



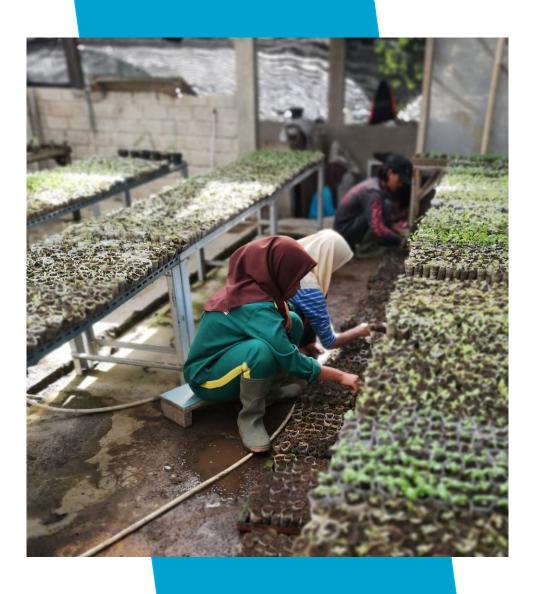




IMPACT REPORT 2021



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Foreword from the CEO

The economy, which was recuperating well in early 2021 after the onset of COVID, was again impacted by the second wave of the pandemic. With Covid-19 having a varied impact across the globe, 2021 has been yet another year of challenges for everyone. Despite these dynamic market conditions, C4D Partners has continually been invested in delivering positive financial results along with sustainable social impact.

Over the year, we continued to work closely with all our portfolio companies to secure appreciable ESG Scores. For this purpose, we undertook mid-year reviews using our proprietary ESG toolkit to ensure compliance. As our portfolio companies operate across Asia, the difference in the fiscal years which are followed by each of the investee companies gave rise to ambiguity in reporting. To overcome this, we started collecting impact data every quarter in 2021. This has helped to eliminate reporting challenges. The fund has migrated to a web-based reporting platform on which investees will report impact data to simplify the process further.

With much delight, we report that all our companies showcased immense resilience and exhibited robust performance. We feel happy that we have proficiently supported these socially responsible and impactful businesses in their journeys. We are hopeful that 2022 will be better, and confident that we can support our portfolio companies to navigate through what the future holds. I hope you find the stories of the impact achieved exciting and inspiring.

Arvind Agarwal | Co-Founder and CEO



Our Story ----



- Capital 4 Development Asia Fund ("C4D") is a USD 30.3 million Dutch impact fund focused on improving livelihoods in emerging countries by investing in impactful small and medium enterprises ("SMEs"). We invest in India and Indonesia and have active investments in the Philippines, and Nepal.
- Together with our portfolio companies and investors we work towards:
 - Creating sustainable jobs and providing employees with (new) skills and stable incomes;
 - Improving the market position of small, underserved suppliers and entrepreneurs;
 - Offering affordable and quality products and services to low-income and vulnerable populations;
 - o Boosting the development of efficient and sustainable supply chains; and
 - Supporting gender equality through gender-balanced business strategies.
- With the right mix of local and global experience, we are able to leverage our position to make balanced investment decisions, promote fair economic development and provide optimal returns to our investors.

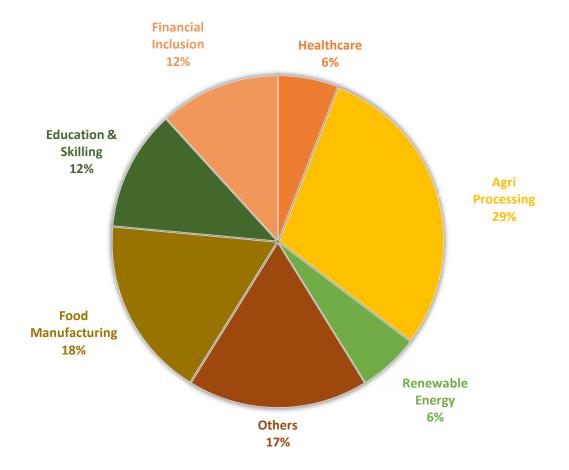
----Sector Focus





Portfolio Breakdown

year-end 2021



Agri-Processing











Food Manufacturing







Financial Inclusion





Healthcare



Renewable Energy



Education & Skilling





Others







Others: Waste Management,, Last-Mile Delivery

Investment Highlights



21 Active Investments

In 2021, C4D committed to 2 new investments, made 2 follow-on investments and realized 5 exits.

