



## About Legatum

Legatum is a privately owned international investment organisation, whose primary focus is commercial investment in international equities and financial securities, and which also applies its investor's expertise to a long-standing involvement in the sustainable development of communities around the globe.

Headquartered in Dubai, part of the United Arab Emirates, the Legatum Group was founded in December 2006 following the demerger of the Sovereign Global group of companies ("Sovereign") which provided capital to companies and governments in various industry sectors worldwide since 1986.

Legatum's mission is to maximise its absolute long-term return on investment in the global capital markets, while optimising capital allocation to promote sustainable human development and individual prosperity. The Group is composed of a number of divisions: Legatum Capital, Legatum Global Development ("LGD"); the Legatum Institute; and the Legatum Center at Massachusetts Institute of Technology.

**Legatum Capital** is a private, value-conscious portfolio investor that manages a multi-billion dollar fund investing only proprietary capital in outstanding businesses with durable competitive advantages, with a special emphasis on global emerging markets. Legatum's investment approach is founded upon seven principles:

- *A long-term perspective*, which permits a patient approach and a tolerance for short-term volatility;
- *Optimal allocation of capital*, where it may create wealth and accelerate prosperity;
- *Opportunity in transitioning markets*, where patient investors may generate asymmetric returns;
- *Investment, not speculation*, by concentrating on businesses with long-term potential;
- *Unleveraged investment*, which is fundamental to risk reduction in highly volatile long-term equity investments;
- *Concentration not diversification*, where a long-term approach mitigates the need to hedge and allows investments to be narrow and deep;
- *Macro themes*, but also employing an opportunistic, and sometimes contrarian, approach to identifying hidden value.

Currently, Legatum Capital is significantly invested in India, with several billion dollars allocated to a range of high quality companies in the financial services and beverages sectors.

[www.legatumcapital.com](http://www.legatumcapital.com)

**Legatum Global Development** ("LGD") promotes global prosperity by applying market-based solutions to long-term development problems. LGD promotes prosperity in two ways:

1. *Venture Capital* (through Legatum Ventures) - engaging in double bottom line investing that delivers sustainable social returns while generating financial returns that allow activities to be increased in both scale and scope;
2. *Humanitarian Grants* (through the Legatum Foundation) – supporting community-based projects run by local entrepreneurs in the priority sectors of Health, Education, Economic Empowerment, Human Liberty, Disaster Recovery and the Environment;

LGD is committed to challenge and reframe the traditional paradigms of the philanthropic marketplace and to prove the efficacy of business as a driver of social and human development. Examples of recent activity include:

- Allocating USD 9.7 million to a project to eliminate seven waterborne diseases from two post-conflict countries in Africa, which will dramatically improve over 8 million lives.
- Funding over 100 community-based projects that address education, prevention and care relating to HIV and AIDS.
- Partnering with Professor Michael Kremer of Harvard University in a study in India, where Legatum's grant will provide scholarships that cover the full cost of tuition for 2,000 children in 100 villages in Andhra Pradesh.



- Funding for 11 anti-slavery projects in Ecuador, which provided anti-trafficking education for 143,000 people, rescued nearly 4,000 victims of slavery and resulted in changes to Ecuadorian law to criminalize all forms of slavery.

[www.legatum.org](http://www.legatum.org)

**The Legatum Institute** (“LI”) is an independent policy, advocacy and advisory organisation, whose mission is to research and promote the principles that drive the creation of global prosperity and the expansion of human liberty. The Legatum Institute undertakes original and collaborative research, and publishes case studies and ancillary literature, including the *Legatum Prosperity Index*.

[www.li.com](http://www.li.com)

- **The Legatum Prosperity Index** proposes a new definition of national prosperity, combining Material Wealth and Life Satisfaction measures. The Prosperity Index rankings are the result of an analysis of 40 years of statistical data, identifying the factors that drive prosperity in more than 100 countries.

[www.prosperity.com](http://www.prosperity.com)

**The Legatum Center at MIT** is a collaboration between Legatum and the Massachusetts Institute of Technology, in which Legatum has made a gift of USD 50 million to educate Legatum Fellows – budding entrepreneurs from emerging markets – who will, in turn, create innovative businesses that promote sustainable economic growth in developing countries.

<http://legatum.mit.edu>

## Recent Highlights

### 2007

- May:* USD 25 million investment in SHARE Microfin Ltd., the largest equity investment in a microfinance institution in India.
- July:* Publication of the 2007 Legatum Prosperity Index; launch of the Legatum Institute in London, UK.
- September:* USD 50 million endowment to establish the Legatum Center at MIT.
- October:* Economic Times of India recognises Legatum’s current investments of more than USD 4 billion in India.
- November:* First Legatum Pioneers of Prosperity Africa Prize awards in Kigali, Rwanda.

### 2008

- April:* Legatum commits to an expanded 10-country Pioneers of Prosperity Africa Prize program.
- May:* Legatum invests USD 20 million in the Unitus Equity Fund 2 together with co-leader Omidyar Network.
- July:* Legatum FORTUNE Technology Prize announced.

## Leadership

Senior management of Legatum includes Mark Stoleson, President; Derek Sheeler, Chief Investment Officer; Alan McCormick, Managing Director; Philip Vassiliou, Managing Director, Darrin Payne, Chief Financial Officer, Hamish Banks, Head of Corporate Communications; Dr. William Inboden, Senior Vice President at Legatum Institute; and Troy Wiseman, Vice-Chairman at LGD.

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