

2022 Annual Report



Letter from Our Board Chair

Dear Friends,

While 2022 brought a welcome easing of the COVID-19 pandemic’s burden in many countries, new economic and food security threats arose. Global conflicts like the war in Ukraine echoed worldwide, exacerbating shortages and price spikes for crucial food and energy commodities. Climate-driven droughts, floods and other shocks have further imperiled food systems, threatening vulnerable communities.

Despite these challenges, Heifer International has remained laser-focused on empowering millions of smallholder farmers and their families to earn Sustainable Living Incomes, which allow them to afford decent lives and bolster their resilience to shocks — families like that of Babilata Das, who lives in the eastern Indian state of Odisha.

In this Annual Report, we describe how training by Heifer empowered Babilata and her family to build a thriving poultry operation and reinvest the proceeds to diversify their income by running a grocery store and paddy rice hulling service. Their future looks far brighter as a result.

Our commitment to sustainably addressing poverty and hunger in the communities we serve ensures that farming families benefit from climate-smart and environmentally sound practices that protect the long-term viability of their farms, the health and safety of livestock and the health of the planet.

In the U.S., we were proud that the Heifer Ranch in Perryville, Arkansas received certification as a Savory Global Network Hub by the renowned Savory Institute, which promotes holistic, regenerative management practices. At Farmer Field Schools in Honduras, farmers are learning new ways to improve their dairy production and better water-management practices to increase their resilience in periods of drought. These and other stories in this report exemplify our Caring for the Earth approach.

Another essential element of fostering sustainable improvements in rural communities is prioritizing women’s engagement — like Pascaline Uwera and Beatrice Musengimana of Rwanda, who joined a livestock farmer field school launched by a Heifer-trained community facilitator. The women developed milk, fresh food, and charcoal businesses, leveraging the collective strength forged in these groups. They also founded a community kitchen to provide meals and nutrition training to local mothers and children — an example of our Passing on the Gift® approach.

Heifer’s strategy of sustainable solutions to poverty and hunger owes a considerable debt to Pierre Ferrari, who retired in 2022 after 12 years at the helm of our organization.

Our new President and CEO, Surita Sandosham, brings a wealth of knowledge and experience in the mission-driven sector broadly and a deep understanding of rural development. Surita previously served as Executive Director of Heartland Alliance International, a humanitarian and human rights nonprofit. We are excited to bring onboard her fresh perspectives and vision for a world free of hunger and poverty and build on what has come before. We look forward to working alongside her to lead our organization forward.

Finally, we extend our appreciation to you, our supporters and partners, who choose to walk with us on our journey to uplift the world’s most vulnerable families. Thank you for everything you do.

With Gratitude,

Randi Hedin
Heifer International Board Chair



President and CEO Surita Sandosham, left, and Board Chair Randi Hedin

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ON THE COVER
Sibus Ouma feeds his chickens in a poultry house in Karachwony North Ward, Homa Bay, Kenya.

Credit: Heifer International / Allan Gichigi



OUR MISSION

Ending Hunger and Poverty While Caring for the Earth

Since 1944, we have supported nearly 43 million families. We are supporting them as they build food and farming businesses that put them on a pathway to a Sustainable Living Income while also strengthening rural economies and caring for the Earth. We work with local farmers and food producers because we believe ending poverty begins with agriculture.

In countries across Africa, Asia and the Americas, through a series of Signature Programs, our work is focused on creating large-scale, permanent and measurable impact for farming families. We build partnerships at all levels — with communities, cooperatives, local organizations, governments, multilateral institutions and the private sector — to reach more people and deliver lasting results.

With each dollar invested in our programs, additional funds and other forms of support are unlocked through these partnerships to enable farmers to access new markets and continue to grow their businesses.

**“Until recently, I depended on my husband’s work.
Now, with this greenhouse, I have income that
covers food, electricity and the phone.”**

— IRMA CARRIÓN PAZ,
whose greenhouse was constructed
with support from Heifer Ecuador.

Irma Carrión Paz with her son, Javier, in their greenhouse.

Credit: Heifer International / Isadora Romero



Where We Work

42.9M

Total numbers of households assisted since Heifer International began operations in 1944

