WE Charity Canada to wind down operations and set up endowment fund to support education and humanitarian programs

- photos available for download <u>here</u> -

September 9, 2020 – **TORONTO** It is with great sadness that WE Charity and its Board of Directors announce they are winding down the organization's operations in Canada. The organization will be selling its assets to establish an endowment fund to sustain the charity's existing international humanitarian programs and digitize its Canadian educational resources for long-term access.

Twenty-five years ago, WE Charity was founded in Canada to serve children. At home, it inspired the next generation of volunteers and change-makers; globally it provided children and families with the tools to lift themselves from extreme poverty.

WE Charity grew to be active in 7,000 Canadian schools. More than one million Canadian students attended WE Day celebrations of service by earning their entry through volunteering and fundraising for over 3,000 charitable causes each year. When WE Charity started in 1995, youth were the <u>least likely</u> age range to volunteer. Today, they are among <u>the most likely</u> to give their time.

Across the globe, WE Charity built 1,500 schools and schoolrooms so 200,000 children could receive an education. It helped 30,000 women establish their own businesses and provided one million people with clean drinking water.

"Our founding principle has been that every decision we make is through the lens of what is best for children," said Craig Kielburger, co-founder of WE Charity. "Through decisive action to preserve our savings, sell our assets, and establish an endowment, we hope to sustain global projects for the long-term, like our hospital, college and agricultural learning centre that meet critical needs of children and families."

COVID-19 significantly disrupted WE Charity programming. The fallout from the Canada Student Service Grant has placed the charity in the middle of political battles and misinformation that a charity is ill-equipped to fight. As a result, the financial math for the charity's future is clear. WE Charity Canada has:

- experienced significant financial pressures and loss of sponsors creating a financial situation that, without decisive action, would jeopardize important programs
- foresees a lack of future revenue sources given the indeterminant length of time that political matters will continue
- has calculated that its ongoing operational costs will consume savings that are essential to establishing the endowment fund to sustain its humanitarian and educational programs

The endowment fund will support WE Villages projects in Latin America, Asia and Africa that are currently underway, but are not yet completed. It will also fund key, large-scale infrastructure projects that need ongoing support, like the Baraka Hospital and WE College in Narok County, Kenya, and the Agricultural Learning Centre in Ecuador. Going forward, there will be no new schools, water or agricultural projects, and no expansion to new communities in the nine countries where WE Charity is active.

In Canada, WE Charity will no longer have staff to support educators to inspire and equip the next generation of community leaders, including no new curricular resources, youth service coaches, educational speaking tours, or the celebration-of-service event, known as WE Day. Instead, the endowment fund will ensure existing WE Schools resources will be available digitally to teachers for free with curriculum focused on causes, service campaigns, and youth mental health resources.

The endowment fund will be created by selling the assets of WE Charity Canada, including the WE Global Learning Centre. The organization will also sell nearby properties acquired as part of a capital campaign to support the organization's 25th anniversary "Campus for Good," a redevelopment initiative to provide free space to incubate under-35 change-makers.

All of the net proceeds from the sale of these buildings will be used to create the endowment fund. An independent Board of Directors with skillsets for management of endowments will be appointed in the coming months to oversee the distribution of funds to programs that have been at the heart of the organization since its inception.

At the request of WE Charity's Board of Directors, WE Charity's Canadian staff, along with Craig and Marc Kielburger, will assist in the process of winding down WE Charity Canadian operations. Once that is complete, all will transition from the organization.

"We are saddened by these developments. This year marks the 25th anniversary of WE Charity Canada. We planned to launch an endowment this year, but not in this way," said Marc Kielburger, co-founder of WE Charity. "I feel confident, though, we've found a way forward that protects and continues to support the most vulnerable in the communities where we work, especially the children. The lasting impact of our work has been made possible by the many people who have supported WE Charity Canada over the past two decades – for that we are tremendously grateful."