



IMPACT REPORT 2022

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Foreword from the CEO



Arvind Agarwal

Founder & CEO, C4D Partners

The world has witnessed an unprecedented series of turbulent events in recent years, including the pandemic, military wars, financial recession, and increasing inequality. These events have had serious repercussions for businesses and communities across the globe. Amidst the chaos, it became vital for businesses to respond to the dynamic market conditions with agility.

At C4D Partners, our team worked closely with all our stakeholders, responding with alacrity and a

resilient spirit to deliver positive financial results along with sustainable impact. We continued to support our portfolio companies to achieve notable ESG scores, guided by our mid-year compliance reviews, which are enabled through C4D's proprietary ESG toolkit.

This year, we introduced another toolkit with the aim of strengthening our efforts toward gender parity. The Gender Self-Assessment Toolkit (C4D GSAT) facilitates the assessment of businesses through a gender lens. We launched the pilot project for the toolkit, involving a select set of our portfolio companies from diverse sectors. Through this initiative, the companies were able to identify their performance, and we were able to guide them in accordance with the gender strategies best suited for their businesses. We are happy to share that the pilot was a success, and the C4D GSAT will be actively employed from 2023 onward for all our portfolio companies.

Along with social impact, C4D Partners has always emphasized on companies with a climate focus. With the aim to strengthen our efforts toward climate action, we are working on constructing a model to help our portfolio companies become

climate-neutral or climate-positive. Our climate toolkit is being designed to assess the climate responsiveness of an organization, identify the gaps, and recommend suitable actionable items.

In terms of portfolio performance, it is with much delight we report that all our companies showcased immense resilience and exhibited robust performance. We are enthused to be associated with such passionate entrepreneurs and to support their journeys of impact. With the launch of our 2nd Fund, Bharat (India) Shubharambh Fund, we are hopeful that we will not only continue to generate meaningful impact in 2023 but amplify its magnitude through the next high-performance impact-driven portfolio we are building in India.

These challenging times have only made us stronger, better equipped, and more confident that we can support our portfolio companies to navigate through whatever the future holds and create an impact for our planet, our people, and our patrons. I hope you find the stories of the impact we have achieved this year inspiring.

Our Story

Capital 4 Development (C4D) Asia Fund is a USD 30.3 million impact fund focused on improving the livelihoods of underserved communities across emerging countries.

The fund invests in Small and Medium Enterprises (SMEs) in India and Southeast Asia, whose business models are woven around meaningful impact for the bottom-of-the-pyramid (BoP) population. Currently, we have active investments in India, Indonesia, and the Philippines.

The investment strategies adopted for the fund are designed based on our strong belief that equitable economic development must enable economic inclusion, through the development of communities, and most importantly improvement of people's perspectives in those communities.

With the right mix of local and global experience, we are able to leverage our position to aid such meaningful impact, make balanced investment decisions, promote fair economic development, and provide optimal returns to our investors.



Together with our network of passionate social entrepreneurs and impact-focused investors, we work toward:

- ▶ **Sustainable jobs** for the BoP population, equipping employees with skills and stable incomes;
- ▶ Improvement of the **market positions** of small suppliers and entrepreneurs;
- ▶ **Offering affordable and quality** products and services for low-income and vulnerable populations;
- ▶ Boosting the development of efficient and **sustainable supply chains**; and
- ▶ **Supporting gender equality** through gender-balanced business strategies.

Sector Focus

The C4D Asia Fund is a sector agnostic fund. With a high focus on businesses that demonstrate the potential of generating meaningful impact, the fund has invested across an array of diverse sectors.

This not only enables us to amplify our scope of impact, but also offers our investors a diversified portfolio with reduced risks and market-rate financial returns, combined with meaningful environmental and social returns.

Contrary to the market trend, we do not heavily emphasize on “tech”. We believe that technology can be an enabler in businesses, but the business model should be woven around impact and solve the often-unheeded social and environmental challenges.