FY22 METRICS

72

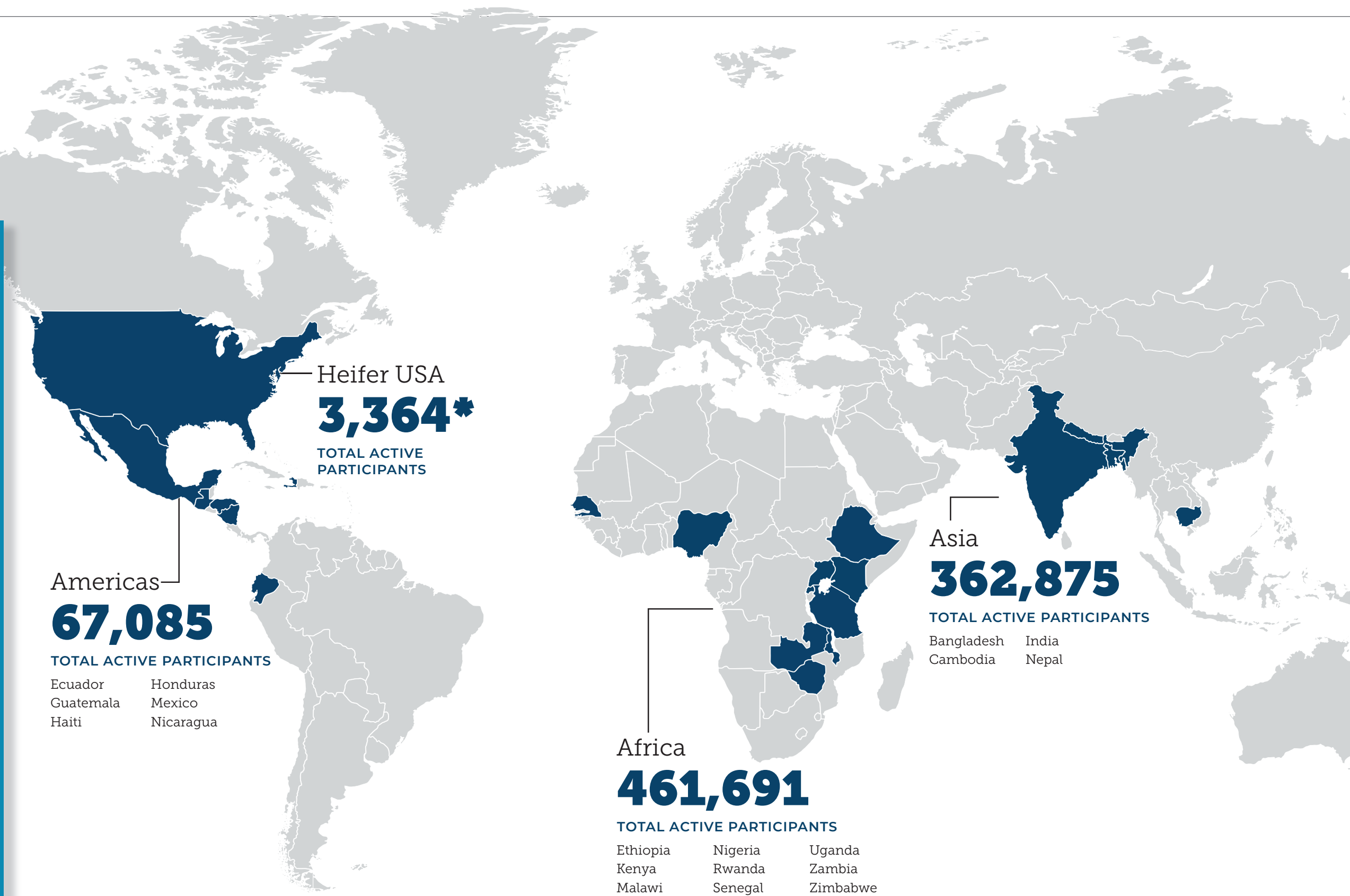
Projects

30

Signature Programs

895,015

Active participant households in Heifer International's programs in FY22.



Heifer USA
3,364*
TOTAL ACTIVE PARTICIPANTS

Americas
67,085
TOTAL ACTIVE PARTICIPANTS
Ecuador Honduras
Guatemala Mexico
Haiti Nicaragua

Africa
461,691
TOTAL ACTIVE PARTICIPANTS
Ethiopia Nigeria Uganda
Kenya Rwanda Zambia
Malawi Senegal Zimbabwe
Tanzania

Asia
362,875
TOTAL ACTIVE PARTICIPANTS
Bangladesh India
Cambodia Nepal

* An additional 180,862 households participated in at least 30 minutes of an in-person or digital training through Heifer USA's farmer education programs.

Sustainable Living Income

Heifer recognizes the need for large-scale change to foster resilient, inclusive and sustainable development. We work in rural communities facing challenges that include climate change, food shortages and limited access to agricultural supplies and finance. Inflation further aggravates the circumstances that smallholder farmers and their families face. In recent years, inflation has further intensified shortages of food and other resources for smallholder farmers and their families. This report details some of the interventions that have been most effective despite the challenges.

Sustainable Living Income is the level of income we target so that a family can afford a decent life. It assesses income status, as well as the adoption of climate-friendly farming practices, women's empowerment, food security and social capital development. These indicators are our compass as we build holistic, long-term resilience to market dynamics and climate change. Babilata Das, a poultry farmer who lives in the Thakurmunda district in India's eastern state of Odisha, exemplifies the transformation that farmers like her experience when they increase their incomes and become self-sustaining.

In Babilata's community, many families are dependent on small-scale farming and selling forest produce, such as mehuli flowers, which does not provide a meaningful income. Women who rear goats and poultry must also contend with the risk of losing their animals as a result of disease, lack of adequate fodder and grazing, poor housing and predation. Without support and adequate training, even small-scale farming is a risky and unforgiving investment. Fortunately, Babilata has been able to turn a profit from her poultry business.



Babilata Das operates a small-scale hatchery where she raises and sells days-old chicks for poultry production.

Credit: Heifer International / Pranab Aich

“We have been rearing goats and poultry for very long, but it wasn’t a profitable business,” shared Babilata. “We didn’t know how to do it in a systematic manner, so there were no significant returns.”

Most livestock producers in Babilata's village shared the same struggle. To strengthen livestock production and stabilize families' nutrition and income, Heifer trains smallholder farmers in Thakurmunda on goat and poultry farming, providing instruction on effective animal care practices, prevention against diseases and collective business development. Heifer also trains and supports microentrepreneurs, such as Community Agro-Vet Entrepreneurs (CAVEs) and feed mill and hatchery operators, who provide inputs and services to producers while boosting the rural economy.

When Heifer started the *Mayurbhanj Socio-Economic Development* project, Babilata and her husband, Sanjay, attended the meetings and trainings. Sanjay obtained his diploma in paraveterinary science early in his life but could not build a career in the field due to inadequate local mentoring and support. Through the project, he was able to put his knowledge to use



Babilata Das and Sanjay Das feed green fodder to their goats in Panasadiha Village, Mayurbhanj, Odisha, India.

Credit: Heifer International / Pranab Aich

and attend training sessions organized by Heifer. Sanjay polished his skills and started training other CAVEs, creating a front-line network supporting thousands of livestock producers in their villages.

Working together to expand their goat and poultry businesses and support other producers in their community, Babilata and Sanjay saw their income grow.

“I had learned about animal care. I learned how to care for them, what to feed them and where to keep them,” Babilata shared. “Our flock size used to be five to 10 birds and we would hardly be able to earn 3,000 to 4,000 Indian Rupees [around \$38 to \$50] a year from poultry. Now I am keeping more than 50 birds and we earn more than 15,000 Indian Rupees [around \$188] from poultry alone in a year.”

As their household income grew, Babilata and Sanjay started other small enterprises.

“We invested that money to start a small grocery store and a confectionary shop. We purchased a paddy hulling machine. We are earning from all these sources,” Babilata said. “We have learned about self-reliance and it’s about living it.”

With additional support from Heifer, Babilata and Sanjay decided to build on the fruits of their labor and expand their poultry business to include a small-scale, solar-powered hatchery. The couple buys eggs from local poultry producers and keeps them warm in an incubator powered by a solar panel. When the chicks peck their way out of their shells, they are vaccinated to protect them from diseases and sold to community members, who raise the birds and keep them in the local market.

