



BENEFICIAL RETURNS IMPACT REPORT 2022

# *Accelerating Impact*



Beneficial Returns



# *Welcome to our 2022 Impact Report!*

In 2022 the world's population crossed the eight billion mark; humanity has doubled in size in under fifty years. While there are more people on the planet, the quality of life for many has not improved, and has even declined, in that same half century. Nearly half of the world lives on less than \$5.50 per day while hundreds of millions lack access to clean water or electricity. The pace of growth, without equality in benefits of growth, can be overwhelming and depressing.

Yet these numbers only tell half of the story.

Behind these numbers are powerful people who are pulling themselves, their families and their communities out of poverty. Their stories are a call for action and a reminder that escaping poverty isn't just about more money in one's pocket. It's also the opportunity to achieve full human potential. When others thrive, we all thrive.

We're proud to share our 2022 Impact Report that highlights some of the personal stories behind the numbers.





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## **Ted Levinson**

Founder & CEO, Beneficial Returns

Impact investing has gone mainstream – and that’s not an entirely positive development. As large financial institutions jump on the bandwagon, impact investing looks more and more like conventional finance – focused on maximizing financial returns and minimizing risk. Missing from the mainstream conversation is WHY we do this work.

Investing is moving money based on the future you predict;

Impact investing is moving money based on the future you want.

At Beneficial Returns we believe in a future without global poverty and a healthy, thriving planet. We know that social entrepreneurs, who use market-based solutions, are leaders in helping us collectively achieve that future. And we know that affordable capital in their hands can bring us closer, faster to these ideals.

For those of you already involved in our work, as borrowers, investors, credit committee members, partners or supporters, thank you for your commitment and dedication. I hope the following pages make you proud of what we are achieving together and motivate you to do even more. For those of you new to impact investing, I hope this impact report will inspire you to invest your money, whether with Beneficial Returns or elsewhere, in the future you want.





## Alex Tee

Managing Director, Beneficial Returns

Recently, I've been pondering the force of a chain. A single link, the building block of a chain, does very little when it strikes a surface. With the *same* amount of effort, the force coming off a chain is multiplied when we add a link to another, and another. Investors, entrepreneurs, community leaders, and ourselves as fund managers, must harness the force of a kinetic chain if we hope to usher any sort of transformation to families living in poverty.

We witnessed some of this power in 2022 as more capital than ever was mobilized by investors in Singapore to support growing companies in Southeast Asia run by dedicated entrepreneurs. I *felt* some of this power when investors came together in person to meet with one another and to visit communities. I suspect it's the longing to bring about an outcome greater than self that injected these meetings with hope and courage.

I want to thank our borrowers, investors, and colleagues for being such an encouragement to me. In my pursuit of relational riches, you are the treasure that has enriched me. I don't know if our portfolio will continue to perform as pristinely as it did in 2022, but at Beneficial Returns, we commit to really trying, and being faithful stewards to all that you've entrusted us with.

Learn more about Alex's story [here](#).



## 2022 HIGHLIGHTS: MILESTONES

# *Leaping Towards Change*

### SPEED UP CHANGE: WOMEN AT WORK

In 2022, we were honored to support women who step up and lead, whether as entrepreneurs, service providers, or household heads. We are grateful to have been able to offer loans that resource their work in their communities, and even in their own families.

## ONE SMALL STEP BY A WOMAN, ONE GIANT LEAP FOR HUMANKIND

Liliana left the city to return to her roots and make a living from her family's rabbit farm, which had fallen into disrepair. After struggling to make her rabbit farm profitable, she found success by producing rabbit-based dishes and utilizing a biodigester from Sistema.bio to generate biogas from the waste.

“I soon realized that the traditional way of doing things wasn't enough, because everyone else was doing it. I needed to think outside the box, imagine new possibilities.”

**Liliana  
Pedraza  
Valles**

Sistema Bio  
Farmer  
Mexico, Latin America



Watch Liliana's Full Story [here](#).

