Neunert contacted us, completed several bending courses in Erlangen himself and organized and planned the pilot training for Ethiopia together with four colleagues, guided and advised by Martin Aufmuth. The common goal: to bring OneDollarGlasses to the Horn of Africa!

The Ethiopian Embassy in Berlin produced a cover letter to simplify the formalities at customs, meetings with the Foreign Office, the Ministry of Health in Addis Ababa and the German Embassy were held.

In cooperation with the ENAT Hospital participants for the first training were chosen. The hospital provided premises for the training and took over the medical responsibility for the project.

Despite the embassy letter, the training equipment was kept back by customs upon arrival on 17th November. It took four nerve-racking days until the efforts of Dr. Ayele and the health department bore fruit and the four boxes were finally released. The training started on November 25th 2013 and for 12 days Jo Neunert, Rosina Lüdicke, Barbara de Carlo and Helmut Schmidt trained a total of 12 trainees. Working with wire and tools presented an unusual challenge to the participants, but on December 6th all of them took part in the final testing and produced their self-made glasses. The five best participants received the two bending units and material for 1000 glasses along with the task to diligently continue to practice and to send over their products for inspection to Germany at agreed intervals.

Challenges

A particular challenge for OneDollarGlasses association in Ethiopia is the close cooperation of the project with the ENAT Hospital. Here the details of the cooperation and the responsibilities are yet

to be defined. The huge support that Dr. Ayele gives to the project and the common goal promises future success for the project.

Outlook

Beginning of 2014, the quality of the glasses is to be improved to a level that they can be sold at the ENAT Hospital. The project is designed to be run within range of the hospital. It is intended to collect first experiences in Ethiopia and to find out how we can work on a nationwide coverage of the population with glasses in the long term.

Page 20 & 21 Project planning for 2014 Selection of partners

SinceOneDollarGlasses won the 'empowering people.Award' by the Siemens Foundation, we are receiving enquiries from organizations and individuals from all around the world, who would like to work with us. Selecting the right partners is however not easy and often linked to strategic considerations. Firstly, the OneDollarGlasses association, despite its rapid growth in 2013 is still too small to be able to handle the enormous global demand. For structural and financial reasons we can only start a limited number of projects at a time. On the other hand, we target a permanent and nationwide supply with glasses in each new country that we choose to imply our concept in. For that goal we need partners who have the necessary structures and the sources to introduce, to anchor and to expand the project within their country. The time-consuming and demanding support of the diverse country projects are monitored and supported by our hitherto volunteer country coordinators.

Countries in Focus for 2014

For the year 2014 it is planned to further establish and expand the OneDollarGlasses in the countries where we already run projects and on top of this bring the project to at least five new countries: Nicaragua, Malawi, Benin, Brazil and Bangladesh.

Since mid-2013 two independent teams of volunteers are preparing intensively two pilot trainings in Nicaragua and in Malawi. They want to set up the necessary structures for the production and distribution of the glasses. To establish contacts with the local authorities, ministries and possible partner organizations, both teams have been very busy making countless phone calls and writing emails. Both projects are due to start in January 2014.

Our partner in Benin is Marianne Dötzer and her organization WEMA Home e. V. For the past 30 years Marianne has spent a large part of the year in the small West African country Benin. She claims to have never seen an ophthalmologist or even an optician there. The first training session is scheduled for spring 2014 by one of our trainers from Rwanda.

In Brazil, where, according to government data currently 16.2 million people are living in extreme poverty, especially in the poor areas of the North the need for cheap glasses is enormous. We are currently planning a training for homeless participants. With Jacob Schillinger in charge, our partner Enactus Munich will run the training together with students from Enactus Insper and the NGO Renovatio.

We are particularly challenged by the project start in Bangladesh: the South Asian country is the most densely populated state of the world. 160 million people live not only in a confined space, but also in extreme poverty. 52 million of them live below the poverty line of USD 1.25 per day. Our local partners are Grameen Shakti, Grameen Health Care and Grameen Kalyan, subsidiaries of the worldwide known Grameen Bank which has been founded by the Nobel Peace Prize laureate Muhammad Yunus.