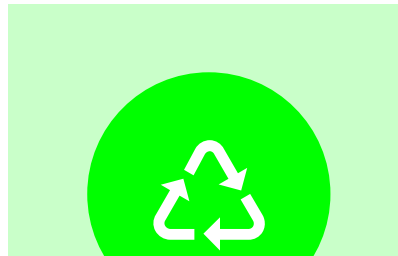
Agri-Processing



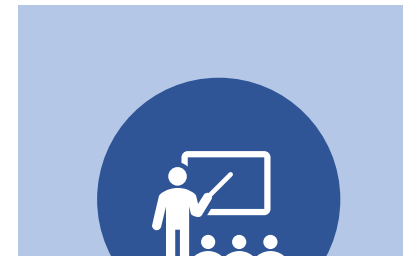
Financial Inclusion



Renewable Energy



Waste Management



Skilling & Education



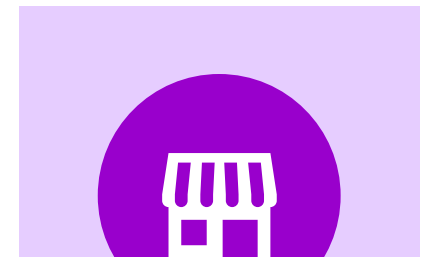
Healthcare



Last-mile Delivery



Food Manufacturing



Retail & Consumer Goods

Sector Focus

Agri-Processing



Financial Inclusion



Renewable Energy



Food Manufacturing



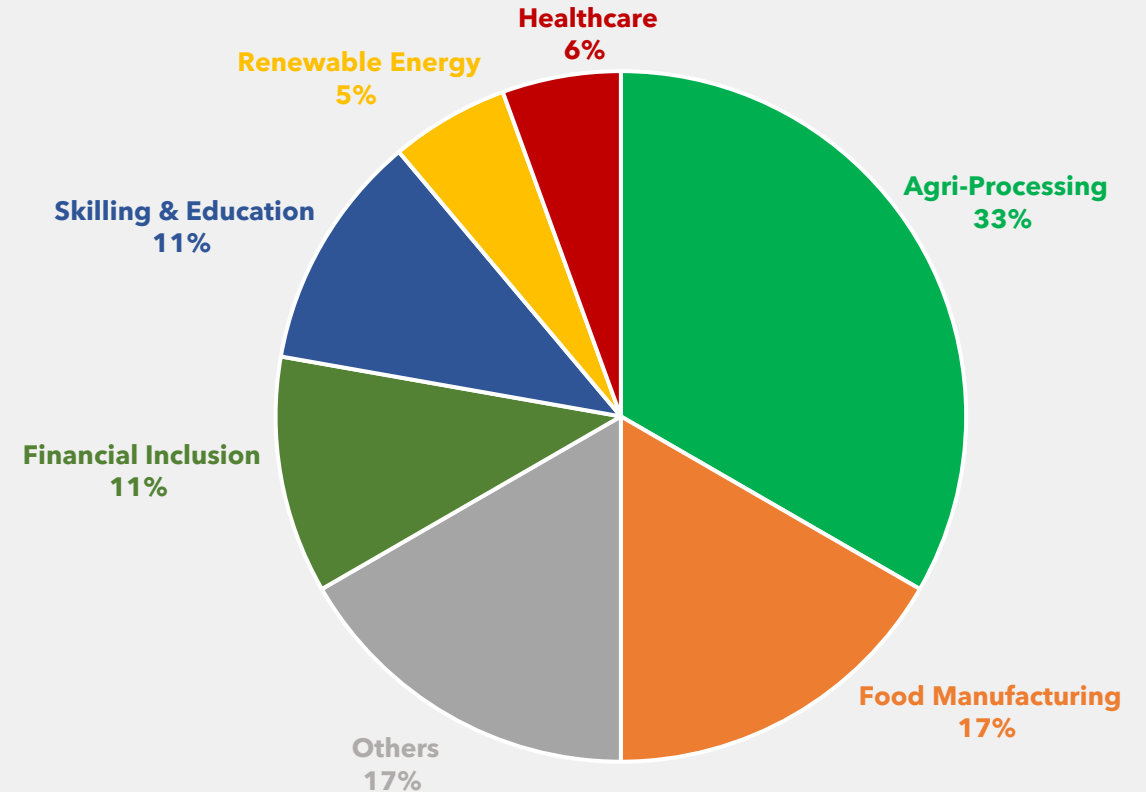
Healthcare



Skilling & Education



Others



Note: 1. The pie chart above shows the total number of active investments (in percentage) in each sector as of December 2022.

2. "Others" include Waste Management and Last-Mile Delivery sectors.

Investment Highlights

3 Countries

	India	11
	Indonesia	4
	Philippines	3

18 Active Portfolios

\$22.1M Invested

- ▶ Till 2022, **27 Investments** were made, out of which **Nine were exited**
- ▶ In 2022, the C4D Asia Fund made **two new investments**, one in equity and one in debt.
- ▶ Further, a **follow-on** equity investment was made, and the fund achieved successful **exits** from 2 companies, one each from Nepal and Indonesia.
- ▶ 57.8% of invested capital is towards businesses owned and led by **Women**.

Our Approach

We are hands-on investment professionals, working closely with entrepreneurs driven by the vision of creating better lives for underserved communities, and making a difference socially and/or environmentally.

Over the years, we have refined our model to comprise 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 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 2022