“This is [a] new process and a good innovation for us. You won’t see another hatchery anywhere in our village,” Babilata shared, confidently operating the incubating machines placed on her premises. “The chicks from [our] hatchery will help us earn, and the people who raise these birds will also earn well. We all win.”

By diversifying their income, Babilata and Sanjay are working to better secure their future and build resilience in the face of shocks.

“We are eating better. We are sending our children to a good school. Our living standards have improved. We know we are more financially secure than we were,” Sanjay shared.

Improving Nutrition and Production

Globally, we are partnering with nearly 1 million smallholder farmers to build secure, decent livelihoods that provide a pathway to a Sustainable Living Income so they can afford nutritious food, education, health care and other essentials for their families.

The food that farmers produce feeds their families and is also a source of income. When farmers and producers are connected to aggregation centers and markets, they are better able to get a fair price for their produce.

Heifer supports farmers as they join self-help groups and form cooperatives. Throughout this process, farmers and communities receive training, including Heifer’s Values Based Holistic Community Development (VBHCD) training, and form partnerships that foster their agency to become leaders in agricultural markets.



Beatrice Musengimana tends to one of her dairy cows, which she raises alongside chickens and soybean crops in Rwanda.

Credit: Heifer International / Jacques Nkinzingabo

A LIVESTOCK FARMER FIELD SCHOOL IN RWANDA

Dairy farmer Pascaline Uwera worried about having enough money to pay for health insurance, clothing and a balanced diet for her two children. Her neighbor, Beatrice Musengimana, would look at her 22 cows and worry because they weren’t producing milk or were dying.

Pascaline and Beatrice were like many others in the verdant hills of Rwanda, where 39 percent of the country’s population lives in poverty and many smallholder farmers operate at a subsistence level.

Everything changed when the two women chose to help each other. They were among the 27 farmers who joined the Abakundinka Livestock Farmer Field School launched in 2018 by Fidele Byampiriye, a Heifer-trained community facilitator.

“Coming together allows you to think collectively and provide important advice to one another,” said Beatrice. “It also gives us a platform to share lessons and best practices on livestock farming.”

The group received training on growing nutritious fodder, keeping animals healthy and safely handling milk as part of the *Rwanda Dairy Development*

project, a joint initiative by Heifer, the Government of Rwanda and the International Fund for Agricultural Development to help 100,000 rural families increase their dairy production and income.

With new knowledge of animal nutrition and equipment from the collective, Beatrice purchased four hectares of land and now employs five people to care for her herd. Pascaline secured a loan for a fresh foods and charcoal business that provides her a Sustainable Living Income.

With access to financing and by expanding their membership, the collective was able to invest in and build a milk collection center to reduce travel time and increase the profitability of bringing milk to market. It was there that they also envisioned the Abakundinka Community Kitchen.

Once a month, mothers bring their children to gather for a meal of milk, meat and yams or bananas supplied by the members of the Abakundinka group. The meal, alongside lessons in nutrition and healthy diets, are a critical piece of helping to care for the vulnerable; 38 percent of Rwandan children under five suffer from chronic malnutrition.

A WOMEN’S COOPERATIVE IN BANGLADESH

The Akota Women’s Cooperative Ltd., located in the western Bangladesh city of Rajshahi, is transforming the way farmers sell the mangoes they produce.

Farmers used to rely on buyers, who sold the mangoes to wholesalers for distribution at local markets. While this ensured the mangoes were purchased before they rotted, it also meant a large portion of the profits went to middlemen since farmers were often forced to accept relatively low prices.

The cooperative, which formed in 2015 and has 580 members today, pivoted to selling their mangoes online when the COVID-19 pandemic shuttered markets. The women then successfully built and operated an aggregation site called the Akota Agrihub.

“Earlier I had to go long distances to sell my products,” said Kajol Begum, an Akota Cooperative member, who grows potatoes and tomatoes. “Now, I can sell my produce at Akota Agrihub, which is near my home. It saves me time, energy and transportation costs.”

The cooperative purchased over 7,000 square feet of land for the hub. It serves as a one-stop shop for local farmers while improving the community’s access to better-quality fruits and vegetables like the

cooperative’s mangoes grown without the use of chemical pesticides. Producers can store and then directly market and sell their goods to buyers. They can also access the input shop for technical information and critical supplies like seeds, veterinary drugs and fertilizer.

Since it opened in December 2021, cooperative members have aggregated and sold over 20,276 pounds of fruits and vegetables to local traders — including tomatoes, beans, cabbage, gourds, papayas, onions, bananas and mangoes. That is a significant quantity for smallholder farmers in Bangladesh, who often struggle to earn a Sustainable Living Income to afford basic needs.

“Heifer International is transforming cooperatives into functional business hubs and sustainable institutions where all cooperative members will get necessary support services,” said Neena Joshi, Heifer’s senior director of programs in cooperative development.

With a proven model in the Akota Agrihub, Heifer Bangladesh is supporting the construction of an additional eight agrihubs to serve 10 more cooperatives in the region. And the farmers near Rajshahi know they’ll be able to earn fair pay now and at next year’s mango harvest.



Members of the Akota Women’s Cooperative sort mangoes into boxes for shipping. Credit: Heifer International



Bed Prasad Poudel prepares fodder for his family's cows in Bhaglapur, Kapilvastu, Nepal.

Credit: Heifer International / Narendra Shrestha

CLIMATE ACTION

Improving Land Management for Sustainability

Climate change is a global issue with local consequences for smallholder farmers. Droughts, floods and desertification are degrading soil and impacting crop yields, while also threatening to displace people from their homes and land. Farmers need support achieving Sustainable Living Incomes and implementing restorative agricultural practices to address climate threats.

Heifer's Caring for the Earth (C4E) approach is dedicated to building climate resiliency for millions of farmers and fishers by 2030 in the countries where Heifer works through regenerative food systems and agroecology that restore habitats and put carbon back into the soil. C4E integrates Heifer's Signature Programs with climate-smart agriculture practices that leverage partnerships and community development models to build a strong local foundation for large-scale, long-lasting climate adaptation.