5 Countries

India
Indonesia
Philippines
Nepal
Cambodia



\$ 20.3M Invested

62% of which has been invested in Women-Owned and Women-Led businesses

Our Approach

We are convinced that Small and Medium Enterprises (SMEs) can play an important role in uplifting developing countries. Through their innovative offerings and pioneering business models, SMEs have the potential to create strong impact in underserved and marginalized communities.

Over the years we have refined our model to comprise of different approaches and tools to enable our portfolio companies to create maximum impact. Some of these are listed below:

- Quarterly and Annual Financial Reviews
- Strategic Guidance
- Follow-on Funding
- ESG Assessments
- Encouraging the institution of good Gender Inclusivity practices

In addition, we also offer business development support through our Portfolio Support Program under which investees receive focused support in the form of small financial contributions for specific (technical) assistance, coaching links to strategic partners, etc. This support is paid for from a separate facility.



Our Impact in 2021



21

Total number of active Investments in 2021



62%

of capital invested is in Women-Owned and/or Women-Led Companies



+\$8.2M

Value of Transactions with Smallholder Farmers in 2021



+29.8k Tons

of waste managed / handled per annum



+1.0k

Women employed through our portfolio companies



+21.1k

Number of Smallholder Farmers & Suppliers partnered with our portfolio companies in 2021



+9.2k

Number of Jobs Supported consisting of full-time and part-time workers



+\$83.2M

Value of loans approved and disbursed to underserved communities



+1.1M Tons

CO² Reduction Contribution from our portfolio companies in 2021.





Our Fund Impact



24

Total number of investments since 2019



62%

of capital invested is in Women-Owned and/or Women-Led Companies



+9.8k

Number of Jobs Supported consisting of full-time and part-time workers



+88.1k Tons

of waste managed / handled since 2019.



+1.3k

Women employed through our portfolio companies



Data collected from 2019 - 2021

+526.5k

Number of Smallholder Farmers & Suppliers partnered with our portfolio companies since 2019



+\$49.2M

Value of Transactions with Smallholder Farmers since 2019



+\$221.3M

Value of loans approved and disbursed to underserved communities



+1,163M Tons

CO² Reduction Contribution from our portfolio companies since 2019





The Sustainable Development Goals (SDGs), were adopted by all United Nations Member States in 2015 as a universal call to ensure that all people enjoy peace and prosperity by 2030. At C4D, we believe in the vital role that the private sector can play in achieving the SDGs. Prior to investment, our teams work with company management to identify the relevant impact metrics. The impact metrics identified are based on internationally accepted IRIS indicators. Our impact assessment tools are inspired by the best practices and standards in the impact investing world, and have been polished over the years to efficiently meet our needs.

Below are the list of SDGs that our investees contribute to, through their activities.







































Meet Our Portfolio



C4D invests in SMEs in promising, scalable, impactful SMEs. Below is an overview of our portfolio companies and see the positive social-economic impact they create.

The data represents the position of the companies as on December 31, 2021. More information on the portfolio companies can be found on our website.

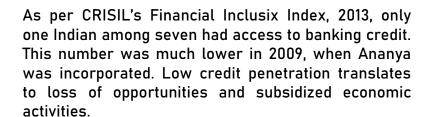
India















Ananya Finance is a socially motivated, Non-Banking Finance Company, set up in India to facilitate access to formal credit. It is committed to reach the sections of the population that remain excluded from credit with a focus on reaching out to underserved women. Apart from providing financial services, Ananya offers training and capacity building to smallholder farmers and is among the select few lenders in India that combines credit support with technical assistance.

Direct Jobs
Supported
with 42% of it
occupied by
women.

+24k Smallholder Clients



impacted in 2021 alone.

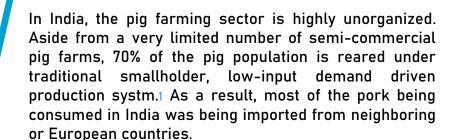
+\$47M

Value of Loans



disbursed in 2021.