Page 22 & 23 Awards empowering people. Award of the Siemens Foundation

On October 30th 2013, the OneDollarGlasses association was given the 1st prize of the empowering people. Awards by the Siemens Foundation. From over 800 projects worldwide, the international jury voted for the invention of Martin Aufmuth. They praised the OneDollarGlasses as an outstanding technical innovation to the improvement of living conditions in developing countries. Dr. Nathalie von Siemens presented Martin Aufmuth in Nairobi /Kenya the prize which is endowed with € 50,000. "We are pleased with the winners and are impressed by the ingenuity of the solutions shown in Nairobi" said Rolf Huber, Managing Board of the Siemens Foundation. "We are sure that all these solutions will have a large positive impact on the living conditions of people in developing and emerging markets". The Siemens Foundation has since held close contact with the OneDollarGlasses association, helps with valuable contacts and gives precious advice on building up the organization.

Enactus World Cup 2013

Enactus is an international association of students and leaders from science and industry, with the aim of sustainably improving the living conditions of people in need through the entrepreneurial action of the students.

Once a year the respective winners of the national contests meet up for the Enactus World Cup. There they present their projects to a high level, international jury of business leaders. At the end of a two-day selection process the best projects will be awarded. On October 1st 2013 Enactus Munich won the 1st prize of the Enactus World Cup 2013 out of 1600 teams, with the project 'OneDollarGlasses'.

We congratulate Enactus Munich, most notably Jakob Schillinger, Eva Beuchert, Narei Rassuli and Dominik Nitsch to this great success!

Page 24 & 25 OneDollarGlasses association e. V. - People

An interview with Alex Armbruster, managing director Simple things like the OneDollarGlasses that everyone immediately understands, have the potential to change the world.

"Mr. Armbruster, since autumn 2013 you are voluntary managing director of OneDollarGlasses. e.V. How did you get to manage the opportunities and challenges of a rising young development organization?"

"I initially studied computer science and, in my professional life, worked in numerous IT projects. In recent years my main focus was on the optimization of the IT organization to achieve business objectives and on the management of large-scale IT projects. For several years I had been searching a possibility to socially engage myself and to 'return something'. A short radio report on OneDollarGlasses association I heard last June immediately caught my attention. I was fascinated by the genius of the invention. Simple things like the OneDollarGlasses that can be understood by everyone instantly, have the potential to change the world. In addition to the technical invention it is essential to me, that the imported project carries itself in the target countries. Donations are needed only for the introduction and expansion. True sustainability. With the OneDollarGlasses association I had, for the first time, the feeling I could use my experience in a way I would really like to. I am also intrigued by the start-up like environment of the association."

"What are your strategic plans for the organization?"

"Martin Aufmuth has created something valuable with the bending machine and with setting up the processes for manufacturing his glasses. He kind of started as a 'David' and has declared war to the Goliath '150 million people without glasses'. Now it is the effectiveness that needs looking after. The effectiveness of the invention is at stake: How can we manage to achieve our ambitious long-term goal? We are a small association with a great invention. In order to achieve our goals we need partners and supporters, both in the target countries and in privileged countries like Germany. In the target countries we need partners who help us with the adaptation of the processes to the local requirements and help us with the nationwide introduction of our glasses. In countries such as Germany we are looking for dedicated people and organizations that support the project with their volunteer or financial help. The OneDollarGlasses association stands up to solve a long-existing global problem. Previous relief actions, such as the distribution of used glasses, have alleviated the situation locally, but not solved the issue in the long run. With our approach we are entering uncharted territory in various areas.

We are aware that we will have to take risks of some kind, because of lack of any past experiences. It is therefore strategically essential to develop a methodology and organization that learns quickly from mistakes and shares mistakes, positive as well as negative experiences with all our partner-organizations around the world.

We aim to work hands-in-hands with the country governments and engage them to contribute to the introduction of the project into their own country. After all, health care of the population is, or should be, a sovereign task to every government. We intend to develop plans with the local governments as to how the introduction and also nationwide coverage with OneDollarGlasses can completely or at least partly be financed.

Also essential for a successful implementation are the customs exemptions of the materials we are using for the production of our glasses. Personally, I see this as a moral commitment of the

governments. Because ultimately the consumer - in this case financially weak patients - will otherwise have to carry the customs charges."

"Where do you see the biggest challenges the near future?"

"The overall concept of the OneDollarGlasses association is to a large extent mature. We are currently working with the 11th generation of the bending machine, the training concept has been proved successful and the production process is stable. Starting in 2014, the sale begins on a larger scale. Now we have to identify and build up distribution channels and partners. Here we must make sure that the OneDollarGlasses remain an affordable product for the patients.