58%

Capital invested in
Women-Owned/Led
companies



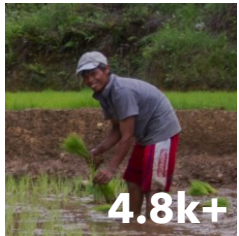
10.2k+

Full-time and
part-time **Jobs**
supported



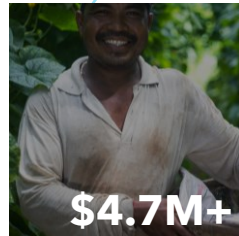
973

Women employed
through our
portfolio companies



4.8k+

Smallholder Farmers
& Suppliers partnered
in 2022



\$4.7M+

Transaction value with
Smallholder Farmers
in 2022



\$122.1M+

Value of **Loans**
approved &
disbursed to BoP



207k+

Tons of CO2 Reduction
Contribution from
our portfolio companies

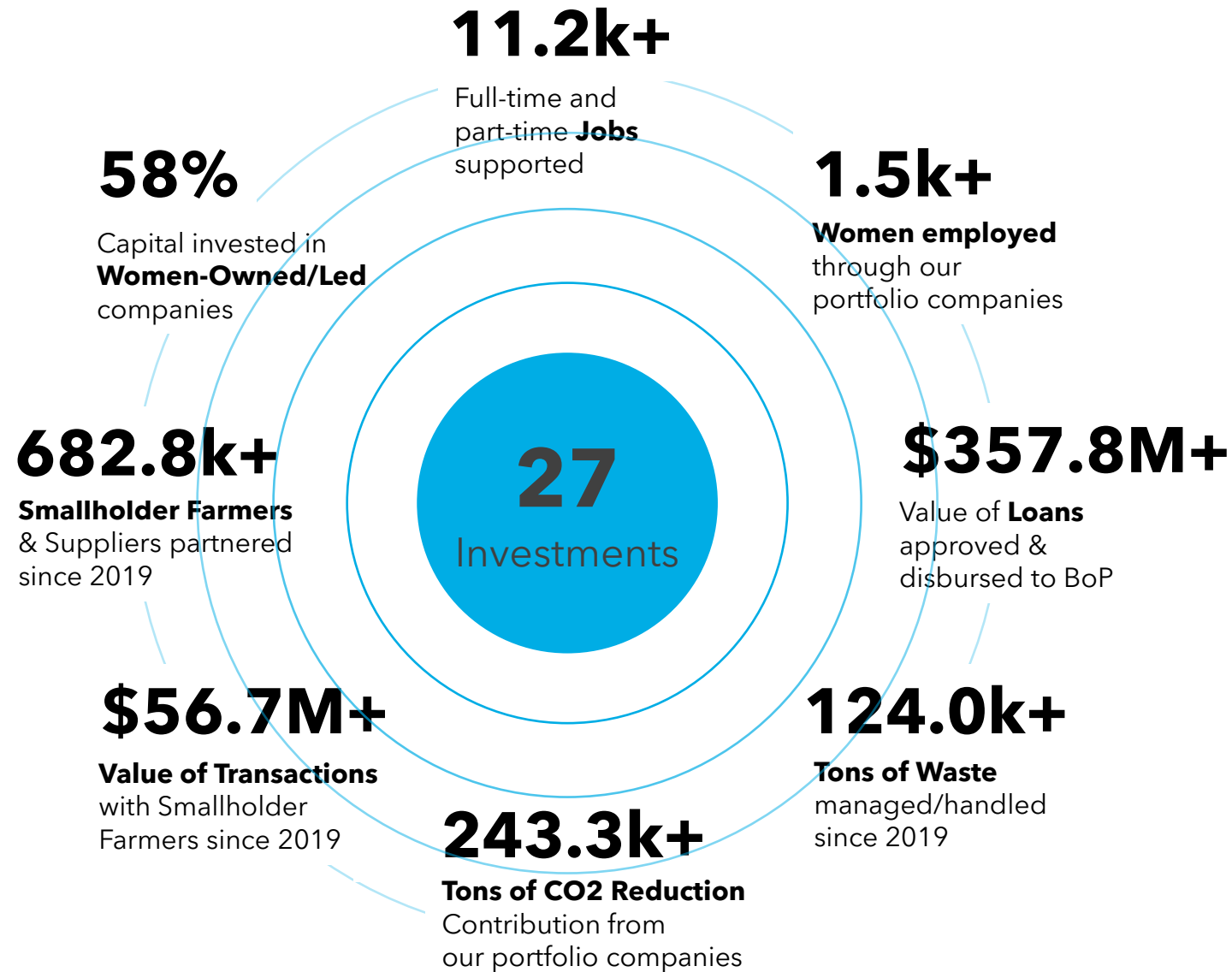


35.9k+

Tons of Waste
managed/handled
per annum

Fund Impact

2019-2022



Our Contribution to the UN SDGs



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.



Meet Our Portfolio

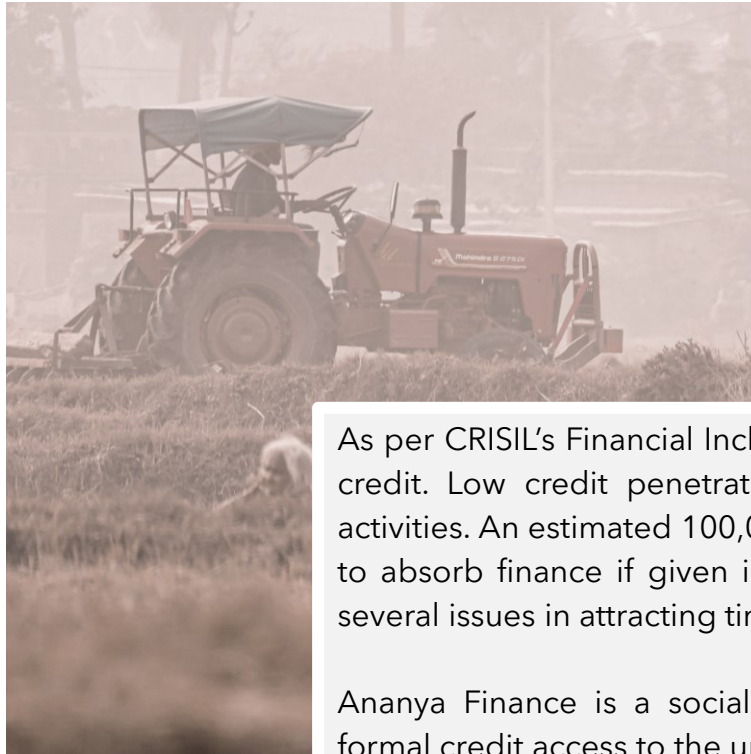


Impact is what drives us. We believe that growing businesses, particularly SMEs, hold the potential to transform economies and create sustainable impact. The following data represents the position of the companies as on **December 31, 2022**. More information on the portfolio companies can be found on our website.