Solution

Arohan Foods is one of India's largest pork processors with premium pork products being retailed nationwide. Pigs are sourced directly from smallholder pig farmers across Northeast India. The company follows an inclusive model where the gains are passed on to the farmers in the form of a higher farm gate price for their animals, resulting in higher income for them. Going a step further, Arohan provides the pig farmers with breeding support (training and feed) and veterinary services.

6

Direct Jobs
Supported
with 28% of it
occupied by
women.

2760



Farmers
partnered
with Arohan and
91% of the total
being women.

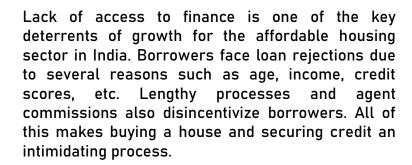
+\$12k

Value of Transaction



with pig farmers in 2021.









Aviom aims to facilitate families of owning their first house through affordable housing loans provided to low-income groups from the informal and semi -formal sector. Aviom Shakti is an initiative taken by Aviom, which enlists rural women as partners and empowers them with livelihood opportunities while providing effective sourcing for Aviom.



Number of Employees in 2021.

+3k

Women
partnered under
the Aviom Shakti
program in 2021.

Rural Indian

+\$36M Value of Loans



Loans
Approved in 2021.





Despite of being one of the largest solar markets in the world, India's solar industry is fragmented. To get a solar system installed, customers have to involve various companies. This is a cumbersome process and leads to loss of accountability when something goes south.





Freyr Energy provides a full-service solar power installation that provides affordable turnkey solutions for distributed solar energy generation systems ranging from 1 -200 kW. Freyr bridges the gap by handholding customers from pre-to-post installation by partnering up with their enormous Indian network. Freyr Energy has recorded thousands of solar power system installations across India, with an overseas customer base in the US, Nigeria and Ghana. One of its objectives is to support micro-entrepreneurs across India through its services.



Direct Jobs Supported with **17%** of it being by women.

13,405



Tons of CO2 emissions saving.



India is one of the youngest nations in the world. ~65% of its population is in the working-age group and ~54% of its population is below the age of 29. Unfortunately, there is a huge gap between what skills industries demand based on the rapid economic growth and the skills that young people acquire through education and training. This demand-supply gap affects the country's overall economic growth. Despite increase in literacy rates, most of the people are struggling in finding jobs.





LabourNet is a social enterprise that creates sustainable benefits for workers in informal sector by offering them a platform to train, learn, and get certifications through centers in rural parts of India. LabourNet realized the need to further develop the working class in India and developed/designed a model that could provide not just training but could also evaluate a person's existing skill sets by leveraging technology.

+97k Number of Candidates trained in



ained in 2021.

+23k



Number of Female Candidates trained in 2021 which is 24% of all candidates trained.

216



Number of Full Time Employees in 2021 with 89% being women.









Mirakle Couriers is a last-mile delivery enterprise that employs low income deaf adults. Mirakle's entire operations are conducted in Indian Sign Language while text messages are used for distance communication. With the logistics industry poised to grow exponentially, Mirakle is at the perfect juncture of delivering livelihood opportunities for the deaf, while taking advantage of the booming logistics sector.



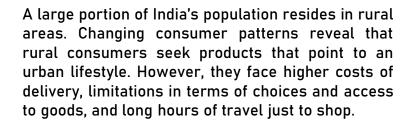
Total Jobs Supported In 2021. Person with
Disabilities
employed
full-time.

as high costs, high attrition rates, and inefficiency.



Operating
Centers
serving as
logistic hubs.













RubanBridge aims to bridge the rural-urban divide by building a village commerce network and offering last-mile delivery services through local rural youth called 1Bridge Associates (1BA). Operating under the 1Bridge brand, products and services are curated on an assisted-commerce platform where rural consumers are connected with suppliers. The orders are then delivered through the company's last-mile delivery services. Under the 1Bridge Academy, enterprising rural youth are equipped with necessary skills to function as 1BAs.



Number of Employees with 77% youth employment between the age of 18-35 years.



1Bridge **Associates** which is a 1.1x increase from 2019.

\$47.01



Income made by each 1BA per month.