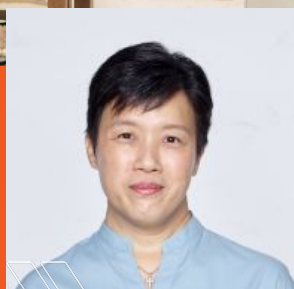


## PICKING UP SPEED: EMPOWERING WOMEN ENTREPRENEURS

(Middle)  
**Lastiana Yuliandari**  
 Director of  
 Aliet Green  
 Indonesia, Southeast  
 Asia

Aliet Green champions family farmers who embrace agroforestry principles and tap coconut palms for its sap. We hope you enjoy our products and join us on this journey to grow as we're creating a world resilient to climate change and its impacts, protecting our communities, and restoring ecosystems.

***Beneficial Returns added two new women-led enterprises to its portfolio in 2022.***



**Sharon Lim**

Co-founder and CEO of  
 Browzwear, Beneficial Returns  
 Credit Committee Member

## PAYING IT FORWARD: BEHIND EVERY SUCCESSFUL WOMAN IS ANOTHER WOMAN

"As a member of the Credit Committee, I hope to do more than simply help allocate capital. I look forward to contributing my skills in management, to support social enterprises that are focused on poverty alleviation."

# Zooming In: Our Focus Sectors

## SUSTAINABLE FOOD AND AGRICULTURE

We invest in regenerative agriculture to ensure that we are able to feed both the present and future generations. Learn more about the sector through [this video](#).



## LIVELIHOOD FOR THE POOR

We believe in empowering social enterprises that create livelihood opportunities for the working poor in Latin America and Southeast Asia.



CLEAN WATER

We support social enterprises that work to provide universal access to clean water and sanitation in low income communities.



RENEWABLE ENERGY

We finance businesses dedicated to providing affordable and reliable clean energy.



## 2022 HIGHLIGHTS: NEW INVESTMENTS

# New Catalysts

## 3

Latin  
America

**Altitud** provides small loans to low-income women in Monterrey, Mexico so they can launch their own home-based sewing businesses. Altitud's holistic approach also provides free training and connects women entrepreneurs with large commercial sewing contracts. Women earn a higher income and can raise their children while working from home. Learn more about their work through this [video](#).



**Grupo Murlota** helps women in rural Mexico become their own egg producers. Over 40,000 women are now raising poultry through the work of Grupo Murlota. These women gain a source of protein for their families and the potential to generate income by selling their products.







**Ricinomex** creates opportunities for smallholder farmers in Mexico through a focus on castor nuts. Cultivating and selling castor nuts, a seed that is otherwise considered a weed, can be a source of additional income for families living in poverty.

Ricinomex serves as a regular, direct, and premium market for farmer produce, providing technical assistance and organic farming training, and providing more affordable organic fertilizer and inputs.

## 2

### Southeast Asia

**Aliet Green** produces organic, Fair Trade coconut sugar and other food products. As a woman-owned business with a focus on empowerment, over 70% of the employees are female and a majority are single mothers or widows. Aliet Green sells products at a premium price and pays its farmers a living wage. The 1,300 suppliers ensure high environmental standards by living and working on naturally-forested farmland that absorbs more carbon than is released. Learn more about Aliet Green through this [video](#).



**Lionheart** produces and sells coconut aminos while creating jobs and livelihoods in Palawan, Philippines. In Rizal, Palawan where Lionheart operates, the incidence of poverty is high at 60%. To earn a living, some of the residents have resorted to illegal logging and wildlife poaching. Lionheart offers an alternative livelihood by providing direct employment, leasing coconut palms or lands from existing landowners under a rental program, and purchasing large amounts of bio-organic inputs from the locals to fertilize the coconut palms.



## 2022 HIGHLIGHTS: LESSONS LEARNED

# *Run Far, Run Together*



### **Touching Base and Journeying Together**

We remain intentional in building lasting relationships and our Mexico trip in February allowed us to deepen connections with and between our investors and borrowers. Nothing beats introducing investors and social entrepreneurs to each other, seeing first-hand the work that our social enterprises do, and chatting on the bus and over meals to increase understanding and insight.

