



alphamundi

FOUNDATION

INVESTING FOR GENDER EQUALITY

www.alphamundifoundation.org





Dear AlphaMundi Partners & Friends,

We are pleased to share with you this report on AlphaMundi's current progress and planned activities on integrating gender analysis throughout our investment process. Since 2009, AlphaMundi has led over 60 impact investing transactions in 27 businesses across 6 sectors in 15 countries in Latin America and East Africa. Our portfolio companies have employed 2,600+ women, served an estimated 325,000 female clients, and impacted millions of women and children beneficiaries. We have consistently tracked gender metrics at the portfolio company and beneficiary level, but these metrics do not always tell a complete story. For example, our agriculture companies sometimes prefer to report at the smallholder farmer level. Our energy companies will report more male clients since men are frequently the purchasers even if women and children are the primary beneficiaries.

This report is our first attempt to look critically and holistically at our portfolio with a gender lens and identify areas for improvement. While there are many ways to invest with a gender lens, we adopted the Criterion Institute's framework (right), which uses three basic lenses. At the portfolio company level, we believe that balanced teams with workplace equity for women create better teams. When possible, we encourage this in our portfolio companies, especially at the senior management and Board level. At the beneficiary level, we recognize that investing in companies that empower women and girls contributes to our mission of reducing poverty in emerging markets.

With the launch of AlphaMundi Foundation, we intend to dedicate more resources to integrating gender analysis into our investment process. We will use our influence as capital providers to advance gender equality when possible. We will strive to improve our gender reporting at all stages of the impact investing value chain. We welcome your feedback, suggestions, and support in this endeavor.

Managing Director, AlphaMundi

Applying various gender lenses across our portfolio



CURRENT PORTFOLIO IMPACT

We are proud of the gender equality of staff at our portfolio companies, but there is clear room for growth at the senior management and Board levels.

42%

female employees at AlphaMundi's portfolio companies on average between 2011 and 2016

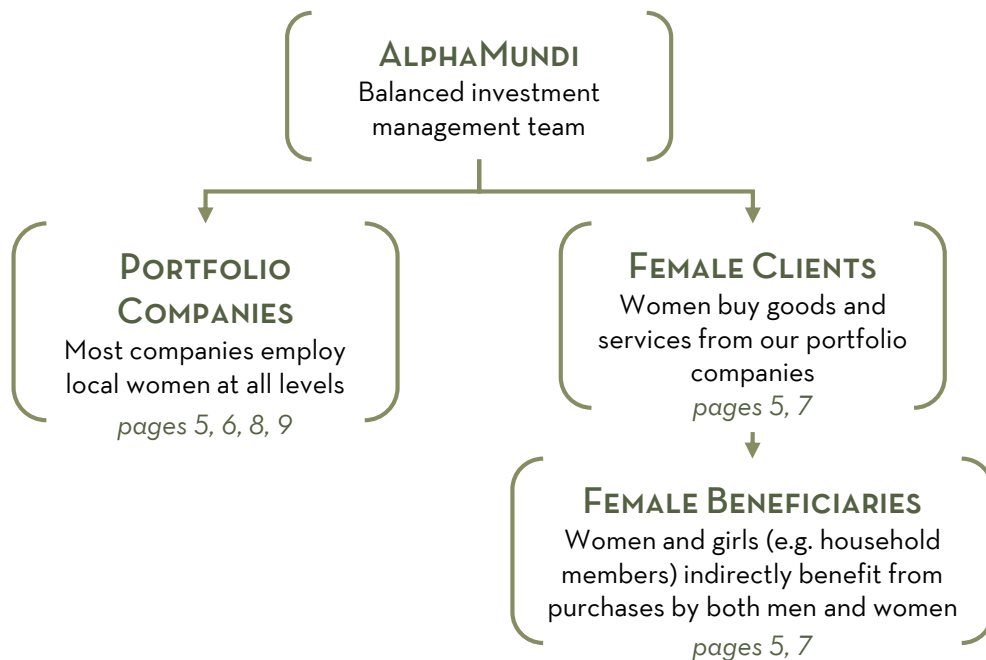
1 IN 4

members of the Board of Directors of portfolio companies are women

56%

of portfolio company CEOs* say their companies operate with a gender lens

AlphaMundi is committed to improving representation of women who work at AlphaMundi and at our portfolio companies. In addition to growing the number of women employees, we also invest in businesses that provide goods and services that benefit women.



