

KEY FIGURES IN THE 21ST FINANCIAL YEAR

Funds totalling CHF 15.2 million (2017: 14.7; 2016: 15.5) were used for the Foundation's activities (cash-out). CHF 14.2 million (13.7; 14.0) were channelled into direct and implementation grants for 71 (72; 63) support projects. Of these projects, 19 (25; 16) were < CHF 50,000, 51 (46; 46) between CHF 50,000 and CHF 500,000 and 1 (1; 1) > CHF 500,000. Total foundation expenditure amounted to 6.7% (6.9; 9.7) of the funds used, of which 2.3% (2.3; 2.6) were administrative expenses and 4.4% (4.6; 7.1) were direct project expenses for the themes supported. Foundation assets as at 31.12.2018 amounted to CHF 128.2 million (149.5; 152.9). In the year under review, a net portfolio performance of -4.81% (8.55; 3.58) was achieved with a largely passive asset allocation.

SELECTION The evaluation of projects is based on a funding strategy which is tailored to a specific area of activity and usually comprises a two-stage process of selection by the board of trustees: if a project proposal is approved, an invitation is extended to submit a detailed application. Given the large number of very good projects, not all of them that meet the strategy requirements can be financed. There is a need to make a selection at all submission stages. The final ranking takes into account the core criteria as well as the foundation's funding strategy.

TRANSPARENCY The website grstiftung.ch presents the foundation's policy and strategy (target domains, areas of activity), openly discloses the support criteria and provides information on procedures. The following information is given for every project supported: project managers, total funding amount, abstract, project status and results. The foundation's performance is documented by details of financial data, funding volume and investments.

GOOD GOVERNANCE Gebert RUF Stiftung complies with the Swiss Foundation Code 2015, is a member of SwissFoundations and works closely with the University of Basel's CEPS (Center for Philanthropy Studies). The board of trustees carries out an annual risk assessment of all foundation activities. An internal control system (ICS) is used for this purpose.

PUBLISHING DETAILS The present short report by the foundation's management is also available in German and French. The full annual report of the board of trustees in accordance with Swiss GAAP ARR 21 can be downloaded. – Zurich / Basel, March 2019

MANAGEMENT BOARD OF TRUSTEES: Prof. Dr. Roland Siegwart (since 2012, Chairman), Prof. Dr. Monika Büttler (since 2017, Deputy Chairman), Prof. Dr. Richard Bühler (since 2011), Dr. Katja Gentinetta (since 2013), Prof. Dr. Elgar Fleisch (since 2018), Prof. Dr. Jean-Marc Piveteau (since 2018), Prof. Dr. Jürg Schifferli (since 2007), Prof. Dr. Marcel Tanner (since 2016); EXECUTIVE TEAM: Dr. Pascale Vonmont (CEO/Director), Dr. Marco Vencato (Deputy Director), Jacqueline Grollmund (Project Monitoring/Controlling), Corinne Burkhardt (Management Assistant/Back Office), Alina Huonder (intern); COMMITTEES AND ADVISORY BOARDS: Chairman's Committee, Nomination and Finance Committees, various ad hoc committees, Venture Kick strategy board, First Ventures jury, Microbials jury, Publications Committee.

EXTERNAL UNITS INVESTMENT CONCEPT/STRATEGIC POOLING PARTNER: ECOFIN Portfolio Solutions AG, Zurich; FUND MANAGEMENT: GAM Investment Management (Switzerland) Ltd. Zurich; Lombard Odier Asset Management (Switzerland) SA, Zurich/Petit-Lancy; ASSET MANAGEMENT/FUND MANAGEMENT: State Street Global Advisors (SSgA), Boston (global equities and bonds); Syz Asset Management SA, Zurich (CHF bonds); 50% each: Allianz Global Investors GmbH, UK Branch, London, and Barings LLC, Springfield, USA (global corporate bonds); CUSTODIAN BANKS: State Street Bank GmbH, Munich, Zurich Branch; Banque Lombard Odier & Cie SA, Geneva; DIRECT INVESTMENT: Margebeli JSC, Georgia (Private Equity); INVESTMENT CONTROLLING: ECOFIN Investment Consulting AG; ACCOUNTING: Bourcart Treuhand AG, Basel; AUDITORS: Copartner Revision AG, Basel; SUPERVISORY AUTHORITY: Swiss Federal Supervisory Board for Foundations, Berne.