### **Adding Fuel to the Fire of Change**

Our commitment to our borrowers does not end after the loan has been made. We believe in the impact of our social enterprises and we want to help them as much as we can, whether it is amplifying their work, helping them pick up speed, or even supporting them as they change gears. This year, aside from building the pipeline with new borrowers, we revisited existing borrowers and extended loans to support their new initiatives.

### **Drivers on the Road**

Beneficial Returns carefully identifies social enterprises that create positive impact for and in their local communities. Our credit committee allows us to fulfill our mission of making every dollar work towards the greater good. They challenge us constantly to reflect on how we structure the loans to our borrowers and to sharpen what we mean by impact.



# *The Beneficial Returns Team*



**TED LEVINSON**, Founder/CEO

Ted has over a decade of leadership experience in impact investing and social finance. Prior to starting Beneficial Returns, Ted was the Senior Director for Social Enterprise Lending at RSF Social Finance.



**ALEX TEE**, Managing Director

Alex has rotated through various fields in finance, from audit and financial analysis with one of the major global accounting firms to later on pursuing a successful trading career in global fixed income. Alex has passed all three levels of the CFA exam. In his last employment, he was Managing Director and CEO of Bank of America Singapore.



**KOKO DE VERA**, Credit Manager

Koko brings extensive experience on strategic planning and operational finance to Beneficial Returns. Prior to her career in impact investing, Koko was the Head of Financial Planning and Analysis of a global Filipino manufacturer. Learn more about Koko's story [here](#).



**MARIA LUISA**, Manager (Latin America)

Maria Luisa is based in Mexico where she has been an active player in the impact investing and social enterprise acceleration. Before joining Beneficial Returns, Maria Luisa co-founded El Buen Socio, a for-profit social venture providing affordable and flexible loans to entrepreneurs in rural Mexico.



**DEBBIE DIZON**, Credit Analyst

Debbie is a Philippine CPA specializing in risk management and loan structuring. Prior to joining Beneficial Returns, she gained extensive experience working as a senior credit analyst in some of the biggest local and global banks.



## DEFINITION OF IMPACT

# *What Makes A Social Enterprise Strong on Impact?*

Beneficial Returns supports businesses that reduce poverty while also protecting the environment.





# *Beneficial Returns' Definition of Impact*

Social enterprises must be strong on impact to qualify for a loan.  
Our evaluation is guided by the following aspects of impact:

## **DEPTH & BREADTH**

The social enterprise's solution focuses on the most vulnerable and under-served populations and provides meaningful, sustainable positive changes in the person's life. The impact outcomes are leveraged and catalyze several positive changes in the person's life.

## **SYSTEMIC CHANGE**

The social enterprise is driving lasting behavior change among its beneficiaries that transcends its existence. The social enterprise is catalyzing positive ripple effects among more than one of the following: policymakers, consumers, and other enterprises.

## **COMMUNITY ENGAGEMENT**

Representatives from the local community are key active voices of leadership in the organization. The community benefits from the social enterprise's presence within it.

## **INTENTIONALITY**

The social enterprise is deeply committed to impact, evidenced by a regular system that tracks the outcomes it seeks. The social entrepreneur has made business decisions which are not necessarily risk-reducing but are impact-inducing. The social enterprise has adapted its business to its beneficiaries' needs.

## **ADDITIONALITY**

BR provides capital that others won't.

**Ricinomex**

Mexico, Latin America

Don Max is a 43-year-old castor producer from the community of La Pe, Ejutla, Oaxaca. He supports his family by growing the food they eat and working in the fields with cattle, just like his father and grandparents. In 2015, he joined the "Grilla" project with Ricinomex, a company that provides guaranteed contracts and good prices for castor beans. Ricinomex also offers technical advice, training, and low-cost tractor services to help improve crop quality and reduce costs. Don Max and his family also participate in the native colored corn project and receive support for production and premium prices from Ricinomex.

"Previously we no longer planted "Grilla" because it was difficult and time consuming to dehull and clean the seed, and there was no one to buy it at a good price. We have found support in Ricinomex because with them we have a secure purchaser, and they also pay a good price; they also provide dehulling and cleaning machines without charges."