Heifer is committed to supporting and advancing low-cost, sustainable farming methods that enable smallholder farmers to increase food production while enriching the soil, improving its health and reducing waste.

In Honduras, Heifer's Farmer Field Schools help farmers implement water and crop management techniques to lessen the impact of droughts. Heifer Nepal provides education and cultivation guidance on quality fodder, which reduces greenhouse gas emissions from livestock and prevents overgrazing. As part of an effort to reduce waste produced during farming, Heifer is promoting organic fertilizer options like vermicompost and pit compost from kitchen waste as an alternative to chemical fertilizers in Bangladesh.



Donna Kilpatrick, Director of Regeneration, Heifer USA, Heifer Ranch, examines soil at the Heifer Ranch in Perryville, Arkansas.

Credit: Heifer International / Phillip Davis

Heifer's commitment to enriching both the soil and the farmers that work that soil is reflected in Heifer USA's activities at the Heifer Ranch on 1,200 acres of farmland in Perryville, Arkansas. Our approach to regenerative agriculture treats a farm as an ecosystem, examining and weighing each decision about the farm in the context of how it promotes biodiversity and restores soil in the face of changing climate conditions.

So far, this commitment has paid off, yielding increases in soil organic matter in several pastures since they were tested in March 2020. This is important because it indicates that carbon is being sequestered and there is an increase in water infiltration. Heifer USA has also connected and equipped farmers across the country with the tools and information they need to thrive, providing logistical support, virtual training and access to markets through the Grass Roots Farmers' Cooperative.

Recently, in the United States, the Savory Institute certified Heifer Ranch as a Savory Global Network Hub — one of only 33 in the world. It holds onsite grass-fed cattle production workshops and teaches holistic management practices like planting cover crops and rotating livestock. As part of a multi-year initiative, soil testing began at eight farms in Missouri and Arkansas associated with Grass Roots Farmers' Cooperative to establish baselines for Ecological Outcome Verification — an assessment of potential soil improvements and carbon capture. Further equipping farmers with what they need to thrive, Heifer USA has provided all Grass Roots farms with recommendations for better grazing practices and improving ecological health.

To ensure the solutions we propose globally are sustainable, we set up a mechanism for sustained

investment in them. We launched the *Pierre Ferrari Regenerative Agricultural Accelerator* in honor of former President and CEO Pierre Ferrari, who championed the importance of locally based, long-term solutions to global food insecurity.

The funds support climate-friendly grazing practices in Bangladesh, indigenous forest protection in Ecuador through ecosystem management, development of durable livestock markets in Rwanda, and promotion of sustainable food production through education and demonstration of regenerative agricultural practices in the United States. In the spirit of Pierre's commitment, we believe these investments will have an impact on future generations, driven by our community partners' work.

Scaling Agriculture in Africa

Scaling and strengthening Africa’s agriculture industry is imperative to meet demand for food from a growing population. According to a 2021 report by the Food and Agriculture Organization of the United Nations, 346.4 million Africans are suffering from severe food insecurity and 452 million suffer from moderate food insecurity. Key drivers of this food insecurity include conflict, the COVID-19 pandemic, climate variability and extremes and fluctuations in the economy.

On a continent that is rich in resources, the foundation for increasing access to food exists, yet inadequate access to technology, finance and technical skills, as well as an aging farming population, hinder its potential. Domestic production of tomatoes, rice and other commodities could provide better nutrition and generate jobs and Sustainable Living Incomes for many if investments are made into Africa’s food system. Smallholder farmers and local entrepreneurs need support to transform the food system to be more productive, profitable and sustainable. Following are examples of how entrepreneurs with whom we are partnering have created and leveraged new opportunities.

INVESTING IN MECHANIZATION FOR EFFICIENT PRODUCTION



TRACTORS 4 AFRICA (T4A)

Farming can be labor-intensive and time-consuming without mechanization to make the process more efficient. Manual labor is two and half times more expensive than tractor services and 40 times slower, leading to planting delays of up to 30 days. In Africa, the continent with the least number of tractors deployed per 1,000 hectares of arable land, Heifer launched the *Tractors for Africa* (T4A) program — a tractor co-sharing model that makes tractor access affordable for smallholder farmers and enables tractor owners to profit from offering their services. The program is currently implemented in Kenya, Nigeria and Uganda.

By 2032, the program aims to have 50,000 tractors supporting 90 million smallholder farmers toward achieving a Sustainable Living Income by significantly increasing their yield per hectare and opening new farmlands for cultivation. Additionally, it seeks to create 500,000 jobs.

CHAMPIONING YOUTH AND TECHNOLOGY

In 2021, Heifer launched the *AYuTe Africa Challenge*, an initiative that seeks to empower young agricultural entrepreneurs to innovate and improve agriculture on the continent. The regional *AYuTe* competition awards annual cash grants totaling \$1.5 million to promising young agricultural innovators, combining the cash grants with business development initiatives that support these home-grown solutions as they scale their operations.

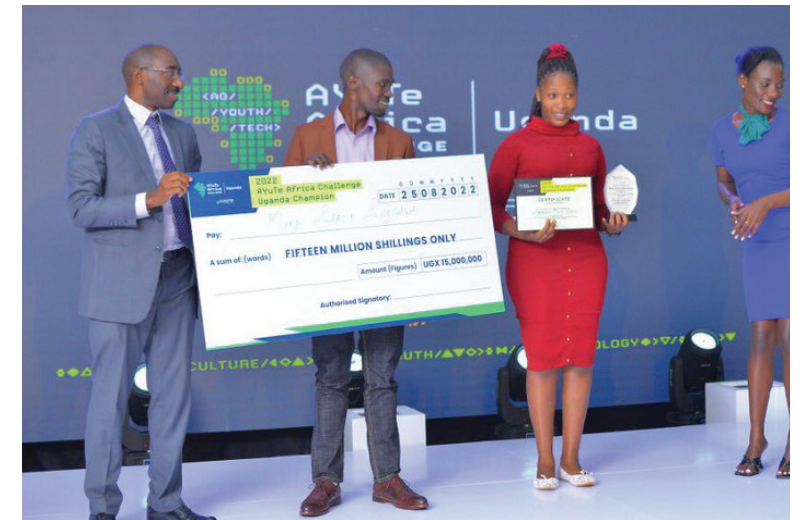
Since winning the inaugural competition last year, Hello Tractor and ColdHubs have expanded their businesses and their impact on smallholder farming communities across East and West Africa. With the \$1 million Hello Tractor received, it deployed 17 tractors in Kenya, Nigeria and Uganda to support more than 20,000 smallholder farmers. ColdHubs leveraged the \$500,000 it was awarded to launch 10 cold storage hubs in Nigeria to address high postharvest loss due to poor infrastructure. These hubs will enable more than 10,000 farmers and women sellers to increase the shelf-life of their products from three days to three weeks. The 2022 *AYuTe Africa Challenge* will award three winners in the East, West and South Africa regions, inspiring another generation of entrepreneurs with scalable ideas.

