



HEIFER  
FOUNDATION



# ANNUAL REPORT

20  
24





Left to right:  
Amy Dieringer, Katie St. Amour, Debbie McCullough

## MESSAGE FROM THE FOUNDATION TEAM

**ON JULY 14, 1944**, a shipment of cattle marked the first gift by what would become Heifer International. Fifty years later, Heifer Foundation was created to raise and oversee financial assets to support the organization’s expanding global work. Since then, Heifer Foundation has been a proud partner in catalyzing positive, lasting change in food and agricultural systems to benefit more than 52 million households worldwide.

This summer, we celebrated Heifer International’s 80th anniversary with a core theme of Passing on the Gift®. On the Foundation side, we also honored our longtime president, Ardyth Neill, for her 20-plus years of inspiring leadership with Heifer International and Heifer Foundation, celebrating the many gifts she has passed on to us all.

Since Ardyth joined the Foundation in 2001, the Foundation has grown from \$76 million to \$216 million in assets, funding Heifer International projects and investments the world over. Ardyth’s contributions as president from 2011 to 2023 are as innumerable as they are invaluable, and we remain grateful for her years of service.

Chief among her accomplishments: Ardyth led the decade-long charge to transform our investment philosophy. Through her leadership, we shifted from a generally conscientious approach to a more intentional, data-backed strategy of mission-aligned and impact investments that create advancements in the communities Heifer International supports. Today, the Foundation’s portfolio is 97% mission-aligned — and on track to become 100% once we can divest from a small number of legacy investments — ensuring that each of our investments explicitly and deliberately furthers institutional values in tangible ways.

As we wish Ardyth well in her retirement and look to 2025 and beyond, Heifer International continues to have so much more to give — and our Foundation team is eager to explore new opportunities, new leadership and a new era of our shared mission.

Warmly and with gratitude,

### THE HEIFER FOUNDATION LEADERSHIP TEAM

**Debbie McCullough**, Acting President and Vice President of Planned Giving

**Katie St. Amour**, Vice President of Investments and Finance

**Amy Dieringer**, Vice President of People and Culture

### COVER IMAGE:

*Ramata Niass proudly holds a bowl of corn. Living in the dry and dusty country of Senegal, Ramata used to have problems obtaining high-quality seeds. But thanks to a Heifer International project, she received the seeds, resources and training she needed to grow her harvest — and income. She now passes on gifts of seeds to others in the community.*

# OUR MISSION-ALIGNED STRATEGY

**HEIFER FOUNDATION’S MISSION-ALIGNED INVESTMENT JOURNEY** has transformed our portfolio — and the wider world affected by the projects and people we support. As we get closer to ensuring 100% of our assets are invested to actively further Heifer International priorities — from climate to gender equity to financial inclusion — we look to partner with investment managers who can help us achieve our goals.

During the past year, the Foundation invested \$9.5 million in the Nuveen Core Impact Bond Fund, an actively managed fixed income fund that focuses on environmental, social and governance impact. Through this fund, Nuveen was the lead investor in a first-of-its-kind “Rhino Bond” issued by the World Bank in 2022. The black rhino lost approximately 98% of its population between 1960 and 1995 as a result of poaching and habitat loss. This five-year, AAA-rated, \$150 million outcome-based bond seeks to protect and increase the current population of approximately 6,000 rhinos and has directly linked investors like us to the survival of an endangered species.

Though we carefully track all our investments, it can be harder to meaningfully measure their mission-related impact — but in this case, we’re able get a literal headcount to see the change our investment is helping to realize. In the bond’s first year alone, the black rhino population in South Africa’s Addo Elephant National Park and Great Fish River Nature Reserve grew more than 7%, exceeding the pace required to maximize the success payment to investors. At Heifer Foundation, we are excited to be a part of this pilot and look forward to seeing this effort unfold as a potential model for funding future biodiversity and conservation work.

## KEY TERMS

### Negative Screens

Exclude certain companies or industries based on determination of misalignment with values and associated risks

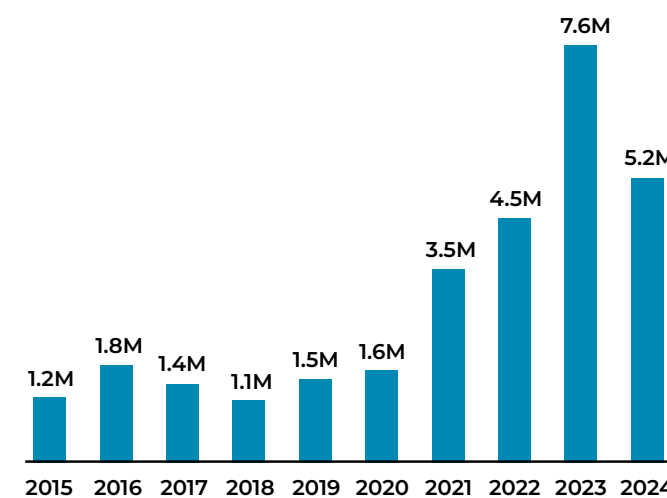
### Mission-Aligned Investments

Promote sustainable, fair and effective practices that align with mission and ends while matching returns of conventional investments