# The Changemakers



**13M+ DIRECT BENEFICIARIES**  
41% increase  
(from 9M+ in 2021)



**11M+ TONS OF CO2 REDUCED**  
31% Increase  
(from 8M+ in 2021)



**2,600+ PEOPLE DIRECTLY EMPLOYED BY SOCIAL ENTERPRISES**  
10% increase  
(from 2,400+ in 2021)



**960,000+ HECTARES OF SUSTAINABLY CULTIVATED AND MANAGED LAND**  
39% increase  
(from 680,000+ in 2021)

Country	\$ Invested
Indonesia	\$203,873
Philippines	\$646,000
Cambodia	\$360,000
Thailand	\$275,000
Mexico	\$522,129
Guatemala	\$820,000
Nicaragua & Honduras	\$30,000
Paraguay	\$150,000
Brazil	\$800,000
Peru	\$100,000
Ecuador	\$150,000



**6**  
**Enterprises in Southeast Asia**

Indonesia  
Philippines  
Cambodia  
Thailand



**11**  
**Enterprises in Latin America**

Mexico  
Guatemala  
Nicaragua  
Honduras  
Paraguay  
Brazil  
Peru  
Ecuador

3%

ENERGY

Illuméxico \$127k

5%

LIVELIHOOD  
FOR THE POOR

Altitud \$50k  
Fundación Paraguaya \$150k

Loans Disbursed  
\$4.55 million

70%

SUSTAINABLE FOOD  
AND AGRICULTURE

Aliet Green	\$150k	Kiwa	\$100k
Ananas Anam	\$246k	Lionheart	\$400k
ATEC	\$360k	Ricinomex	\$150k
Chacha	\$275k	Sistema Bio	\$75k
Grupo Murlota	\$120k	Whole Forest	\$150k
Guayaki	\$800k		

22%

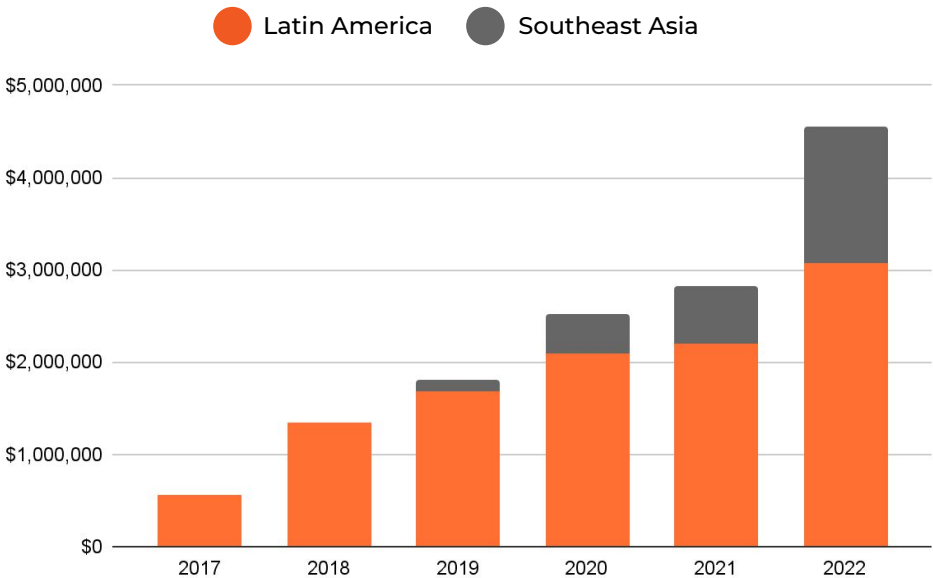
CLEAN WATER

Ecofiltro	\$820k
EOS	\$30k
International Nazava	\$54k



In 2022, we were able to reach more enterprises in Southeast Asia. From **\$634,873 in 2021** to **\$1,484,873 in 2022**, we grew our Southeast Asia Portfolio by 133.89%.