Country level competitions were launched in 2022, building on the momentum of the multiregional competition.

Agricultural technology entrepreneurs in Ethiopia, Kenya, Nigeria, Senegal and Uganda pitched ideas such as:

- Solar-powered farm machinery;
- A mobile app to help farmers identify animal and plant diseases;
- A solar water pump; and
- An electric tractor.

Each country awarded a total of \$20,000 to its winners. The funding and support from expert business advisors will enable the winners to reach more farmers with their ideas and increase their profits.



Winners of the *AYuTe Africa Challenge* competition in Senegal (top), Uganda (center) and Kenya (bottom).

DIGITIZING TRAINING FOR SUSTAINABLE AND SCALABLE FARMING



Sibius Ouma, a community facilitator, educates local farmers using a digital projector inside a community member's home in Homabay, Kenya.

Heifer International / Allan Gichigi

Heifer prioritizes VBHCD training to support the communities we serve as they join together. To further address some of the post-pandemic challenges across different agricultural value chains in Africa, this year we invested in digital extension systems to train farmers. We established an entrepreneurial digital field force known as *Digital Agriculture Champions* as part of our field extension design. The initiative will supply sustainable, cost-effective training modules for smallholder farmers across Africa.

We are collaborating with an 2021 *AYuTe Africa Challenge* finalist Kuza Biashara — a digital social company — as a technical partner to develop a bundled solution that provides tailored digital training and extension services to farmers. Launched in Kenya, the initiative will leverage digital and exponential technologies as a key component in the design of programs where Heifer operates in Africa.

PREPARING FARMERS FOR UNPREDICTABLE CONDITIONS

Weather patterns are becoming less favorable and unpredictable. Climate change negatively impacts smallholder farmers. Floods and other disasters impact yields and profits, devastating their businesses.

To mitigate climate shocks, Heifer is partnering with an *AYuTe* 2021 finalist Ignitia — a technology company that builds smallholder farmers' resilience through digital weather information and analysis. By 2025, the company aims to connect 780,000 smallholder farmers to a platform that enables them to receive daily weather forecasts and weekly climate-smart extension advisory messages that help them plan their farming activities. Recently, our partnership with Ignitia provided climate information services to more than 15,000 smallholder farmers in Senegal.



DE-RISKING NIGERIA'S FARMLANDS

Smallholder farmers in Nigeria continuously face unreliable weather conditions, new pests and diseases and other threats to their businesses. To increase rice farmers' resilience, we partnered with Olam, Leadway Assurance and PULA to connect farmers to Area Yield Index Insurance (AYII) through an innovative pay-at-harvest model.

The model, which is integrated into the *Najja Unlock* program, enables farmers to pay back the pre-financed premium at harvest when they sell their rice to Olam. The recovered insurance premium is then re-used to pre-finance premiums for smallholder farmers during the next farming season. This intervention continues for three to five farming seasons until the farmers see the value of the innovative crop insurance, adopt the new practice and attract private sector interest to finance their crops and farms. As this project scales, Heifer's investment will be used to replicate the same solution with farmers in other areas where crop insurance adoption is low or non-existent.

Heifer supported the insurance of 4,358 hectares of farmland owned and cultivated by 4,354 farmers in the states of Benue and Nasarawa during the 2021

wet farming season. Out of these farmers, 3,110 of them suffered losses due to soil moisture stress. In June 2022, alongside our partners, we organized a payout ceremony to celebrate an insurance compensation payout of \$268,033* from Leadway Assurance to the 3,110 farmers. One of the recipients, Terkinde-Chia Fidelis from the Ndoshima Farmers Multi-Purpose Cooperative Society in Benue, remarked,

“Coincidentally, this unique pay at harvest crop insurance claim payment for our losses in the previous farming season came at a time when the cost of input has increased significantly. Without the insurance claim compensation, it would have been difficult for us to afford input this farming season.”

During FY22, we supported the enrollment of an additional 10,000 smallholder farmers for the pay-at-harvest AYII. Additionally, we leveraged Hello Tractor's scale up to connect farmers with mechanization to increase their productivity.

* This amount is based on the Oanda exchange rate as of June 7, 2022 — the date of the payout ceremony. The original amount distributed was 111.4 million Naira.



A rice farmer from the *Najja Unlock* program works on his farm in Nigeria.

Heifer Nigeria / Olam Agri

Strategic Partnerships

Heifer works with like-minded partners representing corporate, institutional, foundation, and government sectors that are crucial to reaching the scale and permanence of impact needed to support farmers and producers around the world as they work to achieve a Sustainable Living Income.

Together we map out opportunities and areas of alignment that support our program participants to be successful. The following are just four examples of the strategic partners who are vital to our mission.

John Deere Foundation



The John Deere Foundation is investing \$2.1 million over three years in Heifer Mexico's *Milpa for Life* project to support 2,700 small-scale farming families in Mexico to increase their incomes, milpa productivity and the amount of sustainably managed land.

Milpa is a traditional Mesoamerican agricultural system in which maize, beans and squash, known as the "three sisters," are planted together to harness nitrogen-fixing properties and provide nourishing staple foods in rural farming communities.

Project participants are incorporating backyard poultry, beekeeping and the local Mexican Creole hairless pig into their household enterprises.

John Deere Foundation is a new grantor for Heifer, and our partnership aligns with the company's Citizenship Strategy and commitment to serving farmers throughout the world to bolster their capacity to make a living, feed a growing global population, reduce inequality, and protect the world.