Sector & Region



SDG Contribution



65
Direct Jobs
with **38%** Women

32k+
Smallholder Farmers
impacted in 2022

\$60M+
Value of Loans
disbursed

As per CRISIL's Financial Inclusix Index, 2013, only one Indian among seven had access to banking credit. Low credit penetration translated to a loss of opportunities and subsidized economic activities. An estimated 100,000 Farmer Producer Organizations (FPOs) across the country are ready to absorb finance if given in a timely manner and at reasonable interest rates. These FPOs face several issues in attracting timely finance at peak agricultural times.

Ananya Finance is a socially motivated, Non-Banking Finance Company (NBFC) that facilitates formal credit access to the underserved population of India. It is committed to reaching the sections of the population that remain excluded from the credit, focusing on reaching out to underserved women. At present, Ananya offers its customers Individual Enterprise Loans (IEL), apart from FPOs and impact SME loans. Besides providing financial services, Ananya offers training and capacity building to smallholder farmers and is among the select few lenders in India that combine credit support with technical assistance.

Sector & Region



SDG Contribution



34
Direct Jobs
with **32%** Women

2,521
Smallholder Farmers
partnered, **99%** women

\$56k+
Value of Transactions
with Farmers in 2022

The pig farming sector is highly unorganized in India. Over 70% of the pig population was reared under traditional smallholder farmers with low-input demand-driven production systems. As a result, most of the pork consumed in India was imported from neighbouring or European countries. 72% of India's pigs were reared in the North-east region, and over 95% of the producers were smallholders with traditional farms. Large farms are predominantly government-owned enterprises that are bulky and inefficient. Pork consumption is an integral part of the indigenous people's culture in the Northeast and all tribal belts in India. C4D invested in Arohan to help them develop a piggery value chain and positively impact the rural population of the North-east region in India.

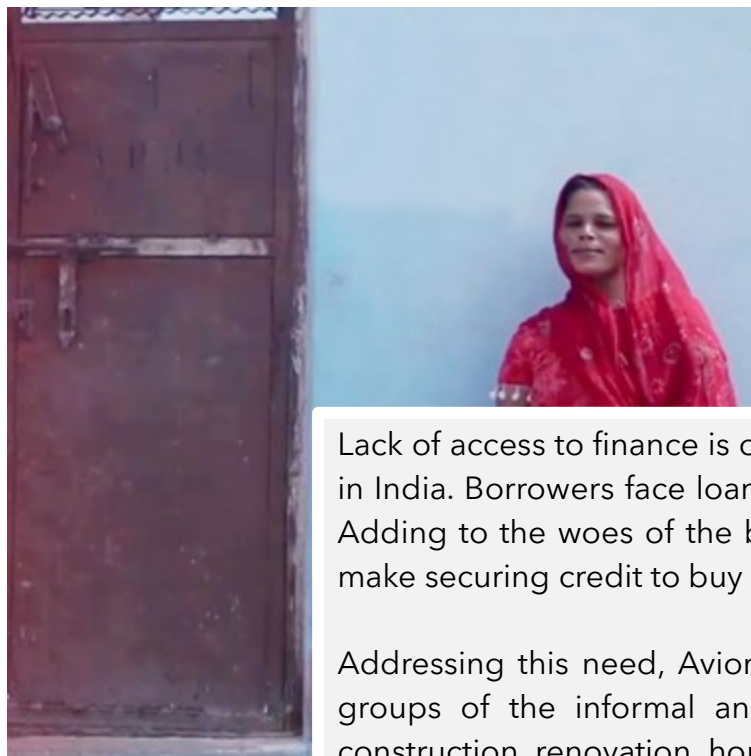
Initially, Arohan Foods started as one of India's largest pork processors, retailing premium pork products nationwide. But the company gradually shifted its focus and now positions itself as a piggery value chain company. Pigs are sourced directly from smallholder pig farmers across Northeast India. 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. Currently, the company is working towards developing new technologies to facilitate scientific pig rearing in rural areas of North-east India.

Sector & Region



**Financial
Inclusion**

SDG Contribution



1,968

Number of
Employees

3k+

Rural Women partnered
in Aviom Shakti Program

\$61M+

Value of Loans
disbursed in 2022

Lack of access to finance is one of the key deterrents to the growth of the affordable housing sector in India. Borrowers face loan rejections for several reasons, such as age, income, credit scores, etc. Adding to the woes of the borrowers, lengthy loan application processes and agent commissions make securing credit to buy a house an intimidating experience.

Addressing this need, Aviom Housing Finance facilitates affordable housing loans to low-income groups of the informal and semi-formal sectors in semi-urban and rural areas for purchase, construction, renovation, home extension, and Loan Against Property (LAP). Aviom understands the significant growth potential in these sectors, which is fueled by increasing affordability levels, favorable regulatory incentives, and increased capital inflow of investors.

C4D invested in Aviom to help the social business change the status quo of the housing finance sector in India and to improve the livelihoods of the underserved segments of the population by providing them with housing loans. Furthermore, its Aviom Shakti initiative enlists rural women as partners, onboarding them as loan officers. The program aims to empower women with livelihood opportunities while providing effective customer sourcing for Aviom.



Sector & Region

Renewable Energy

INDIA

SDG Contribution

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



124

Employees
with **18%** Women

205k+

Tons of CO₂
emissions saving

Despite 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, which tends to be a cumbersome process and leads to a loss of accountability when something goes south during or after the installation.

Freyr Energy bridges this gap by handholding customers from pre-to-post installation by partnering with the enormous Indian network of various solar service providers. Freyr offers a solution that is cleaner, safer, and cheaper than traditional forms of electricity, which are not only polluting the environment but are getting costlier by the day. With channel partners across India, Freyr accommodates customers from pre-sales to post-installation. Freyr provides a full-service solar power installation that offers affordable turnkey solutions to its customers for distributed solar energy generation systems.