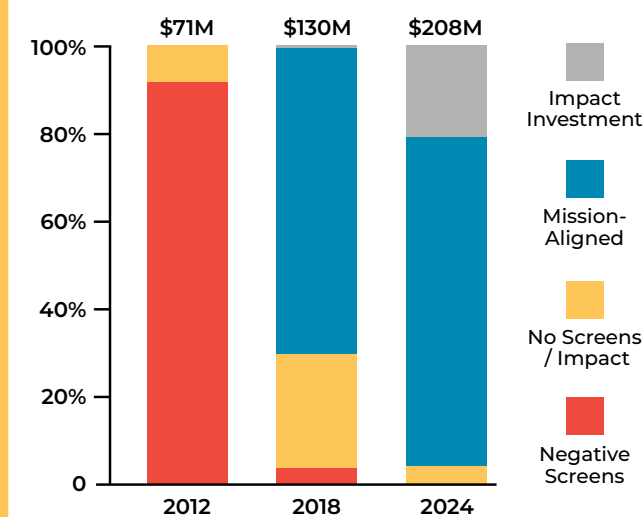
### Impact Investments

Generate positive, measurable social and environmental impact in addition to a financial return

### GRANTMAKING BY YEAR



### MANAGED INVESTMENT PORTFOLIO TRANSFORMATION





# THE IMPACT ENDOWMENT

The Impact Endowment supports Heifer International’s access to finance strategies through a line of credit that connects more smallholder farmers with more capital — and that directly contributes to our shared priorities of greater food security and poverty alleviation. While the Impact Endowment funds investees worldwide, a key component of this strategy is investing in local market access for smallholder farmers, including those in the United States.



Cypress Valley Meat Co.'s support of smallholder farmers across Arkansas aligns with Heifer International's mission.

**SINCE 2005, THE SHAW FAMILY** has operated Cypress Valley Meat Co., an award-winning livestock and wild game processor serving independent farmers across Arkansas and 11 other states. Cypress Valley exists to reinvent the role of the processor by becoming a strategic partner to the farmer and a destination job for their team members, who have mastered their craft and have a passion to pass their knowledge to new team members. The company currently operates six locations, each cultivating direct relationships between employees and partner farmers, and provides well-paying jobs, further supporting the creation of sustainable livelihoods in rural areas.

Cypress Valley also shares Heifer’s commitment to smallholder farmers, launching Natural State Processing in 2016, with the goal of providing small-scale poultry processing for farmers seeking to access direct-to-consumer markets. Natural State is one of few independent poultry processors in the United States serving very small to midsize farms.

In 2019, Heifer made an initial \$100,000 loan to Cypress Valley using the Impact Endowment line of credit, accompanied by finance-related technical assistance. Since then, with the original loan repaid, Heifer has made an equity investment in Cypress Valley and provided a guarantee to help secure outside financing that enabled the company to substantially enhance cost-effective processing and storage capabilities at its plant in Pottsville, Arkansas. The company was able to increase capacity by 275% and served nearly 3,000 farmers in 2024 alone.

Our relationship has enabled the company to stay resilient through the COVID-19 pandemic, the passing of its founding CEO, and other challenges — and it exemplifies Heifer’s commitments to smallholder farmers. Today, Cypress Valley employs 162 full-time staff and was named the 2024 Independent Processor of the Year by *The National Provisioner*. It also maintains a strong relationship with the Heifer family, including joint work to explore new processing needs across the region.

# INVESTMENTS AT WORK

Now in year three, Heifer Foundation’s \$50 million Private Equity Impact Fund continues to provide exposure to impactful investments that align with Heifer’s mission and address the United Nations’ sustainable development goals. With commitments across a multitude of sectors — from health care to technology — investments are centered around the impact themes of ending hunger and poverty, supporting smallholder farmers, financial inclusion, gender, diversity, and climate.

**BLOOMAG** leverages artificial intelligence models to analyze crop health, agronomic practices and other data to predict pest or disease outbreaks and natural disasters. It then supports farmers in understanding and acting upon the model’s findings, including by reducing the use of pesticides that contaminate agricultural soils, adversely affect biodiversity (especially among insect populations), and harm human and livestock health.

**ODA** uses operational and sustainable production technologies to reduce food waste, transportation emissions and other barriers to food access. The Norwegian company’s online grocery retail platform currently serves more than 80,000 people in-country and offers 8,000 fresh and dry food products. Created in 2013, Oda has achieved approximately 50% less food waste and lowered its transportation emissions by as much as 13% in many of its markets while still offering competitive prices and ensuring sustainable options that are attractive to all consumers.

**CERAFILTEC** designs and produces ceramic water filtration systems at lower cost and higher performance standards than traditional sand filtration options. Among other benefits, their products can remove bacteria, microplastics and PFAS (“forever chemicals”) to improve water quality across sea, ground and industrial sources, with both municipal and industrial applications. In addition to operating 121 projects in 35 countries, Cerafiltec also inaugurated Europe’s largest ceramic filtration technology center in 2023, enabling the daily treatment of 3 million cubic meters of water and wastewater.