Average

Additional





As the second most populated country in the world, India generates humongous amount of waste annually. Due to improper waste management, most of the waste ends up in landfills, posing serious health and environmental threats. Given the limitations of geographical area, landfills where waste is dumped unscientifically are ticking time bombs.





Saahas Zero Waste offers comprehensive waste management solutions: from advisory and training to onsite and offsite waste management. In running its operations, the company is adopting the principles of circular economy. Waste is managed as close to the source as possible, recovered optimally, then reused in manufacturing and returned to the mainstream economy in a closed loop system.



Jobs
Supported
for both full-time
and part-time
jobs.

+29k Tons



of waste handled during the year.

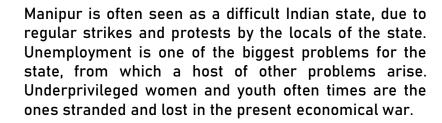
Women
Employees
which is 60% out



which is 60% out of total full-time employees in 2021.











SuiGeneris manufactures "CC Tea": a caffeinefree instant tea made from lemongrass which is exclusively cultivated on the hills of Manipur. Formed with the aim of creating as much employment opportunities as possible for the locals, CC Tea employs hundreds of individuals, majorly underprivileged women.

*Data collected are from 2020

239

Jobs Supported
Which includes both
full-time and
part-time jobs.

113

Women Employed with majority being underprivileged women.





With a population of more than 1 billion, India's demand for healthcare services is big. However, Indian healthcare service providers are faced with many problems, one of them being the shortage of skilled support staff such as paramedics, and nurses to assist doctors as primary healthcare provider. This leaves a huge gap in the demand and supply of healthcare services in India.





VIVO Healthcare is a healthcare training and education company which addresses the gap of skilled healthcare workforce in India. With a focus on youth, VIVO offers skilling for paramedics, healthcare technicians and allied health workers and upskilling healthcare training to hospitals, corporates and schools.

*Data reported are from 2020

Number of Students



Students
Placed
in jobs in 2020.

Number of Centers
Operational skilling and learning centers. 34 ********

Jobs Supported of which 88% are Youth Employees between the age of 18-35.

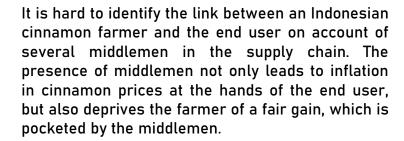
Indonesia & Philippines















Cassia Co-op's mission is to export cinnamon and patchouli products while removing middlemen from the supply chain. The company markets high-quality, 'Rainforest Alliance Certified' cinnamon in the export market which it sources directly from smallholder farmers located in Kerinci, Sumatera. Farmers are linked directly with end-users and an efficient supply chain is built. Cassia Co-op has also established a training center to educate farmers about sustainable agriculture.

*Annualized data from June 2021

|44 |***** Direct Jobs
Supported
with 22%
of it occupied by
women.

98



Smallholder
Farmers
partnered with
Cassia Co-Op in
2021.





Value of Transactions with farmers in 2021.



Green Enterprises Indonesia

Smallholder farmers on the Island of Simeulue in Indonesia depend on coconut harvesting for their livelihood. With many of the region's trees planted decades ago, production is declining due to aging of the trees. Large conglomerates, whose model involves large-scale deforestation and actively diminishing biodiversity, control much of Indonesia's oil palm plantations. Replanting is hampered by smallholder farmers' lack of finance and an absence of collective arrangements.





Green Enterprises Indonesia (GEI) produces premium Virgin Coconut Oil and other byproducts through a cold-pressed and entirely raw process. GEI has established several farmer groups with their organic certification program . The company also finances communities to replant coconut trees. GEI's activities secure the coconut supply chains and strengthen community livelihoods, while at the same time address the key drivers of environmental degradation .



Direct Jobs Supported with 43% of it occupied by women. Smallholder Farmers



partnered with Green Enterprises in 2021. +\$347k



Value of Transactions with farmers in 2021.

GREEN REBEL

Over the past few years, the trend of healthy lifestyles and sustainable living has been growing in Indonesia. However, there is limited choice of high quality localized products that connects the rich availability of food crops to the aspirations of responsible and sustainable urban citizens.