## CUMULATIVE LOANS DISBURSED TO SOUTHEAST ASIA & LATIN AMERICA





**Liza Quilala,**

one of Ananas Anam's  
Pineapple Fiber producers  
Philippines, Southeast Asia

“I am a caretaker of a land here in Alfonso, Cavite, in the Philippines, the caregiver of the landowner, and a massage therapist. But after I met Jayson and Isaiah, the founders of our group that supplies to Ananas Anam, I was able to be part of their pineapple fiber production team. They trained me how to extract fibers from the leaves as well as to do fiber cleaning and quality checking. This has given me additional income which I can now use for my family's daily needs. Because of this additional income, I was also able to buy a motorcycle that my family and I can use for our daily activities.

I am also very grateful to Jayson and Isaiah and the Ananas Anam Philippines, Inc. team who educated us of the many things that we can do with the pineapple leaves which we treat as just a waste before.”

## SUSTAINABLE FOOD AND AGRICULTURE

About 65% of the world's poor rely on agriculture to make a living. We deploy capital to initiatives that support the livelihood and ongoing production of farmers and other agricultural workers.

**11**

**Social  
Enterprises**

**69.66%**

**of Portfolio**

**\$2,826,000**

**Disbursed**



**120,000+ HECTARES OF TOTAL AREA PROTECTED**

13% increase  
(from 110,000+ in 2021)



**26M+ MTe OF TOTAL AGRICULTURAL OUTPUTS**

46% increase  
(from 18M+ in 2021)

Paulina is a mother of four who earned a modest living in Mexico's informal sector through various activities, including part-time janitorial work, elderly care, and selling homemade sweets. In 2018, she started a chicken coop with thirty hens from Grupo Murlota. When COVID-19 ended her janitorial job, she joined Grupo Murlota as a full-time employee in quality control and packing. Grupo Murlota supports microenterprises like Paulina's and buys thousands of eggs daily from larger producers to sell in Mexico's leading grocery store chain. The enterprise has helped over 40,000 women in 20 Mexican states start poultry raising and aims to "produce producers," not just eggs.

**Paulina**

one of Grupo Murlota's  
Producers  
Mexico, Latin America

**Sriwai Sukkaseam**

Wiang Chaing Roong village,  
63 years old who grows Thai  
Jasmine by managing 1.92 ha.  
of land.

She has participated in  
organic rice planting since  
2016. Farmers like Sriwai supply  
organic rice to Chacha.

“Since I joined the rice planting project, It makes me have a better living because I have more savings, so I can support my children's graduation. Our organic rice are purchased at higher prices than other... The company has also always taken good care of me by visiting and giving me bio-fertilizer and seeds without charges. My husband and I are both farmers. I'm glad that the family is together.”





## CLEAN WATER

We invest in social enterprises in emerging markets that ensure universal access to clean water and sanitation.

Water-borne diseases are one of the top causes of under-five child mortality and is directly linked to the lack of access to clean water especially in poverty stricken areas. Providing reliable and affordable access to clean water helps mitigate these risks.

# 3

**Social  
Enterprises**

# 22.28%

**of Portfolio**

# \$903,873

**Disbursed**



### 5M+ CLIENTS WITH ACCESS TO CLEAN WATER

32.28% increase  
(from 3M+ in 2021)



### 5,800+ COMMUNITIES SERVED\*

25.62% increase  
(from 4,600+ in 2021)

\*Nazava, one of the enterprises under this sector does not directly measure communities served, and their figure was estimated from the 126,700 household they service.



**Alicia**

one of EOS International's  
partner technicians  
Nicaragua & Honduras, Latin America

**Two studies conducted by EOS International found that their program has reduced the reported cases of diarrhea by 49-61% as measured by the Nicaragua ministry of health.**

“Being a woman surrounded by many men is a privilege, and it is also a great responsibility. We have to give voice to women. Yes, we can do this too. We are determined to do it, and we can do everything a man can do. Doing my job and doing it well is something very beautiful and motivating for other women.”

To ensure sustainable results and long-term success, EOS water technicians regularly travel by motorcycle to rural communities in Honduras and Nicaragua to provide training, capacity building, technical assistance, and water quality monitoring.