Building such partnerships with vendors also helps the company to achieve its objective of supporting micro-entrepreneurs across India.

Sector & Region



SDG Contribution



282

Employees
with **90%** Women

93k+

Candidates
trained in 2022

50k+

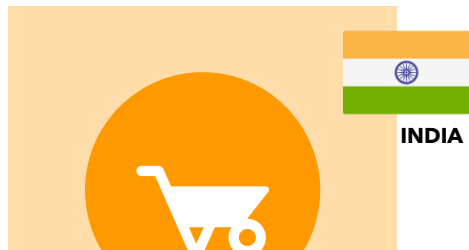
Female Candidates
trained in 2022

India is one of the youngest nations in the world, with approximately 65% of its population in the working-age group, and around 54% of its population below the age of 29. Unfortunately, there is a huge gap between the skills demanded by industries based on rapid economic growth and the skills young people acquire through formal education and training. This demand-supply gap affects the country's overall economic growth. Despite increased literacy rates in recent times, most people struggle to find jobs due to a lack of relevant industry skills.

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

C4D invested in LabourNet to positively change skill development and training conditions in India and improve livelihood opportunities for workers in the informal sector.

Sector & Region



**Last-mile
Delivery**

SDG Contribution



240

Jobs Supported
in 2022

42

PwDs employed (*Both
Full-time and IC**)

2

Operating Logistics
Centres

According to India's 2011 census, there are ~5 million hearing-disabled people in India. Burdened with social stigma, the deaf do not have many avenues for employment. On the other side, the Indian delivery and logistics sector has many challenges, such as high operational costs, high employee attrition rates, and inefficiency in business operations.

Mirakle Couriers is bridging the distance between the corporate and social world by leveraging the booming logistics industry to create meaningful employment for PWDs. With the logistics industry poised to grow exponentially, Mirakle is at the perfect juncture to deliver livelihood opportunities for the deaf while taking advantage of the booming logistics sector. While the competition is high in the last-mile delivery sector, Mirakle has managed to achieve a strong position with a low attrition rate within the company and high-quality service delivery. As Mirakle Couriers hire PWDs, they have an edge over other logistics companies due to the strong social angle that they bring to the table.

C4D invested in Mirakle with the strong intent to positively impact the lives of differently-abled people in India and continues to maintain its robust support to its purpose.



Sector & Region



Agri-Processing

SDG Contribution



350

Employees
with **12%** Women

1,390

Farmer Franchises (FF)
Operational in 2022

According to United Nations FAO, approximately USD 14 billion worth of food is wasted annually in India. More than 40% of the produced food gets spoiled before it reaches the consumers. Subsequently, close to 194 million people go hungry all over the country every single day. The major reason behind India's agricultural wastage is insufficient infrastructure and inefficient logistics, due to which farmers don't get appropriate prices for their farm produce.

Our Food is a technology-driven agribusiness platform that is disrupting the traditional centralized food processing industry by establishing a network of Farmer Franchises (FF) that deploy new-age, low-cost micro-processing units to process the raw material at the farm gate. The company helps aspiring rural entrepreneurs build a 1000 sq. ft. shed (FF), supplies and installs food processing machines, trains the farmers on value addition, procures the processed produce directly from the farmer franchises, and sells through various channels. Value addition at the farm level and market linkages ensure a 10-20% increase in price realization for smallholder farmers.

C4D invested in the company to improve the livelihood of farmers along with the present condition of the food processing industry in India.

Sector & Region



SDG Contribution



142

Employees, with
71% youth*

5,399

1Bridge Associates
(1BA) network

\$60

Avg. additional monthly
Income of 1BA

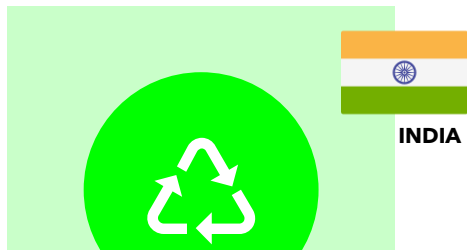
A large portion of India's population resides in rural areas. Changing consumer patterns reveal that rural consumers seek products that point to an urban lifestyle. But while shopping for products, rural consumers face various issues such as higher delivery costs, limited access and choices of goods, and long travel hours only to shop, which is not the case with urban consumers' shopping experience.

RubanBridge, a rural last-mile services company, connects these rural consumers with other rural and urban suppliers through an assisted-commerce platform. The model is completely focused on serving rural consumers, including BoP population, and includes products and services that are relevant to, and demanded by the rural population. 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 through its local rural youth network called 1Bridge Associates (1BA). The company also provides digital services such as electricity bill payment, mobile recharge, cash withdrawal, etc., through its 1BA network in rural areas. C4D invested in RubanBridge to create a rural commerce platform and strengthen the distribution network.

* Individuals aged between 18 to 35 years.



Sector & Region



Waste Management

SDG Contribution



656	35k+	176
Jobs Supported (Full-time and part-time)	Tons of Waste managed in 2022	Women Employees (58% of total employees)

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

Saahas addresses the problem of segregating waste and putting everything back to use so that minimum waste ends up in landfills. Saahas offers comprehensive waste management solutions: from advisory and training to onsite and offsite waste management, to various corporations and institutions. The company has adopted the circular economy principle in its operations, where waste is managed as close to the source as possible, recovered optimally, reused in manufacturing, and returned to the mainstream economy in a closed-loop system. Due to the increased social and environmental responsibilities of bulk waste generators, the sector has opened up opportunities for private players to provide waste management services.