A key component of the partnership is an annual employee volunteer visit to the *Milpa for Life* project communities. In October 2022, a team of 16 employees from John Deere Mexico, John Deere headquarters and the John Deere Foundation traveled to the communities of Ekpedz, Coyocol and Emiliano Zapata in Mexico's Yucatan Peninsula for a hands-on, skills-based volunteer experience.

Government of Nepal and Beyond

After prototyping a successful partnership between Heifer Nepal and the Government of Nepal, in 2021 Heifer Nepal designed the four-year *Nepal Government Partnership for Economic Growth* project, with the goal of helping 65,200 smallholder farming households reach a Sustainable Living Income by developing inclusive value chains.

The project enables farmers to scale up production and increase profitability with capital investments and facilitates cooperatives to function as business hubs by providing its members with business development and management services and enhanced market access.

Local governments contribute 75 percent of the total project costs and Heifer contributes the remaining 25 percent. Currently, 51 municipalities are partnering with Heifer with a total fund commitment of \$ 14.1 million.

Heifer Nepal's success in partnering with local governments has influenced other Heifer teams, particularly in Asia. Constructive dialogues with national and local authorities have spurred new programmatic and financial collaborations. In Bangladesh, the national government is now financing a research project on poultry development implemented by Heifer and the University of Rajshahi. In Cambodia, the government has donated land to build a poultry processing unit co-owned by agriculture cooperatives that contributes to the development of an inclusive poultry value chain. In Odisha, India, Heifer is partnering with the state government by offering technical support around the integration of Heifer's development approach.



Conservation International and the Global Environment Facility



Climate change is one of the greatest challenges of our time and it is dramatically impacting society, the environment and business operations around the world.

As climate change drives business risks and costs up, the private sector is increasingly seeking ways to improve and scale adaptation investments. However, current adaptation programming often relies on qualitative descriptors and lacks quantitative results.

To quantitatively measure investments in climate adaptation and resilience initiatives, Heifer developed the two-year *Building Climate Resilience in Supply Chains for the Mobilization of Adaptation Funding* project in Guatemala and Honduras in partnership with Conservation International and the Global Environment Facility. The project will work closely with environmental authorities, the private sector, universities and local communities to develop and launch the first-of-its-kind Adaptation Equivalency Index (AEI) in Guatemala and Honduras to ensure a decreased loss of habitat, improved ecological resiliency, Sustainable Living Income for smallholder farmers and an increase in adaptation investment from the private sector using a standardized, quantifiable approach. In Guatemala, the project will focus on the cardamom, allspice and cocoa value chains. In Honduras, the project will focus on coffee and cocoa.

The project's goals are to:

- Improve climate-smart production practices in ecologically vulnerable areas of Guatemala and Honduras on 2,054 hectares of land;
- Increase the resiliency and ability of 12,125 smallholder producers to adapt to climate change and shocks related to economic and environmental volatility; and
- Create a flexible and scalable AEI capable of catalyzing greater investment in adaptation and resilience measures across the value chains identified.

IFAD, the Bill & Melinda Gates Foundation, the World Bank Group and the Government of Ethiopia

In 2021, Heifer Ethiopia partnered with International Fund for Agricultural Development (IFAD) to provide technical assistance to the *Lowlands Livelihoods Resilience Project (LLRP)*.

LLRP is a flagship investment project implemented by the Government of Ethiopia and co-financed by the World Bank Group, the Bill & Melinda Gates Foundation and IFAD. The project's development objective is to improve livelihood resilience of pastoral and agropastoral communities in Ethiopia. Over the project's six years, it is expected to benefit 2.5 million people, of which 50 percent are women and 20 percent are youth, by enabling the development of a viable commercial production system.

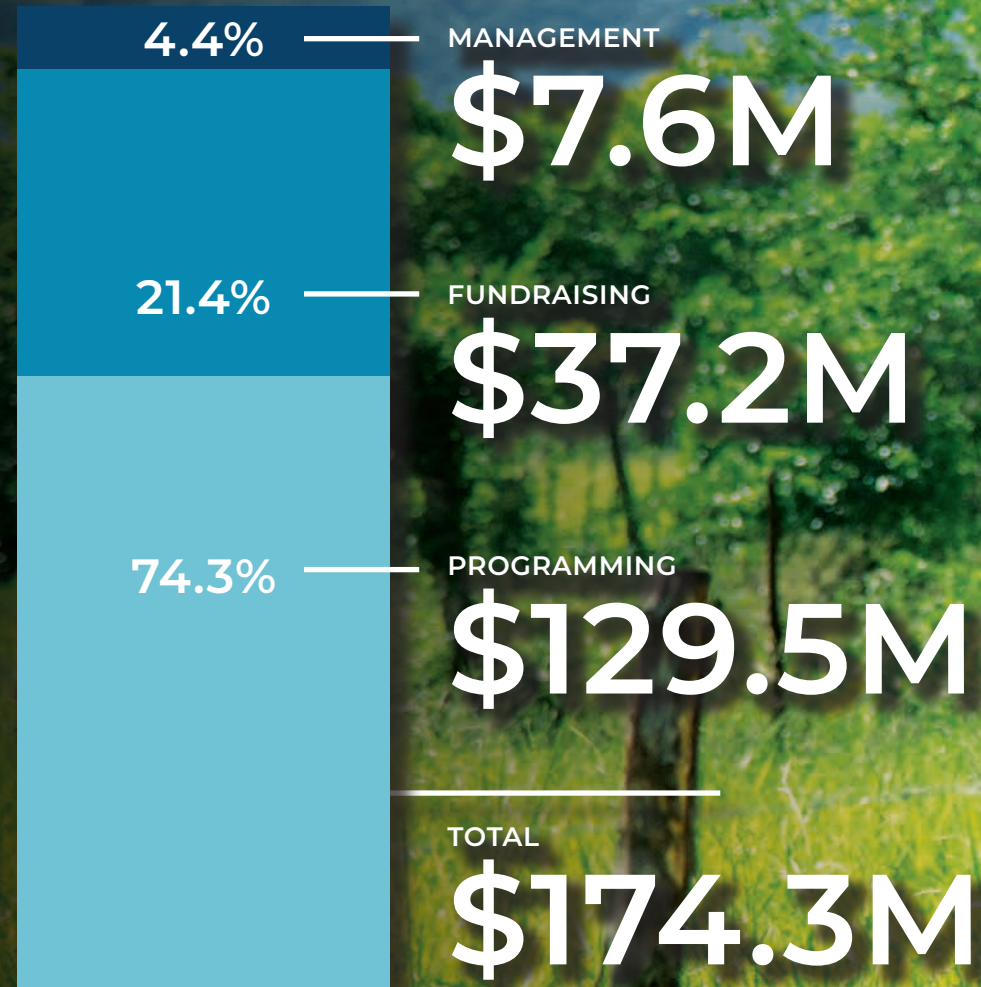
This partnership is the first of its kind for Heifer in the region. The partnership's success and Heifer's capacity to deliver quality technical support beyond the contract will result in expanding and scaling out such partnerships in Ethiopia and across the region.