Green Rebel (formerly Green Butcher) is a part of Burgreens, a vegan restaurant-chain in Indonesia. Green Rebel produces frozen vegan food such as nuggets, sausages, etc. The company actively educates the market about healthy and sustainable living through social media and discussions. Green Butcher partners with a local small-farming groups and food artisans for supplies. The company also provides training to farmers to grow crops sustainably and organically.

292 Direct Jobs Supported with 52% of it occupied by

women.

1,128 Tons of CO2 emissions saving.

380

Smallholder Farmers partnered with Green Rebel.





BUPHARCO

As a developing country, the Philippines has long battled with diseases associated with prolonged poverty. Quality healthcare and life-saving medicines is difficult to access due to poverty. The situation is worsened for rural, remote areas.





Bukidnon Pharmaceutical or Bupharco is a member owned cooperative formed for the distribution of affordable and quality medication. The cooperative establishes rural medicine distribution networks and regularly organizes free medical missions. Additionally, the cooperative offers a micro-lending program which provides emergency medical loans to members. Members can avail of discounts on medicines and are given opportunities to invest in the cooperative's business through time deposit products.



Direct Jobs
Supported
with 51% of it
occupied by
women.

+1.89 M



Transactions
which is a
7x increase
from 2020.

Number of

+\$6.7M



Value of Transactions recorded in 2021.





FamilyFarms Incorporated

Rice is the staple food in the Philippines. Yet, ironically, rice farmers in the Philippines are starving since they do not earn enough. Faced with long draughts, they often receive no government support or subsidy. They cannot command the price of their products and do not have access to leverage as their position in the market chain is weak.





FamilyFarms Inc. (FFI) produces and markets high-quality certified organic rice. The company engages with farmers to grow rice organically to increase the value of their crop thereby enabling them to sell at premium rates. FFI also provides farmers with technical and capital support to increase their overall production efficiency. The rice is then marketed and distributed in domestic as well as export markets.



Direct Jobs
Supported
with 21% of it
occupied by
women.

190



Smallholder Farmerspartnered with
FFI in 2021.

+\$492k



Value of Transactions with farmers

with farmers in 2021.





Farmers of the Isabela province in Philippines are often in distressed conditions due to natural calamities and exploitative practices of landlords and middlemen traders. This has cumulatively contributed to a gradual decrease in small farmers' production efficiency.





Kapatagan is a farmer-cooperative that engages in production of bio-organic fertilizers, trading of agricultural inputs, seedlings production and organic livestock production. Consisting of 60%+ women as members, Kapatagan operates with the aim of shifting local inorganic farming practices to organic agriculture by training its members. Farmers have claimed that by using Kapatagan's products, they have strengthened their crops.

*Annualized data from 2020

16U

Direct Jobs
Supported
with 46% of it
occupied by
women.

26k



Farmers
partnered with
Kapatagan in 2021.

Smallholder





Value of Transactions with farmers in 2021.

multi rempah sulawesi

Multi Rempah Sulawesi sources, processes and exports various spices, such as nutmeg, mace, pepper and ginger, from North, South and East Sulawesi. MRS' growth is driven by its sustainable business and trading practices. Many nutmeg farmers in the area are unable to generate good income and end up cutting their trees or shifting to other crops. In order to help local farmers, MRS provides appropriate post-harvest facilities such as drying facilities and transport, price incentives (for organic spices), and logistical support to its farmer-suppliers.

Through multiple farmer programs, MRS has grown its farmer-supplier from 14,000 in 2015 to 17,000 in 2021 and provide long term sourcing relations with the community.

The company has roughly 65% women as employees (200 women out of 310 total employees). MRS also provided opportunity for housewives who wanted to make extra money for their families as daily workers.

Small boat fishers in Indonesia operate in a highly inefficient and multi layered supply chain. Small boat fishers experience 40 - 60% value loss due to cold chain and geographical distances to buyers / processors and multiple middlemen. This issue incentivized Bali Seafood International (BSI) to provide solutions to small scale fishers for sustainable fishing and better pricing. Through its community-managed supply chain and processing plant, BSI eliminated middlemen, reduced waste and improved fish quality.