C4D invested in Saahas to enable change in the working conditions of the people employed in this sector and to bring positive environmental change through efficient waste management.

Sector & Region



Agri-Processing

SDG Contribution



239

Jobs Supported
(Full-time and part-time)

113

Women employed, majority
being underprivileged

Manipur is often seen as a difficult Indian state to conduct business, owing to the regular strikes and protests by some local groups of the state. Unemployment is one of the biggest problems for Manipur, from which a host of other problems arise. Underprivileged women and youth are often stranded and lost in the economic war.

With the vision for a better tomorrow for Manipur, SuiGeneris creates employment opportunities for the local population through its caffeine-free instant tea cultivation, manufacturing, and retailing business. Under the brand name of CC Tea, SuiGeneris grows and sells a new variant of organic and naturally caffeine-free instant tea made from lemongrass aka Cymbopogon Citratus (CC). Addressing social issues in the state, SuiGeneris offers an alternative for people involved in illegal plantations like poppy and cannabis in the hills of Manipur, by promoting livelihood diversification to the rural poor, improving access to farm and off-farm income-generating activities. Moreover, it also addresses gender disparity by keeping the minimum wage level equal for all. C4D invested in the company to enable positive changes in the lives of farmers in the Northeast region, and help the social venture scale its business operations, increase its plantation area and production capacity and reduce plantation costs for the additional area under cultivation.

Sector & Region



SDG Contribution



475

Students placed
in Jobs in 2020

15

Operational
Skilling Centers

34

Employees, with
76% youth*

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

Addressing this gap in the skilled healthcare workforce in India, VIVO Healthcare offers skilling for paramedics, healthcare technicians, and allied health workers and upskilling healthcare training to hospitals, corporates, and schools. VIVO was launched initially with the objective of impacting the Emergency Health ecosystem. In its initial stage, VIVO had launched an ambulance service but soon came to realize that the need for training paramedics and healthcare technicians presented a much larger opportunity. Consequently, the company launched its training programs which are divided into vocational skill development, and emergency and safety training. VIVO's training programs are accredited by various national and international healthcare institutions. C4D invested in the company to help them fulfill the demand for skilled healthcare workers in the sector and to create employment opportunities for the youth.

Sector & Region



SDG Contribution



1,586

Smallholder
Farmers partnered

82

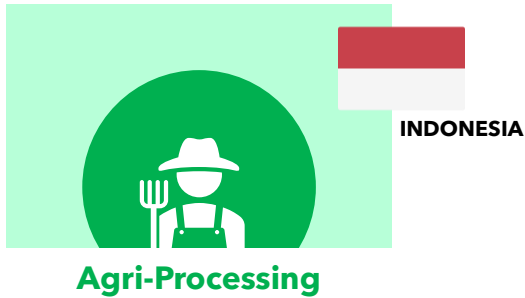
Employees, with
61% youth*

Indonesia is one of the largest producers of coconut sugar globally. However, coconut sugar production in Indonesia is still relatively conventional. The farmers still perform all operations through traditional methods, which leads to contamination from metal, gluten, and other residues in the coconut sugar. Due to such operations, the coconut sugar becomes unfit for export, leaving farmers with only local market players who pay less for their produce.

Aliet Green seized this opportunity by closing the gap between farmers and premium markets. Located in the Yogyakarta region, one of Indonesia's best coconut palm sugar-producing areas, Aliet Green sources organically grown coconut sugar from local farmers. The sourced raw material is then processed further to create various coconut sugar products, and sold in premium export markets, mainly USA and Europe. The numerous certifications and awards received by Aliet have helped the company build trust in the export markets.

Through its investment, C4D aims to positively impact the lives of small farmers by increasing their income and creating sustainable livelihoods.

Sector & Region



SDG Contribution



155

Direct Jobs
with **30%** Women

48

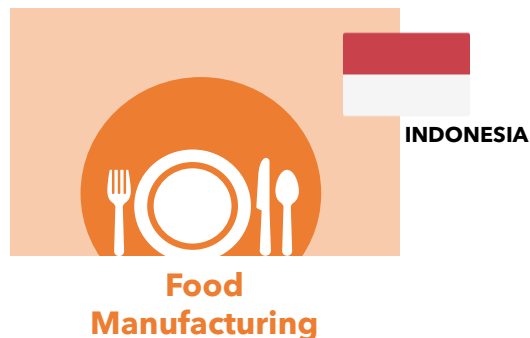
Smallholder Farmers
partnered in 2022

The Indonesian cinnamon market comprises numerous middlemen between cinnamon farmers and the end consumers. The presence of middlemen not only leads to inflation in cinnamon prices at the hands of the end consumers but also deprives the farmer of a fair gain, which the middlemen usually pocket.