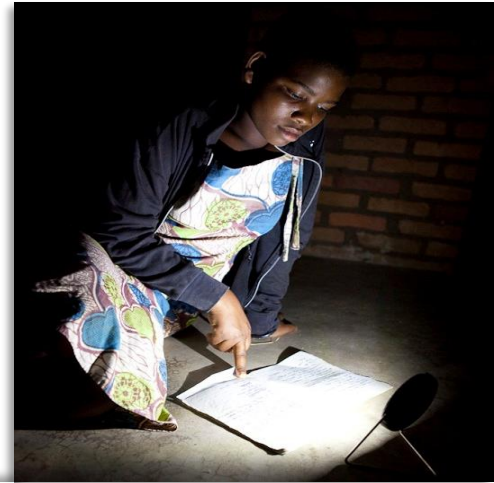
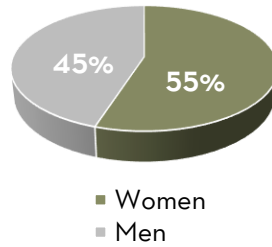
STORIES FROM THE FIELD

“In the nineteenth century, the central moral challenge was slavery. In the twentieth century, it was the battle against totalitarianism. We believe that in this century the paramount moral challenge will be the struggle for gender equality around the world.”

—Nicholas Kristof, journalist, author, and two-time Pulitzer winner



EMPLOYMENT AT OUR AGRICULTURE PORTFOLIO COMPANIES



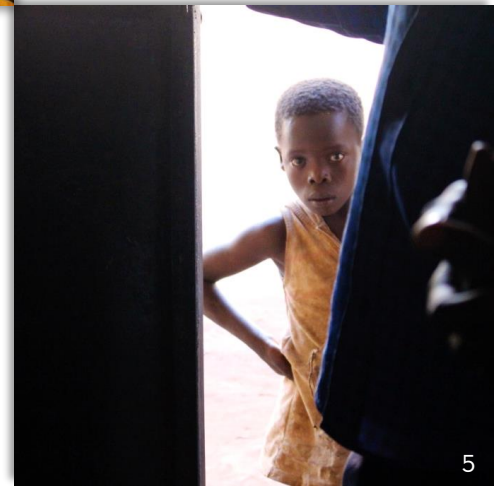
AlphaMundi Investment Manager, Valentina (above left), is pictured with Alegria Sandoval, CFO of Terrafertil, an agriculture company in our portfolio based in Ecuador.



Joyce is 1 of 5 children in a household of 9. Thanks to SunnyMoney, a former AlphaMundi portfolio company, she now studies at night using a solar light. The money formerly spent on kerosene for lamps is now spent on school tuition fees.

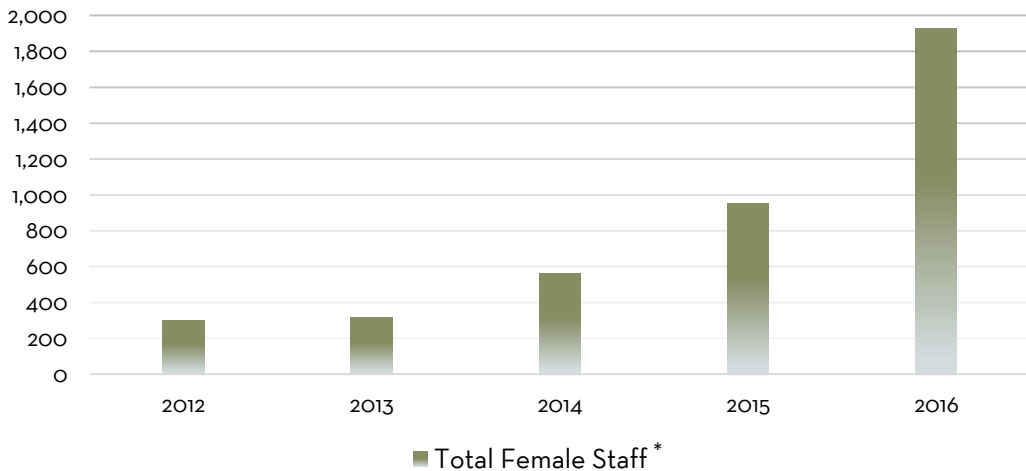


Cynthia (left), a 27-year-old Mexican student, got a long-term loan from portfolio company FINAE. Without this loan, Cynthia would not have earned the degree that led to her job as a communications consultant after graduating.



EMPOWERING WOMEN THROUGH LOCAL EMPLOYMENT

The number of female employees at our portfolio companies has risen steadily over the years.



- Our company with the largest staff has 1,300 employees, of whom 375 are women.
- Our agriculture and microfinance companies employed the most women (55% and 45% representation, respectively).
- Our renewable energy companies had the lowest representation (~35%), due to cultural dynamics and the necessity of the sales team's rural nighttime travels.

Janeth, a Colombian mother and head of household, works at our agriculture company, Terrafertil. She has been promoted four times in her seven-year tenure at the company, working her way up from sorting out rotten fruit to serving as a shift manager. She has received technical training from Terrafertil, and she earns enough to save a little and to keep her kids in school. Janeth says she likes that most of the plant operators are female heads of households, due to Terrafertil's commitment to increasing job opportunities for women.

TERRAFERTIL
WORKER STORY

Accurate collection of gender-disaggregated data is an ongoing challenge. It requires both devoting resources and also creating stronger incentives for all companies to consistently and accurately report these indicators.