Shakhiroh, a mother of five and a member of Koperasi Baytul Ikhtiar (Baik) in West Java, Indonesia, purchased a Nazava filter from the MFI to improve her household water quality. She paid for it in installments and no longer needs to boil water, saving time and money. Her neighbors also became interested and purchased Nazava filters from Baik, resulting in clean water for the entire community. As a result, they use half as much gas as before and no longer need to gather wood, saving money they can use for other necessities.

### Shakhiroh

One of Nazava's Beneficiaries  
Indonesia, Southeast Asia



# LIVELIHOOD FOR THE POOR

We back scalable businesses that create livelihood opportunities for the working poor in Latin America and Southeast Asia.

# 2

**Social  
Enterprises**

# 4.93%

**of Portfolio**

# \$200,000

**Disbursed**



## 1,900+ SKILLS TRAINING BENEFICIARIES

14% increase  
(from 1,700+ in 2021)



## 1,800+ PEOPLE GIVEN FINANCIAL SUPPORT

18% increase  
(from 1,600+ in 2021)



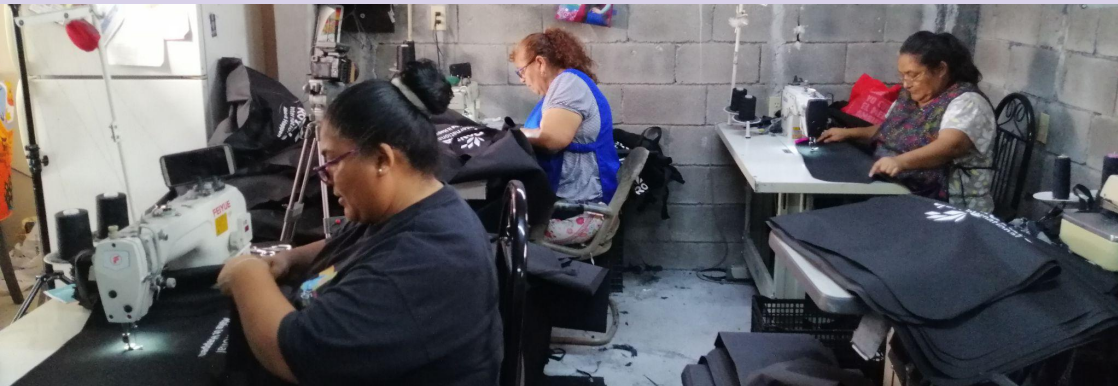
## 9,000+ JOBS CREATED

26% increase  
(from 7,000+ in 2021)

### Mariana Arvizu Hernández

one of the many seamstresses  
who earn a living through  
their home-based sewing  
business supported by Altitud  
Mexico, Latin America

“This year has been very hard for me and my family. I became a widow in April. I would like to tell you how hard it is to be a mother and to work. Talking with my cousin who lives with me, we both know how to sew, so we started thinking that we wanted to buy sewing machines and work from home.”



# ENERGY

We help transform the energy landscape by financing renewable energy. This ensures that everyone has an affordable, reliable supply of clean energy.

# 1

**Social  
Enterprise**

# 3.13%

**of Portfolio**

# \$127,129.<sup>90</sup>

**Disbursed to Iluméxico**



**142,000+ HOUSEHOLDS ELECTRIFIED**

20% increase

(from 119,000+ in 2021)



**2,300+ COMMUNITIES REACHED**

13% increase

(from 2,000+ in 2021)

Nadia Paulina, who lives in a remote fishing village in **Baja California Sur, Mexico**, and whose husband is a shrimp fisherman, used to spend over 100 USD every month on ice to preserve their catch. They also had to sell their shrimp at a low cost since they couldn't freeze it. After signing up for Iluméxico's solar as a service model, her family now has a small fridge and large freezer powered by a 4kWh/day solar system. They can now sell seafood in bulk when prices are high. They have even purchased a computer. Over 20 of her neighbors have also signed up for solar as a service from **Iluméxico**.