BILL & MELINDA GATES foundation



Fiscal Year 2022 Consolidated Expenses



Francisco Cruz (left) and Luis Mejía check beehives in Honduras.

Credit: Heifer International / Phillip Davis

Consolidated Statements of Financial Position

JUNE 30, 2022 AND 2021

| | 2022 | 2021 |
|--|----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$42,164,718 | \$50,490,624 |
| Restricted cash | \$17,849,759 | \$24,324,917 |
| Accounts and interest receivable, net of allowance and discount | \$7,689,954 | \$6,191,613 |
| Grant reimbursements receivable | \$508,686 | \$576,593 |
| Prepaid expenses and other | \$2,217,488 | \$1,560,299 |
| Investments | \$3,245,133 | \$2,705,611 |
| Contributions receivable, net of allowance and discount (Note 3) | \$3,421,601 | \$5,457,683 |
| Interest in net assets of Heifer International Foundation (Note 4) | \$183,059,147 | \$197,029,344 |
| Property and equipment, net of accumulated depreciation (Note 5) | \$40,069,547 | \$40,556,172 |
| TOTAL ASSETS | \$300,226,033 | \$328,892,856 |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable | \$8,676,901 | \$8,272,682 |
| Accrued expenses | \$5,346,569 | \$5,286,475 |
| Deferred revenue | \$12,020,871 | \$18,533,605 |
| Notes payable and long-term loans | - | \$7,002,100 |
| Line of credit | \$2,685,067 | \$2,582,628 |
| TOTAL LIABILITIES | \$28,729,408 | \$41,677,490 |
| Commitments and contingencies (Notes 6, 7, 10, and 16) | | |
| NET ASSETS | | |
| Without donor restrictions | \$78,912,809 | \$78,462,759 |
| With donor restrictions | \$192,583,816 | \$208,752,607 |
| TOTAL NET ASSETS | \$271,496,625 | \$287,215,366 |
| TOTAL LIABILITIES AND NET ASSETS | \$300,226,033 | \$328,892,856 |

See notes to consolidated financial statements available on Heifer.org

Consolidated Statements of Financial Activities

YEAR ENDED JUNE 30, 2022

| | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL |
|---|----------------------------|-------------------------|-----------------------|
| REVENUES, GAINS, AND OTHER SUPPORT | | | |
| Contributions | \$130,161,671 | \$7,512,618 | \$137,674,289 |
| Federal government grants | \$1,610,157 | - | \$1,610,157 |
| Other grants | \$21,017,944 | - | \$21,017,944 |
| Educational programs | \$190,217 | - | \$190,217 |
| Promotional events and material sales, net of cost | \$27,657 | - | \$27,657 |
| Contributed nonfinancial assets | \$6,686,363 | - | \$6,686,363 |
| Other | \$2,334,581 | - | \$2,334,581 |
| Change in interest in net assets of Heifer International Foundation | \$3,688,227 | \$(13,970,196) | \$(10,281,969) |
| Net assets released from restrictions | \$9,711,213 | \$(9,711,213) | - |
| TOTAL REVENUES, GAINS, AND OTHER SUPPORT | \$175,428,030 | \$(16,168,791) | \$159,259,239 |
| EXPENSES AND LOSSES | | | |
| Program services | \$129,450,632 | - | \$129,450,632 |
| Management and general | \$7,610,252 | - | \$7,610,252 |
| Fundraising | \$37,224,053 | - | \$37,224,053 |
| TOTAL EXPENSES AND LOSSES | \$174,284,937 | - | \$174,284,937 |
| CHANGE IN NET ASSETS FROM OPERATIONS | \$1,143,093 | \$(16,168,791) | \$(15,025,698) |
| OTHER CHANGES IN NET ASSETS | | | |
| Foreign currency translation adjustment | \$(693,043) | - | \$(693,043) |
| TOTAL CHANGE IN NET ASSETS | \$450,050 | \$(16,168,791) | \$(15,718,741) |
| NET ASSETS, BEGINNING OF YEAR | \$78,462,759 | \$208,752,607 | \$287,215,366 |
| NET ASSETS, END OF YEAR | \$78,912,809 | \$192,583,816 | \$271,496,625 |

Based on audited financial statements available on Heifer.org

Executive Leadership Cabinet

Surita Sandosham

President and Chief Executive Officer
(since October 2022)

Pierre Ferrari

President and Chief Executive Officer
(until September 2022)

Hilary Haddigan

Chief of Mission Effectiveness

Elia Makar

Chief People Officer

Marcia Rasmussen

Chief Financial Officer

Oscar Castañeda

Senior Vice President
of the Americas Programs

Adesuwa Ifedi

Senior Vice President
of Africa Programs

Mahendra Lohani

Senior Vice President
of Asia Programs

Ardyth Neill

Heifer Foundation President

Kim Ahlgrim

Vice President
of Risk Management
and Assurance

Chad Avery

General Counsel

Patrina Eiffert

Executive Director,
Power, Water, Internet (PWI) Global

Perry Jones

Managing Partner,
Heifer USA, Farmer
Enterprises and Engagement

Antoinette Marie

Director of Heifer Labs

Christy Moore

Senior Vice President
of Marketing

Terry Wyer

Senior Vice President
of Investment Programs

Peter Goldstein

Vice President
of Communications
(since October 2022)

Chris Coxon

Vice President
of Communications
(until August 2022)

Patrick Bryski

Senior Vice President of Business
Development and Partnerships

Tracy Beene

Assistant to the
CEO and Board Liaison

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BOARD SEATS

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AT-LARGE DIRECTORS
holding board-specific skill sets. At least one at-large director resides in each of the international program areas where Heifer International works. Three at-large directors are from faith-based groups representing various spiritual paths.