EMPOWERING WOMEN THROUGH GOODS AND SERVICES

In 2016, AlphaMundi's portfolio companies directly served 169,000+ female clients and indirectly reached an estimated 1 million female beneficiaries.

One AlphaMundi success story, Pro Mujer Nicaragua, is a non-profit providing microloans, healthcare, and education to low-income women in rural Nicaragua. Known for its client-centric philosophy, Pro Mujer has helped members with everything from opposing domestic violence to founding businesses. Pro Mujer's offerings include: microloans through community associations, entrepreneurial skills training to strengthen small businesses, preventative care like vaccinations, and sexual/reproductive health education. AlphaMundi supported Pro Mujer from 2012 to 2014 with a \$300,000 loan. At the time the loan was amortized, Pro Mujer had 55,000 active clients.



PRO MUJER CLIENT STORY

Before Alejandra (above) was referred to ProMujer by her sister, she and her husband struggled to raise four children on his salary alone. There were days when “we didn’t have a single Córdoba,” she said. Pro Mujer lent Alejandra \$163 to start a sewing and styling company and invited her to biweekly lessons, where she learned about topics like childhood diabetes prevention. Additional loans helped her grow her business and buy household appliances. Her eleven-year-old daughter said, “Sometimes we didn’t eat and we went to school with pain in our stomachs, but today we take money to school and we eat at home.”

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WOMEN AT OUR PORTFOLIO COMPANIES



About

Fenix International is a next generation solar energy company headquartered in Uganda. Fenix empowers customers by providing life-changing solar energy technology linked to inclusive financial services.

As of April 2017, 45% of staff were women, and women held 5 of 9 director-level positions. Fenix also offers 80 days of maternity leave and 10 days of paternity leave, which goes beyond the standard in Uganda.

Fenix is working to add more women to their salesforce and to design products that more directly engage female users. AlphaMundi Foundation hopes to support impact studies to quantify the anecdotes of improved livelihoods for woman and girl beneficiaries.

About

Terrafertil helps Andean farmers export goldenberries, a healthy local fruit, and provides technical assistance for 1,500 families in community associations led mostly by women.

Terrafertil employs 440 people, over half of whom are women. Since the majority of field workers are women, 75% of Terrafertil's trainings are geared towards female farmers.

The company would like to do additional research to understand how they impact clients' families. Following this study, they plan to track parental leave by gender and to work more closely with local women leaders.



REAL WOMEN, REAL IMPACT

Carolyn Yesho (left), a manager at Fenix, worked her way up from a humble customer field representative in just 3 short years. Today, she manages a team of 15+ women helping customers with their product financing challenges.

WOMEN AT OUR PORTFOLIO COMPANIES



Twiga
• foods •

About

Twiga Foods is an app-based business-to-business last mile distribution platform serving vendors in African urban markets. Vendors can order products on their phones at a lower price, pay with M-Pesa, and receive their merchandise without leaving their kiosks.

Of 125 employees, 41 are women, including one at C-Level, two at the managerial level, and six in junior manager positions. The majority of Twiga vendors are women as well.

In the future, Twiga Foods is hoping to provide vendors with a loyalty program to improve customer retention among their mostly female client base.



FINAE

About

FINAE, in partnership with Mexican universities, provides loans to Mexicans at the base of the economic pyramid who have shown academic excellence but lack the funds to pay for higher education.

At FINAE, women hold leadership positions in finance, management, and operations. A current challenge is the lack of gender data on employee turnover, but FINAE is eager to explore policies to ensure equal retention.

FINAE also plans to gain a deeper understanding of how loans to women impact their communities. On average, 51% of new financing approval is for female students, almost all of whom are accessing credit for the first time.

REAL WOMEN, REAL IMPACT

Edna (right), who holds a C-level position at Twiga, has big plans for the future: to join the board and to recruit more women into management positions, which would better represent Twiga's predominantly female customer base. As a mother of 2, she notes that the company is supportive of women, providing health benefits and leave to attend to family affairs, among other things.



A CALL TO ACTION

AlphaMundi is proud of the positive social and environmental impact our portfolio companies are achieving.

We believe that this impact can be magnified in many cases by applying a gender lens. According to the World Bank, closing the gender gap in agriculture could lift 100 to 150 million people out of hunger. Increasing the number of girls in school by 10% raises GDP by an average of 3%. Eliminating barriers to female employment is estimated to increase labor productivity by up to 25% in some countries.



Over the coming years, AlphaMundi commits to:

- Embed gender analysis in the pipeline screening and due diligence process.
- Discuss gender equality with companies prior to investment and agree on metrics to track and report at the company and beneficiary level.
- Mobilize resources through AlphaMundi Foundation donations to provide technical assistance for companies to analyze their gender data and develop a tangible plan for improving gender equality.

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DONATIONS

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