It is essential that we reach large and thus cost-covering numbers quickly. The major part of the added value of the OneDollarGlasses takes place in the target countries.

The sustainability of the concept is based on the fact that people earn their livelihood with the production and sales of the glasses. The remuneration system must be fair and just. It should create incentives and simultaneously take into account local requirements such as for example the African sense of community. Here, at increasing numbers, we will have to find the right balance. Our target countries are often medically undersupplied. In Rwanda for example, there are 11 ophthalmologists for a total of 11 million inhabitants. 9 of these are based in the capital city of Kigali. As long as we are selling small quantities of glasses only, there will be enough qualified personal in the country to perform the vision tests. With the increase of sales this will become a bottleneck. In its latest 'Global Action Plan 2014 – 2019', the WHO requires appropriate action by the ministries of health. However, this is unlikely to solve the problem for our project quickly and comprehensively enough.

It will become an inevitable internal challenge for our association to professionalize our work and transform some of the extensive volunteer commitment into fully-employed key persons. For financing these costs a longer-term solid financial plan is required. The association was founded in the year 2012 with slim organizational structures which were centered around Martin Aufmuth, the founder of the OneDollarGlasses.

In 2013, the number of employees multiplied. To date, more and more target countries are being added, and the rising tasks are increasing rapidly. Further optimization of the organizational and operational structure is urgently required."

Page 26 & 27 OneDollarGlasses association e V. -. Structure

Organization

The OneDollarGlasses association was founded in June 2012 by Martin Aufmuth and was recognized soon after by the German Tax Authorities as a charitable organization. Its goal: to supply 150 million people in the world with glasses. "One morning I asked my colleagues in the teacher's room at school if anyone would like to set up an association with me. The same afternoon we met and the establishment protocol was signed. Things can move rather quickly when I am involved" the teacher from Erlangen/Germany recalls with a smile. The seven members at that time increased to 21 by end of 2013. The number the volunteers is still significantly larger. The highest body of the association is the general meeting. It takes place once a year, selects and relieves the board and decides on any changes of the statutes.

At the top of the Board in 2013 there were the first chairman and founder Martin Aufmuth and his deputy Amin Rochdi. Sabine Scheib acted as treasurer. Martina Horndasch was responsible for internal auditing. Treasurer and auditor are together monitoring the statutory and transparent use of resources.

In autumn of 2013 Alex Armbruster joined us and took over the management of the association on a voluntary basis. The board is responsible for the strategic direction and for the implementation of long-term plans in accordance with the Articles of Association. The board members fix the annual budget, submit an annual report and decide on entries and withdrawals of members. To support the operational businesses they appoint the management.

Activities of the association in 2013

Since early 2013 there are regular one-day training-courses taking place in Erlangen. Under the guidance of an experienced trainer, interested individuals can take their first steps at producing OneDollarGlasses. They also learn about the concept of the association and can get to know us in person. The courses also serve to train and prepare future coaches for planned missions abroad. In total, the seven courses in 2013 were attended by approximately 60 people.

While the website www.onedollarglasses.org was developed in 2012, ODG joined Facebook (www.facebook.com/OneDollarGlasses) in 2013. New competences as International Law, Press and Public Relations or Advertising and Communication were added to our organization. Thanks to Friedrich Weickmann the central storage of materials could be outsourced to the Altmühltal-Workshops in Pappenheim/Germany, along with the associated logistics, which was particularly a great relief for Martin Aufmuth who so far stored all the rapidly increasing stock of material in his private cellar...

As a consequence of the many donations the workload in accounting multiplied. The professional claim nudged the performance limits of highly dedicated, volunteer employees. Thus, the development of a clear organizational structure is relevant in order to succeed in becoming an effective internationally operating organization. A goal that we will be working on with high-pressure in 2014. The team structure as well as the tasks to be accomplished are very heterogeneous and that's a good thing: we are particularly pleased that the enthusiasm for the OneDollarGlasses association does spread out to members of all generations. Many students (especially from Enactus-Munich) are offering their voluntary services to us, just as well as many working people, who donate their precious spare time and also a lot of "best agers" push their retirement on to advance the project of the OneDollarGlasses. From engineers to lawyers and opticians there are numerous professional groups represented.

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OneDollarGlasses association - Partners

Our partner organizations

Our numerous, tireless staff, donors and supporters are the cornerstone of our work. Also very important pillars are the partnerships and cooperations with other organizations, with representatives from education and science and with private businesses. Their experience, their networks and commitment are a crucial help for the planning and implementation of our projects in our target countries.