**LIFECYCLE RENEWABLES** recycles hundreds of millions of gallons of cooking oil from restaurants in the northeastern United States into a clean heating fuel called Truburn. Truburn emits 80% less greenhouse gases than normal heating oil and contributes to a circular economy by preventing millions of gallons of waste oil from entering landfills. Customers — currently including the City of Philadelphia and Harvard University — can use the product in conventional heating systems without any modifications or upgrades.



# STATEMENTS OF FINANCIAL POSITION JUNE 30, 2024 AND 2023

ASSETS	JUNE 30, 2024	JUNE 30, 2023	CHANGE FROM JUNE 30, 2023
Cash and cash equivalents	3,600,164	5,437,158	(1,836,994)
Contributions and bequests receivable	236,429	409,033	(172,604)
Related-party receivable	4,540,183	2,613,607	1,926,576
Prepaid expenses and other assets	256,597	183,501	73,096
Real estate held for sale	25,852	0	25,852
Investments	207,372,799	197,370,103	10,002,696
<b>Total assets</b>	<b>\$216,032,024</b>	<b>\$206,013,402</b>	<b>\$10,018,622</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	1,017,099	293,070	724,029
Annuities payable	3,814,231	4,070,457	(256,226)
Trusts payable	10,720,558	10,663,426	57,132
Refundable advances	4,536,526	4,516,238	20,288
Related-party payable	0	0	0
<b>Total liabilities</b>	<b>\$20,088,414</b>	<b>\$19,543,191</b>	<b>\$545,223</b>
<b>Net Assets:</b>			
Without donor restrictions:			
Board-designated	39,796,361	35,807,532	3,988,829
Undesignated	43,860	4,798,895	(4,755,035)
<b>Total net assets without donor restrictions</b>	<b>\$39,840,221</b>	<b>\$40,606,427</b>	<b>(\$766,206)</b>
With donor restrictions:	156,103,389	145,863,784	10,239,605
<b>Total net assets</b>	<b>\$195,943,610</b>	<b>\$186,470,211</b>	<b>\$9,473,399</b>
<b>Total liabilities and net assets</b>	<b>\$216,032,024</b>	<b>\$206,013,402</b>	<b>\$10,018,622</b>

This condensed financial information is derived from Heifer International Foundation 2023 and 2024 financial statements audited by certified public accountants. Audited financial statements are available online at [MyHeiferFoundationGiving.org/about/financial-transparency](https://MyHeiferFoundationGiving.org/about/financial-transparency).

# STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2024

REVENUE, GAINS AND OTHER SUPPORT	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	TOTAL
<b>Contributions related to:</b>			
General	2,055,467	50,788	2,106,255
Annuities and trusts	0	109,405	109,405
Investment return	477,633	14,674,886	15,152,519
Change in value of split-interest obligations	0	1,555	1,555
Net assets released from restrictions	4,597,029	(4,597,029)	0
<b>Total revenue, gains and other support</b>	<b>\$7,130,129</b>	<b>\$10,239,605</b>	<b>\$17,369,734</b>
<b>Expenses:</b>			
Program services	5,475,697	0	5,475,697
Management and general	2,420,638	0	2,420,638
<b>Total expenses</b>	<b>\$7,896,335</b>	<b>\$0</b>	<b>\$7,896,335</b>
Change in net assets	(766,206)	10,239,605	9,473,399
Net assets, beginning of year	40,606,427	145,863,784	186,470,211
<b>Net assets, end of year</b>	<b>\$39,840,221</b>	<b>\$156,103,389</b>	<b>\$195,943,610</b>

# STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

REVENUE, GAINS AND OTHER SUPPORT	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	TOTAL
<b>Contributions related to:</b>			
General	1,320,245	4,235,620	5,555,865
Annuities and trusts	0	223,380	223,380
Investment return	5,403,797	1,709,957	7,113,754
Change in value of split-interest obligations	0	48,180	48,180
Net assets released from restrictions	5,662,687	(5,662,687)	0
<b>Total revenue, gains and other support</b>	<b>\$12,386,729</b>	<b>\$554,450</b>	<b>\$12,941,179</b>
<b>Expenses:</b>			
Program services	7,684,548	0	7,684,548
Management and general	1,845,567	0	1,845,567
<b>Total expenses</b>	<b>\$9,530,115</b>	<b>\$0</b>	<b>\$9,530,115</b>
Change in net assets	2,856,614	554,450	3,411,064
Net assets, beginning of year	37,749,813	145,309,334	183,059,147
<b>Net assets, end of year</b>	<b>\$40,606,427</b>	<b>\$145,863,784</b>	<b>\$186,470,211</b>

Heifer International Foundation is qualified as a charitable organization under Section 501(c)(3) of the Internal Revenue Code, and contributions to Heifer International Foundation are tax-deductible to the extent permitted by law.





Members of the Gazor Nari Unnayan Dal self-help group deposit savings during a group meeting in Biraldaho village in Bangladesh. Accessing financial services can be extremely difficult for farmers, especially in rural areas. The solution? Savings banks where farmers can pool their money and provide low-interest loans to members.



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