VISION WITH REACH

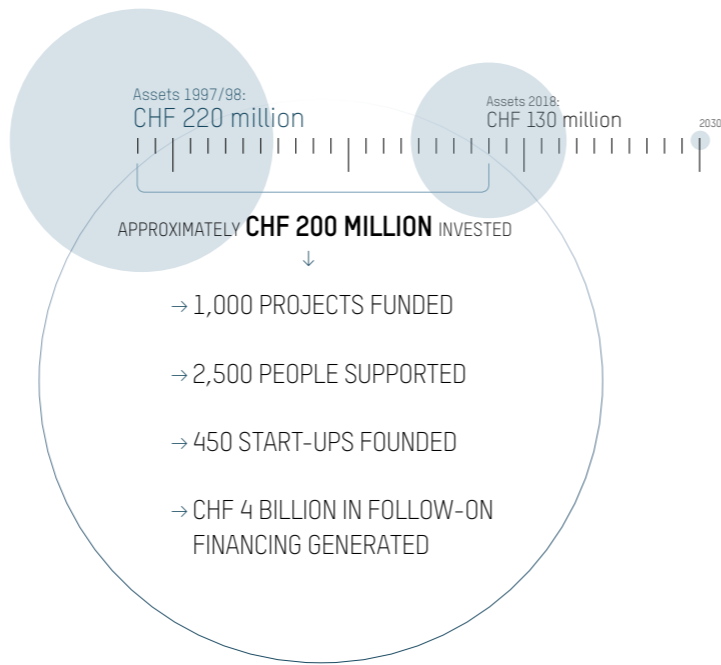
«SCIENCE ENTREPRENEURSHIP»

What Heinrich Gebert vigorously accomplished as an entrepreneur was something that he also wished to achieve as a philanthropist for the business community and society: translating scientific innovation into the creation of jobs is the basis of social and economic prosperity. Staying true to this vision, he established Gebert Rüt Stiftung after the sale of the family business, Geberit. He proved equally innovative in the role of philanthropist as he was as an industrialist. In setting up the foundation, he transferred the concept of entrepreneurship to not-for-profit science funding: early-stage innovation involves considerable risks. Providing support during this phase represents an ideal gap with substantial leverage for a private funding commitment.

VISION WITH IMPACT

IMPETUS IN FUNDING GAPS

Gebert Rüt Stiftung sees it as its task to take risks and provide funding where needed to help innovations get off the ground. By supporting projects with a clear identity, the foundation aims to achieve measurable leverage. It positions itself in the long-familiar funding gap, known as the «vale of death», where the funding chain breaks down for many innovative projects, no more basic research funding is available and venture capital is not yet accessible. Thanks to its flexible support strategy, Gebert Rüt Stiftung is able to provide research with fresh impetus where the state and private enterprise leave gaps. Under its areas of activity, Gebert Rüt Stiftung regularly launches new themes. Success is ensured if these themes become sustainably embedded in the funding landscape.



VISION WITH POTENTIAL PRIVATE ASSETS AS A CATALYST

As a philanthropist, Heinrich Gebert was a pioneer: a clearly defined purpose and focussed gap funding make Gebert Rüt Stiftung unique. 20 years of support show that private assets and visions act as a catalyst, funding pays off!

IMPACT OF GEBERT RÜF STIFTUNG – 1998 TO 2018

The 20-year support milestone is reason for the foundation to take stock and evaluate the impact and results of its funding among all its partners in relation to the foundation's core criteria: gap function, effectiveness, trigger.

PROGRAMMES – LAUNCHING THEMES

GAP: From its very beginnings, Gebert Rüt Stiftung has managed the funding gap between the Swiss National Science Foundation and today's Inno-suisse, between basic research and the market. Under the «Pilot project» area of activity the foundation provided a total of CHF 70 million over 20 years to support performance-driven research projects. This gap was successfully closed through the establishment of the BRIDGE programme. That allowed Gebert Rüt Stiftung to launch a new funding programme under the name «InnoBooster» in September 2018.

EFFECTIVENESS: With the goal of developing diagnostics and drugs for treating rare diseases, Gebert Rüt Stiftung created the area of activity «Rare Diseases – New Approaches» in 2009. Almost half of the 31 projects funded have achieved a diagnostic or therapeutic success. Significant developments were initiated at numerous levels in the course of the programme. The Federal Office of Public Health instigated and implemented a «National Rare Disease Policy». The umbrella organization, ProRaris, was founded in 2010. As a member of the E-Rare network, the Swiss National Science Foundation supports multinational research projects in the field of «Innovative Therapeutic Approaches for Rare Diseases». The topic of «Rare Diseases» is now a firm part of Switzerland's federal policy and funding landscape.

TRIGGER: The pre-seed fund Venture Kick was launched in 2007 with the vision of doubling the number of spin-offs at Swiss universities, accelerating the time to market, and raising the attractiveness of these young companies to professional investors and industrial partners. Since the launch of the Venture Kick programme, funded with start-up capital from 2 foundations, 12 further cooperation partners joined. Over 600 start-ups have been established and a good 6,000 jobs created.

PROJECTS – MAKING AN IMPACT

The 1,000 funding projects of the last 20 years allow an altogether positive assessment of the impact of Gebert Rüt Stiftung. Of the projects supported to date:

- 94 % CLOSED A CRITICAL INNOVATION GAP.
- 75 % ESTABLISHED A NEW PARTNERSHIP WITH INDUSTRY, SERVICE PROVIDERS AND THE PUBLIC SECTOR.
- 66 % CREATED A NEW PRODUCT.
- 30 % LED TO THE FOUNDING OF A START-UP.
- THE LEVERAGE FACTOR OF THE SUPPORT FUNDS DEPLOYED IS 14 OVERALL, AND 100 IN THE CASE OF VENTURE KICK.