We want to thank all our partners for their commitment and their share in the success of the OneDollarGlasses association from the bottom of our hearts.

Exemplary may be mentioned in the following:

A.M.P.O.

We have been working together with the aid organization A.M.P.O. since summer 2013. Its founder, Mrs. Katrin Rohde, has been living in Burkina Faso for 27 years, where she has created several social institutions, such as orphanages, hospitals, disability and school projects with A.M.P.O. and with the association 'Sahel e. V.'.

When she first heard about the OneDollarGlasses association, she got in touch with Martin Aufmuth and offered premises and support in order to bring the project into Burkina Faso. Since then, she helped to establish OneDollarGlasses association in Burkina Faso.

Enactus Munich

Enactus is an international, non-profit student organization with the aim of improving living conditions and the quality of life of people. The headquarters of Enactus are located in Springfield/Missouri/USA. 37 different subsidiaries around the globe have been established so far. Worldwide, Enactus counts 66,500 members. They all work as independent organizations, but remain part of the international Enactus network. And they all are linked through the idea of improving the world by small entrepreneurial projects.

In 2013, students of Enactus Munich chose OneDollarGlasses as their project. In July 2013 they successfully introduced OneDollarGlasses to Burkina Faso, in September 2013 to Bolivia. In October they won the Enactus World-Cup with the presentation of their project in Cancun, Mexico. Enactus has become an important and valuable partner in the development of the concept and in the implementation of our project in our target countries. We thank all those involved for their passionate commitment and look forward to the further cooperation.

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Children's Fund Third World

Since 1975 the Children's Fund Third World accompanies and promotes projects that improve and secure health, care and vocational training of children and adolescents in the Third World. Since April 2013 they are supporting the OneDollarGlasses association. The Children's Fund have given us a lot of support and advice in Rwanda, with their long years of experience in the country and thus helped to bring the project on the way... They brought us together with Ali, who by now has become mentor and patron of the project in Rwanda. We also received financial support from the Children's Fund Third World.

Partnership with Alem Katema

The association which is based in Baldham/Germany supports aid projects in Alem Katema in the highlands of Ethiopia. Since November 2013 they are our partners in Ethiopia.

Media Coverage 2013

In 2013 the project OneDollarGlasses literally exploded in terms of public perception. Especially after we received the 'Empowering People.Award' in October many media reports have been published about us. But also before that, in spring 2013 several (trade) journals and local newspapers showed first interest. Several radio stations like the Bayerische Rundfunk (Bavarian Broadcasting Services), Antenne Bayern and SAT1 have broadcasted reports on us. The BBC has posted a photo gallery on their website. In autumn 2013 a long article was published in the business section of the Süddeutsche Zeitung. As a reaction to all the media reports we have gained many new supporters and also some of our key volunteers. We thank all publishers, broadcasters and online media for their reporting, which has been essential to make our project known.

Page 30 & 31 & 32 & 33 Financial Review

The OneDollarGlasses association uses donations in an economical and responsible way. The aim is to invest as much money straight into the projects as possible.

Financial Information

You will find below an overview of the revenue and expenditure of the OneDollarGlasses association for the year 2013 which will enable you to understand how the association has used the available funds.

Since OneDollarGlasses association official creation in 2012, this is the first annual report covering a full financial year. When creating the financial statements, we broadly applied the requirements of the DZI (German Institute for the certification of fund raising organizations). The accounting is based on the net income method and on the calendar year.

Donations

€ 229,640 donations were entrusted to the association during the year 2013. A considerable sum considering the fact that the association had only been founded the year before. Additionally, a large donation of $50,000 \in$ was made by the founder Martin Aufmuth. This was the prize money, the Siemens Foundation had granted to the winner of the worldwide competition "empowering people.award". Martin Aufmuth passed this donation on to the association.

Expenditures

On the expenditure side, the sum of \notin 98,238 was spent in 2013 as part of our project work. A total of \notin 40,636 was invested directly in the project countries, for the training and equipment of the OneDollarGlasses opticians on site and for the foundation of the national organizations. It also includes expenses of \notin 13,036 for transportation and travel. \notin 29,716 was spent on Rwanda and \notin 10,919 for the introduction of OneDollarGlasses association in Malawi. In Malawi, the money was used for the preparation of the pilot training course which was conducted in Januar 2014. These costs represent only a portion of the total project costs. We have invested considerably more - with the help of our partners - in the introduction of OneDollarGlasses in Africa and South America.

