



## THE CHAIRMAN'S MESSAGE

Dear stakeholders,

At Ayala Foundation, we believe that the empowerment of the individual through the enrichment of the mind and spirit is one of the prerequisites to social progress. This is the reason why our programs promoting Philippine culture and the arts have always existed alongside our social development initiatives.

In 2006, Ayala Foundation threw its weight behind this belief and harnessed the strengths of its various divisions to mount Emergence, an art-for-a-cause exhibition that I was pleased to have been a part of. Emergence was a functional-art exhibition staged in cooperation with the Ayala Museum and Gearing up Internet Literacy and Access for Students (GILAS) that featured the creations of interior designer Wilmer Lopez, figurative sculptor Jordan Mendoza, and conceptual sculptor Reg Yuson, along with my own photographs. The exhibition was a collaborative effort between the four of us and was staged to benefit the GILAS project. GILAS's goal is very much aligned with individual empowerment through education as it strives to bring the power of the Internet to public high school students by connecting all 5,789 Philippine public high schools to the Internet. Emergence raised about ₱1 million for GILAS and very much emphasized the value of creating synergy through partnerships both within and outside of the foundation.

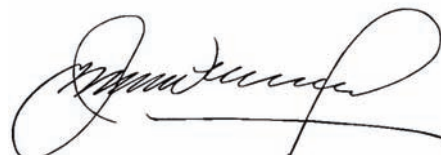


Partnership also enabled the mounting of Ayala Museum's first major international exhibition, *Pioneers of Philippine Art: Luna, Amorsolo, Zobel*. This landmark exhibition, staged in cooperation with the Asian Art Museum of San Francisco (AAMSF) in California, U.S.A., showcased the creative genius of three Philippine artists who responded to social realities and aesthetic conventions by creating paintings that changed the Philippine art scene of their respective generations. The paintings serve as portals into the creative psyche, enlightening the minds of their beholders through the broadening of their perspectives on culture, society, and even history. To accompany the exhibition, the Ayala Museum produced a DVD and published a catalog and three children's story books on the lives of Luna, Amorsolo, and Zobel. This sensitivity to the needs of even the youngest museum visitors demonstrates the thoroughness with which the Ayala Museum pursues its goal of promoting Philippine art and culture. However, the overall success of *Pioneers of Philippine Art* would not have been possible without the help and support of the AAMSF and other individuals and organizations that recognize the importance of encouraging intercultural understanding.

Over the years, Ayala Foundation, through the Filipinas Heritage Library, has worked hard to enable Filipinos to improve their lives through social technologies. Libraries enrich the mind and nourish the spirit. Very much aware of this, the Filipinas Heritage Library strives to broaden the general

public's perspective on Philippine culture and history, understanding that a people's intellectual growth is indispensable to national progress. Filipinas Heritage Library houses a multitude of Filipiniana multimedia, preserves important historical documents through the latest technology, and disseminates the wealth of its collections through services such as book and CDROM publication, the development of Internet resources, and the staging of lectures and workshops. This year, the library marks its 10th anniversary and celebrates yet another aspect of Philippine culture with the launch of its compilation of Philippine music, the Himig Collection. Another medium that the library explored in 2006 was film. The library produced its first documentary, *Pioneers of Philippine Art: Luna, Amorsolo, Zobel*, in support of Ayala Museum's exhibition in San Francisco.

All the projects of Ayala Foundation—whether they are developmental undertakings intended to address temporal needs, or cultural initiatives designed to uplift the spirit—are focused on helping individuals, communities, and the nation as a whole to grow and develop. In all these programs, we recognize the paramount importance of partnerships in achieving our goals. The Ayala Foundation wishes to thank you, our valued stakeholders, for your partnership that allows us to continue enriching the minds and improving the lives of our countrymen.



Jaime Zobel de Ayala  
Ayala Foundation, Inc.