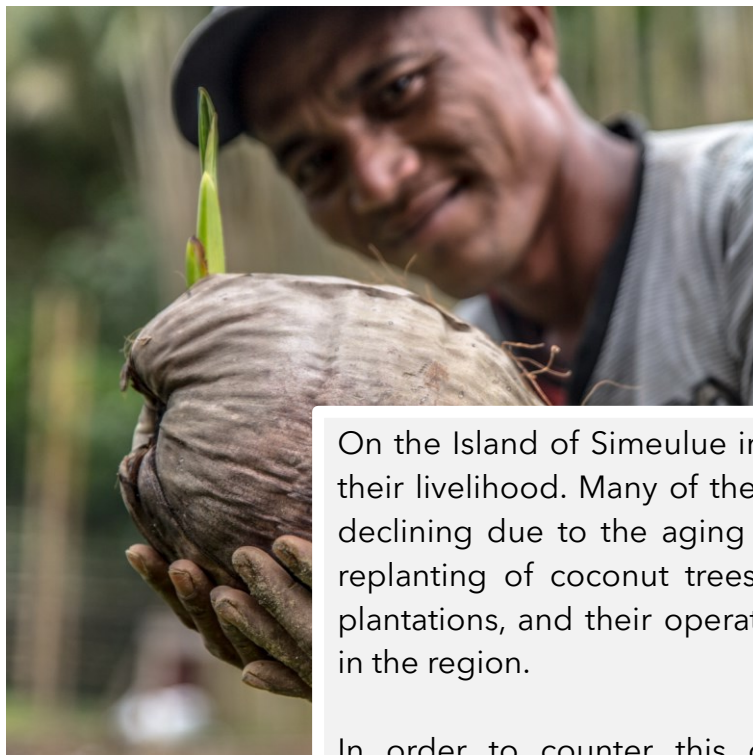
Addressing this issue, Cassia Co-op removes middlemen from the supply chain, sourcing directly from smallholder farmers located in Kerinci, Sumatera. Cassia markets high-quality, 'Rainforest Alliance Certified' cinnamon in the export market. Farmers are linked directly with end-users, and an efficient supply chain is built that leads to higher income for the farmers. Cassia contributes to the creation of a fairer, shorter, and more efficient supply chain by generating a positive impact at the source. Furthermore, Cassia also provides organic farming training to educate farmers about sustainable agriculture, and at local agricultural schools, reaching future farmers, entrepreneurs, and agronomists.

C4D made an investment in the company to help them manage their working capital requirements, and expand their cinnamon processing facility.

Sector & Region



SDG Contribution



18

Direct Jobs
with **33%** Women

10

Smallholder Farmers
partnered in 2022

\$103k+

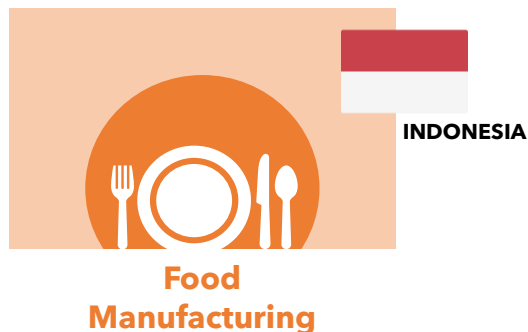
Value of Transactions
with Farmers in 2022

On the Island of Simeulue in Indonesia, smallholder farmers depend upon coconut harvesting for their livelihood. Many of the region's coconut trees were planted decades ago, and production is declining due to the aging of the trees. While smallholder farmers' lack of finance hampers the replanting of coconut trees, large conglomerates are controlling much of Indonesia's oil palm plantations, and their operating models involve large-scale deforestation, diminishing biodiversity in the region.

In order to counter this challenge, Green Enterprises Indonesia (GEI) started engaging in sustainable harvesting of coconuts and involving local farmers in the supply chain. GEI produces premium Virgin Coconut Oil and other by-products through a cold-pressed and entirely natural process sold in domestic and international markets. It sources coconuts from its own sustainably managed leased land and smallholder farmers in Simeulue. GEI has established several farmer groups with its organic certification program and secured the coconut supply chains to strengthen community livelihoods, along with addressing the key drivers of environmental degradation.

C4D made an investment in the company to help them invest in a new processing facility.

Sector & Region



SDG Contribution



320

Direct Jobs
with **51%** Women

2,123

Tons of CO₂
emissions saving

381

Smallholder Farmers
partnered

The plant-based diet has been gaining a lot of momentum for the past few years due to the rise of popularity in healthier lifestyles. Reducing meat consumption is believed to bring significant health benefits such as lower risk of diseases, weight loss, and many more. However, there are limited choices of high-quality localized products that connect the rich availability of food crops to the aspirations of responsible and sustainable urban citizens.

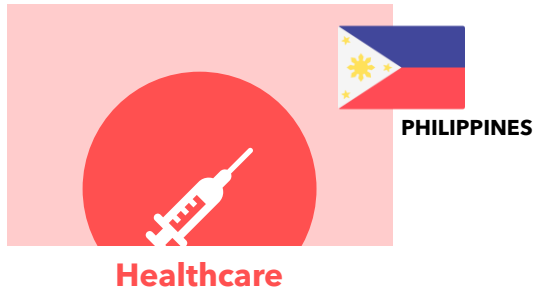
Green Rebel (formerly Green Butcher) owns Burgreens, a vegan restaurant chain in Indonesia that produces frozen vegan food such as nuggets, sausages, etc. The company partners with local small-farming groups and food artisans for supplies, and also provides training to farmers to grow crops sustainably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

C4D made an investment in the company to help them handle the working capital requirements efficiently, and it also fits the theme of climate-smart agriculture with both environmental and social impact, with clearly measurable targets.



BUPHARCO

Sector & Region



SDG Contribution



277

Direct Jobs
with **51%** Women

2M+

Transactions in 2022,
8% up from 2021

\$7M+

Value of Transactions
in 2022

As a developing country, the Philippines has long battled diseases associated with prolonged poverty, due to which quality healthcare and life-saving medicines are difficult to access. The situation is even worse in rural, remote areas. Since half of the country's independent drugstores and medical chains are present in urban and peri-urban areas, many people in remote areas need aid in accessing quality medicines at affordable prices.