## BR BY THE NUMBERS: OUR INVESTORS

# *Drivers of Change*

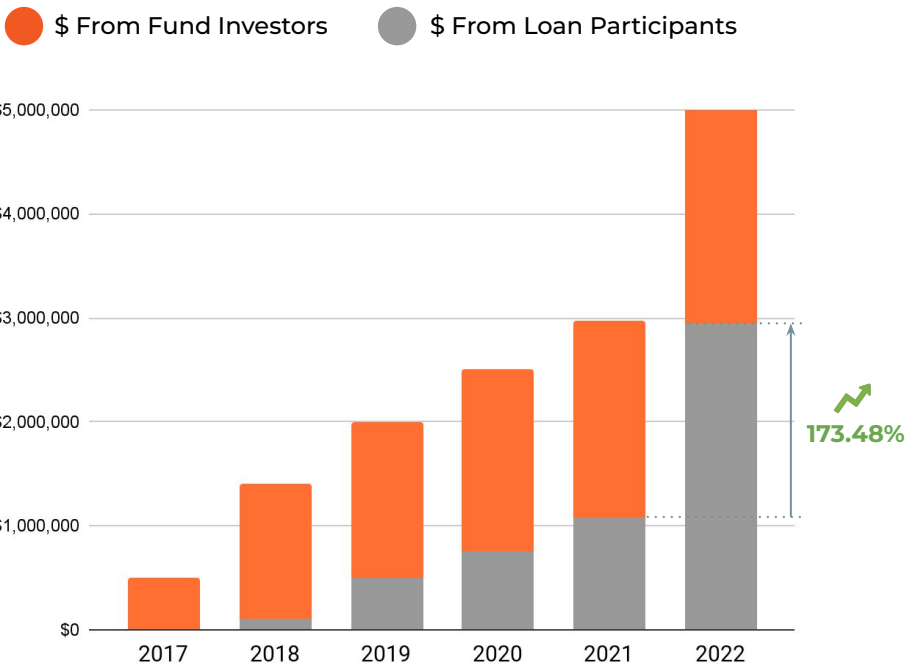
We recognize that capital plays a vital role in materializing the dreams of and mitigating the risks in the most vulnerable regions of the world. We connect investors with promising social enterprises to bridge gaps in opportunities.

**18**  
Fund  
Investors

**31**  
Loan  
Investors

In 2022, loan participations made up **58.33%** of BR's total funding and total loan participations increased by **173.48%** (from \$1.075M in 2021 to \$2.94M in 2022).

## TOTAL FUNDING BREAKDOWN



With our loan participation program, direct impact investment is practical even for investors who do not have a family foundation or Donor Advised Fund (DAF.) or the desire to build in-house capacity to make loans. Beneficial Returns handles all sourcing, underwriting, documentation, billing, collecting, reporting and monitoring.

# 2.23x

## BR Loan Investments Multiplier Effect

Loan participations have enabled us to lend 2.23x the dollars invested into our fund. As of writing, 45% of total loans disbursed have been funded by loan participants, and if we are able to maximize this to 80% coverage, it becomes a 5x multiplier. This means more capital for social enterprises, and greater impact and lasting change for beneficiaries.



**Pei Lee**

One of BR's Loan Participants

“For some years, I had been on a journey of asking myself what it means to live life as a “restorer” — how should I view my resources (finances, skills, experiences, etc) and use them in a life-giving way? When I took a good look at my finances, I realized that even if I were to live comfortably, I had more than enough. This led me to explore ways to move those financial resources towards enterprises that are bringing dignity and hope in a multi-generational way. As I spent time understanding the investing philosophy of Beneficial Returns, I began to appreciate the balance of rigor and relational thinking they bring to their fund management. I've appreciated both the regular reporting they provide, but also the hands-on experience of interacting with the companies I've invested in.”

**\$1 Million out of the \$2.04M received from fund investors was returned by BR as of this year.**

**\$860,986 out of the \$2.94M received from loan participants was returned by BR as of this year.**

# Investing in the Future We Want

Thank you to this community for making this impact possible!



## Would you like to join us?

Contact us through:

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Phone: +1 (415)-994-6668



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Beneficial Returns is an impact investment fund manager that supports the growth of leading social enterprises that alleviate poverty and protect the natural environment in Latin America and Southeast Asia.

Learn more about us at  
**[beneficialreturns.com](https://beneficialreturns.com)**