Bali Seafood had to terminate its operations in early 2020 due to supply and operational challenges. PT Bali's parent company, North Atlantic Inc. (NAI), was able to grow its US retail market and continued to expand, sourcing fish from its other four main Indonesian suppliers. While the fish processing industry in Indonesia experienced a severe economic downturn, NAI was able to further strengthen the supply chain. Going forward, NAI will continue supporting Indonesian suppliers to ensure that quality and sustainability standards are met and strengthen sustainable fisheries in Indonesia through its 'Fishery Improvement Project'. As of December 2021, C4D was still in discussion to finalize the exit. The full exit of the company was realized in Q1 2022.





Exited Portfolio





គ្រុមស៊ុន នីលីដា ខូ អិលនីឌី Nileda Co., Ltd.

Nileda is an agriculture input trading company that sources and supplies high quality but affordable agriculture inputs, including agrochemical, fertilizer, seeds and climate smart equipment. It also promotes new and appropriate farming technology in Cambodia and aims to scale up the promotion of Good Agricultural Practices (GAP) standards and organic practices. The company provides farmer clients advisory support on topics related to use of specific fertilizer and pesticide products, reduction of production cost and technical farm practices for better yield.

Nileda has grown its farmer-client communities. From initially 3,000 farmers benefiting from Nileda's products, training and technical services the company grew this to 15,000 by the end of investment.

Nileda is also continuously growing its internal team and community. Throughout the investment period, Nileda was able to grow the team of 33 employees to 56 employees in 2020 of which 11% were women.

Fresh Start Organics (FSOI) is a fully-integrated organic business engaged in activities across the entire food value chain: from production, processing, to trading. Guided by fair trade principles, FSOI takes over the role of conventional middlemen. They also train farmers on organic farming practices on their organic agriculture farm, enabling them to source and sell only the healthiest raw and processed food and preserve the environment.

The company successfully increased the numbers from 2016-2018, before dropping in the following years. By letting go of most of the suppliers, FSOI was able to give more businesses to a smaller group of suppliers (up to \$4,400 annually) in 2020.

The company grew its number of employees from 40 to 55 in 2017/2018 for both stores and restaurant operations. Unfortunately, the company had to let go of most of the employees (office and restaurant staff) when COVID hits. They currently continue with the staff on the farm and maintain relationship with a smaller number of farming communities.





Exited Portfolio



Alpine Coffee was set up with the aim of developing the local market by introducing a premium Nepali coffee brand. Alpine grows and processes coffee beans for the domestic and export market under the brand "Katmandu Coffee". It also sources coffee beans from smallholder farmers. Through its activities, the company creates jobs and educates farmers about sustainable coffee farming methods.

Impact data was received until 2019, where the company had 31 employees (16% women) and sourced coffee from 280 farmers.



Exited Portfolio

Methodology

As an investor, our impact on the bottom-most section of society is indirect: through the activities of our investees. Our investees report, on a quarterly basis, on the impact created by them, based on the impact framework developed for each investee at the time of investment. This data, together with the impact data that we collect from our investees on a quarterly basis, forms the basis of our impact report. However, measuring impact takes time and effort. The fact that we have a diverse portfolio of young, constantly evolving SMEs, brings in added complexity. Therefore, in order to present a more complete picture, we have made certain measurement assumptions, which are enlisted below.

- 1. Until 2018, all investments were made through Stichting Capital 4 Development. The C4D Asia Fund was incorporated in December 2018 with the intention of undertaking new investments in South and South-East Asia and all South and South-East Asia investments held by Stichting Capital 4 Development were transferred to the Asia Fund. In this report, impact has been measured and calculated from the original date of investment, whether under taken by Stichting Capital 4 Development or C4D Asia Fund, and not from the date of transfer of the asset to the Asia Fund.
- 2. This report takes into account the impact created by our companies as on and up to December 31, 2021. However, for some companies, specifically those listed on Pages 19, 24, 25, 27 and 32; impact is reported up to the date as mentioned on those pages. Similarly, in case of few companies, data has been annualized. This has been mentioned specifically for each company, where relevant.
- 3. Not all companies were able to provide data related to the impact created on the date when this report has been published. Appropriate disclosures in this regard have been made per company. When calculating aggregate data for the overall portfolio, we have used the data which was last available with us or annualized data as mentioned in point 2 for both yearly and fund-level aggregate.