Bukidnon Pharmaceutical (Bupharco), a member-owned cooperative, distributes affordable quality medicines. The cooperative has established rural medicine distribution networks and regularly organizes free medical missions. Additionally, it offers a micro-lending program that 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.

C4D invested in Bupharco to aid its mission to provide access to quality and affordable medicines in remote and underserved areas. The company has used the funds to further scale pharmacy business operations, thereby creating jobs and building opportunities for its suppliers and distributors, such as local food producers and local store owners.



Family
Farms
Inc

Sector & Region



PHILIPPINES

Agri-Processing

SDG Contribution



38

Direct Jobs
with **21%** Women

272

Smallholder
Farmers in 2022

\$518k+

Value of Transactions
in 2022

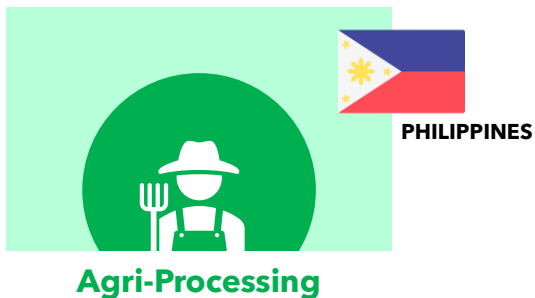
Rice is the staple food in the Philippines. Yet, ironically, rice farmers in the Philippines often starve since they do not earn enough money producing rice. When farmers face long draughts, they often receive no support or subsidy from the government. They cannot command the price of their products and do not have access to leverage as the farmer's position in the market chain is weak.

Tapping this opportunity, Family Farms Incorporated (FFI) works to improve the position of Philippine rice farmers and bring back value to farmers by engaging them in organic rice farming and enabling them to sell their produce at premium rates. FFI also provides farmers with technical and capital support to improve production efficiency. The company then markets and distributes the rice produced by farmers in domestic and export markets.

C4D's investment in FFI supported the company in acquiring its first organic rice milling facility and color sorter for rice processing, apart from marketing the products as conceptualized by its founders.



Sector & Region



SDG Contribution



160
Direct Jobs
with **46%** Women

26k+
Smallholder
Farmers in 2021

\$2M+
Value of Transactions
in 2021

Due to natural calamities and exploitative practices of landlords and middlemen in the agriculture sector, the farmers of the Isabela province in the Philippines are often in distressed conditions. The combined effect of all these issues has contributed to a gradual decrease in small farmers' production efficiency.

Kapatagan, a farmer cooperative, is helping farmers reduce their cost of agricultural inputs through the production of organic fertilizers. Additionally, it trades in agricultural inputs, seedlings production, and organic livestock production. With 60%+ women as members, Kapatagan operates to shift local inorganic farming practices to organic agriculture by training its members. Farmers have claimed that using Kapatagan products has helped strengthen their crops.

C4D investment has enabled the cooperative to acquire and construct a new production facility, procure better machinery and equipment, and increase its production level of organic fertilizers, seedlings, and trading of agricultural inputs. Through its investment, C4D aims to positively impact the environment through sustainable farming, and improve the lives of small farmers' lives by increasing their income.

Exited Portfolio in 2022

Alpine Coffee

Region: Nepal

Sector: Agri-processing



Traditionally, Coffee is a cash crop for farmers and provides cash income. However, in Nepal, Coffee does not feature in the primary crops, and its volume per farmer remains very low. Being a relatively new crop in the country, it has a low cost of production and high yield, it is considered to be an attractive investment and is mostly cultivated by small farmers. Despite the growing demand for Nepali coffee, competitors have gained momentum at a slow pace. There are a few local brands in the market, and the level of branding and marketing are centralized on price, not sustainability. Alpine Coffee capitalized on this opportunity, 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.

PT Bali Seafood International

Region: Indonesia

Sector: Agri-processing



Small boat fishers in Indonesia operate in a highly inefficient and multi-layered supply chain, experiencing 40 - 60% value loss due to cold chain and geographical distances to buyers/processors and multiple middlemen. Addressing this issue, Bali Seafood International (BSI) provided sustainable fishing solutions to small-scale fishers for 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. Despite a severe economic downturn in Indonesia, 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. NAI continues supporting Indonesian suppliers, ensuring that quality and sustainability standards are met, and strengthening sustainable fisheries in Indonesia.

Methodology

As an investor, the impact we generate for the environment and society is through the activities of our investees, and therefore indirect.

In order to regularly track this impact, quarterly impact data is collected from our investees. This data is based on the impact framework tailored for each investee company at the time of investment.

The data collected from our investees form the basis of our Annual Impact Report. However, measuring impact takes time and effort. The fact that we have a diverse portfolio of young and constantly evolving SMEs, brings added complexity.

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. All South and South-East Asia investments held by Stichting Capital

4 Development were transferred to the Asia Fund. In this report, the impact has been measured and calculated from the date of transfer of the asset to the C4D Asia Fund.

2. This report takes into account the impact created by our companies as on and up to December 31, 2022. However, for some companies, specifically, those listed on Pages 21 to 24 and 29; impact is reported up to the date as mentioned on those pages. Similarly, in case of a 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.





THANK YOU

Email Address

C4D Partners
info@c4dpartners.com

Website

C4D Partners
www.c4dpartners.com

LinkedIn

C4D Partners
linkedin.com/c4dpartners