The agreement with the student organization Enactus Munich for the projects in Burkina Faso and in Bolivia entailed that they provided students as coaches and paid for their travel expenses. Our partner A.M.P.O. in Burkina Faso financed the entire training within the country. In Bolivia our local partner Hostelling International Bolivia under the direction of Max Steiner financed the costs for the project and the training within the country. With \notin 49,473 + \notin 8130, a considerable proportion of the donations were used for the financing of the bending machines and the materials for the production of the glasses. Here it becomes evident how we differ from other aid organizations. We are not a charity in the classical sense, but we are producing a product that incurs development costs. As we lend the bending machines and donate the tools and materials for the first 500 glasses as seed capital, we need to raise money to finance these costs. This is why we need donations. Money that will be multiplied within a short time. After the initial funding, the concept will be self-sustaining by means of the purchasing of new materials.

OneDollarGlasses Opticians are generating a sustainable income with which they can support themselves and can at the same time support hundreds of their compatriots with eyeglasses.

In 2013, we invested \notin 8018 in general management activities, purchased computers, printers and other office supplies as well as conducting activities in the public relations area. For fundraising and administration of the donations, we spent \notin 24,402 in total. Most of this was invested in a flyer campaign in the newspaper "Erlanger Nachrichten" in December 2013.

This campaign not only increased the level of awareness of the OneDollarGlasses association enourmously, but also generated a considerable amount of donations for our project. The entire work of the association in 2013 was achieved almost exclusively through the contributions of

volunteers. Numerous supporters have contributed their time free of charge - and with incredible idealism. Only some tasks like the administration of donations, issuance of contribution receipts and purchasing -related activities incurred external costs totalling \notin 7,966.

The proportion of advertising and administration expenditures of total expenditures amounts to 23.7%. This represents a good result, as in the early years of an undertaking high investments are required in order to be known. On the other hand, the investments had a high percentage impact due the relatively low total expenditures of \in 136,600.

Revenue 2013: € 290,140 Donations € 229,640 Siemens empowering people.Award € 50,000 Machine sales € 10,500 € 10,500 Total revenue

Expenditures 2013: € 136,600 Tools, prototypes and material € 49,473 Depreciation of bending machines € 8,130 Training and establishment of the OneDollar association in project countries € 27,600 Travel costs € 13,036 Staff costs € 7,966 Donation management and advertising € 22,377 Administration € 8,018

Net income 2013 153.540 €

Financial Statements

The financial statements were drawn up by our treasurer Sabine Scheib and were controlled by Martina Horndasch, our controller. The results were announced at the Annual General Meeting in March 2014.

Financial situation

At the beginning of 2013 the association had a total of \notin 13,466.18 in cash and in its bank accounts. At the end of the financial year, cash assets had increased to \notin 131,898.62. The relatively high cash assets were due to the fact that about half of the entire years' donations arrived in the month of December and were therefore not consumed within 2013.

In 2012 Martin Aufmuth provided an interest-free loan of over 20,000 € to the association for the pre-financing of material and project costs. This was re-paid to him in 2013

Page 34 & 35 Thank you!

Dear supporters,

Thanks to your donation we can help people to see clearly! Because your financial contribution enables us to train more OneDollarGlasses opticians in developing countries and equip them with bending machines, tools and materials so they can get started with their businesses and supply people around them with good quality eyewear.

We are very excited about the many donations we received from people that we could inspire – new donors, but also people who have supported us before and people who donate to the project on a regular basis! For your generosity and for the trust you are placing in us we are ever so thankful!!!

We sincerely want to say "Thank you" also to

... the numerous opticians, doctors, clubs, businesses and individuals, who are informing their customers and people around them about us and initiate collections etc.

... the many aid organizations and representatives from trade and industry as well as from science, who give us support and advice.

...the countless schools who with great dedication organize sponsored events in order to support us. And ... especially to the many tireless, volunteers who are giving their time and their energy to us.

They have all contributed to the success of OneDollarGlasses association!

We will continue to work on the realization of our vision and hope, that in the future we will still get as much help as we do now. Only together can we take the next steps and supply 150 million people in the world with eyeglasses. Thank you!

Your OneDollarGlasses-team