## THE PRESIDENT'S MESSAGE



Dear stakeholders,

In order for any organization to thrive, it must constantly adapt to the changing needs of the community it serves and it must also recognize and respond to new opportunities. These two courses of action were evident in many of Ayala Foundation's initiatives in 2006.

In recent years, the foundation has begun developing programs to benefit the youth of Mindanao. In 2006, we significantly increased our reach and impact in the region by adapting one of our more successful strategies to suit our target beneficiaries. Using the Ayala Young Leaders Congress as a model, Ayala Foundation staged its very first Education, Livelihood and Skills Alliance (ELSA) Young Leaders Camp. The camp gathered 63 high school student leaders from Maguindanao and Lanao del Sur for activities designed to teach them the right leadership values and help them develop skills to better address the needs of their own communities.

Among Ayala Foundation's first projects when it was established in 1961 as Filipinas Foundation was a vocational/technical scholarship program for underprivileged students. In 1998 and 2000, the foundation decided on two parallel tracks in public education: providing top-quality education with complete support programs to very bright children of poor families through its Center of Excellence in Public Elementary Education (CENTEX) schools, which serve a little over 1,000 students in Manila and Batangas; and a program that aims to achieve national scale—GILAS, which seeks to put computers with Internet access in all our 5,789 public high schools.

The foundation's sponsorship base, too, has changed over the years and now comprises institutions and individuals from across the Philippines and even from other countries. The foundation recognized the potential of diaspora philanthropy and has, through Ayala Foundation USA, successfully tapped the significant population of concerned Filipinos in the United States. In 2006, AF USA raised over \$950,000 that benefited 50 of its Philippine partner-institutions. AF USA also undertook its own program for the youth and, with the assistance of Chevron Texaco and the LBC Foundation, brought seven second-generation Fil-Am youths to the Philippines for a two-month immersion in development work. The immersion is intended to help the participants better understand the needs of their home country and become advocates for the Philippines upon their return to the United States.

In 2006, the Ayala group of companies started to align all its corporate social responsibility efforts to focus on three major areas: education, environment, and entrepreneurship. Ayala Foundation acts as the secretariat for this effort.

The foundation's solid waste management program was created to address a serious environmental issue: how to dispose of the ever-increasing amount of garbage generated in Metro Manila. Since its establishment in 2001, the program has steadily increased its impact and reach. In 2006, roughly ₱22.8 million worth of recyclable material was collected from the central business district and Ayala Center in Makati. The program is now being implemented in Bonifacio Global City and two barangays in Taguig City. Environmental awareness is slowly expanding and the foundation has responded to this upswing by hosting regular waste markets in Makati, Alabang, and Taguig, providing individuals with a venue to take personal ecological action by selling their recyclable items to professional recyclers.

Meanwhile, Ayala Foundation's advocacy of Philippine entrepreneurship resulted in some noteworthy accomplishments in 2006 through the efforts of the UP-Ayala Technology Business Incubator. This year, UP-Ayala TBI hosted nine technology startup-businesses that provided employment for 163 skilled workers. The nine businesses generated combined sales of ₱60 million. UP-Ayala TBI also organized and hosted the World Bank InfoDev workshop in Manila for participants from 14 countries, and catalyzed the creation of a Philippine ecosystem that will enable entrepreneurs to build successful science and technology businesses with global potential. This initiative has made possible a grant from the Department of Science and Technology for the development of technology commercialization and entrepreneurship projects.

Ayala Foundation continues to be sensitive to the changing needs of Filipinos. For these programs to attain the impact and scale necessary for lasting positive change and national transformation, they must be fueled by our readiness and willingness to discover better ways of doing things. Our expanding networks of partnerships have certainly made us stronger. They have also helped us find better technologies, more efficient processes, and more effective solutions to the problems spawned by poverty.

We thank all our stakeholders—our donors, partners, trustees, and staff—whose steadfast support has helped us in reaching our goals. Their active participation in our programs has improved and enriched the lives of the people we serve.



**Victoria Garchitorea**  
Ayala Foundation, Inc.