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DIRECTOR

from Heifer Foundation's
Board of Trustees
(Chair or Vice Chair)

Board of Directors

Randi Hedin

Chair,
At-Large Director since 2017

Esther Cohen

Vice Chair,
Episcopal Relief and Development,
At-Large Director since 2013

Marianella Baez

At-Large Director since 2022

Martha Brantley

Heifer Foundation Chair since 2020

Nomsa Daniels

At-Large Director since 2022

Doug Galen

At-Large Director since 2014

Susan Grant

At-Large Director since 2011

Tom Hadfield

At-Large Director since 2016

Nathan Hosler

Church of the Brethren,
At-Large Director since 2020

Nikolaus Hutter

At-Large Director since 2013
(Membership ended October 2022)

Daron Joffe

At-Large Director since 2022

Pete Kappelman

At-Large Director since 2013
(Voluntarily resigned
October 2022)

Patricia Kisare

At-Large Director since 2021

Josephine Oguta

At-Large Director since 2014

Mary Renwick

At-Large Director since 2020

Victoria Sekitoleko

At-Large Director since 2019
(Voluntarily resigned
September 2022)

Ramesh Singh

At-Large Director since 2019

Alberto Irezabal Vilaclara

At-Large Director since 2021

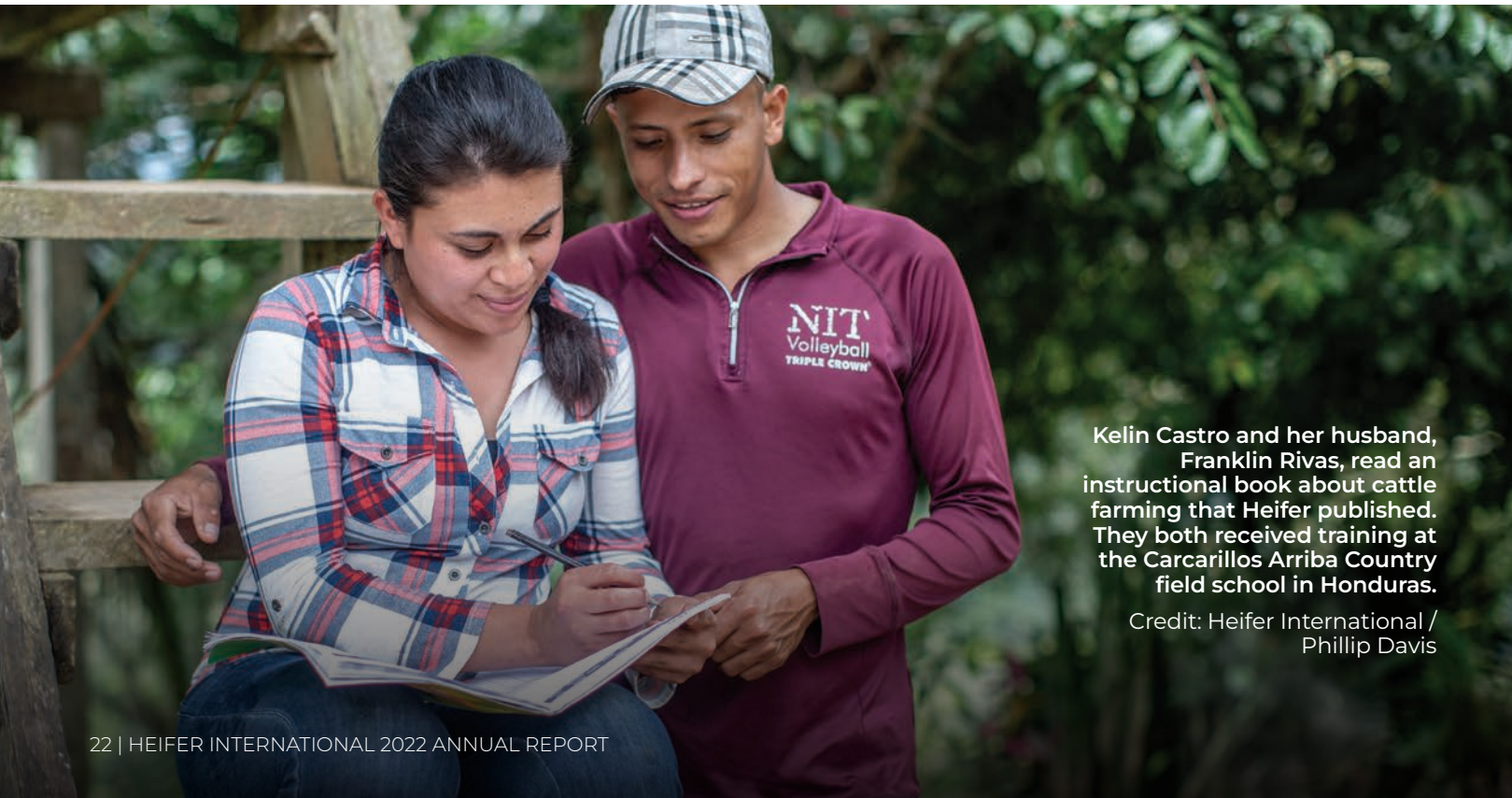
Chuck Warta

At-Large Director since 2020

NON-VOTING LIAISON

Sarah Alexander

Non-voting liaison representing Heifer Foundation since 2020



Kelin Castro and her husband, Franklin Rivas, read an instructional book about cattle farming that Heifer published. They both received training at the Carcarillos Arriba Country field school in Honduras.

Credit: Heifer International / Phillip Davis

Left to right: Diego Morales, Ariel Oviedo and his wife, Nora Villatoro, pour milk into a container to begin making cheese in Olancho, Honduras.

Credit: Heifer International / Phillip Davis



Visit [Heifer.org/highlights](https://www.heifer.org/highlights) and see video, stories and photos of more of Heifer's work in 2022.



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Heifer International
1 World Avenue, Little Rock
AR 72202, USA

888.5Hunger
(888.548.6437)

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