

2021



2021 IMPACT REPORT





Vision:

A world that uses for-profit business for inclusive value creation rather than profit maximization.

Mission:

Adelante sells connective products and experiences to fund sustainable economic development in Latin America.

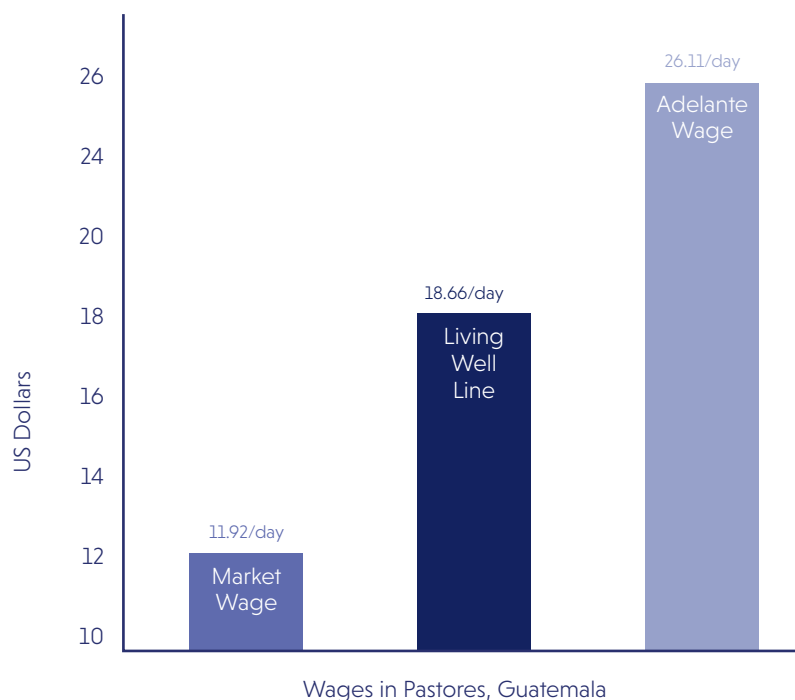


The Living Well Line

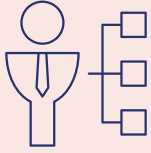
The Living Well Line is a social impact model that we created to define the relative cost of living well in Pastores, Guatemala. The methodology works by balancing an econometric analysis of World Bank data with in-person craftsmen interviews to define the goods and services needed to live well in Pastores. We believe that living well is a relative concept unique to any people in any place.

We created the Living Well Line because we saw traditional development efforts failing to: (1) be financially sustainable, (2) inspire stakeholder ownership, (3) promote stakeholder agency, and (4) understand and account for local contexts.

Adelante craftsmen earn over the Living Well Line for work well done, which inspires ownership. We pay craftsmen directly, ensuring they have the agency to advance themselves and their families. And we defer to our craftsmen to define living well within the local context that they know best. Perhaps most importantly, building a healthy and profitable business frees Adelante from development's typical dependence on grants for survival. The bigger we grow Adelante, the greater our impact.



Our Theory of Change



FIRM LEVEL

A firm decides to adopt the Living Well Line methodology and begins paying its workers over the Living Well Line.



INDIVIDUAL LEVEL

Workers who earn over the Living Well Line will reinvest their increased income back into their families and community.

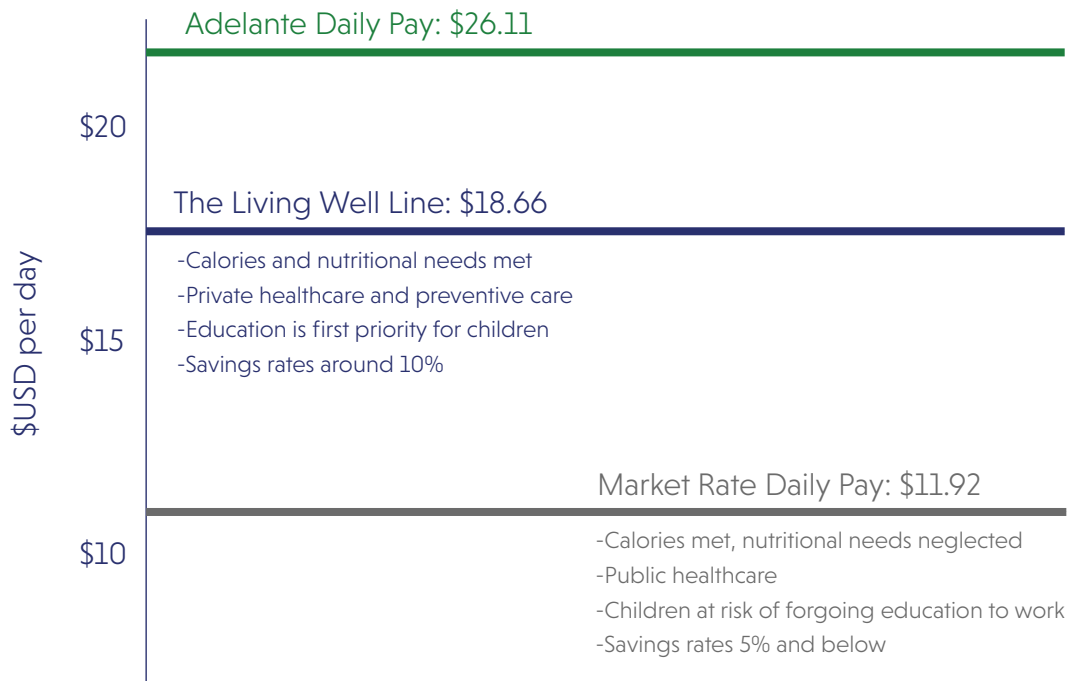


COMMUNITY LEVEL

If a critical mass of individuals within a community earn over the Living Well Line for a sustained period of time, then their increased wealth will catalyze broader ground-up community development.

Employee Breakdown

31 fulltime employees	\$519,556 paid in craftsman salaries
Average family size 4.4	Average age of 35
Ages range between 18-68	93% male, 7% female





Shoes for the Planet

Environmental Sustainability Objectives

Adelante's 2030 Environmental Sustainability Objectives are:

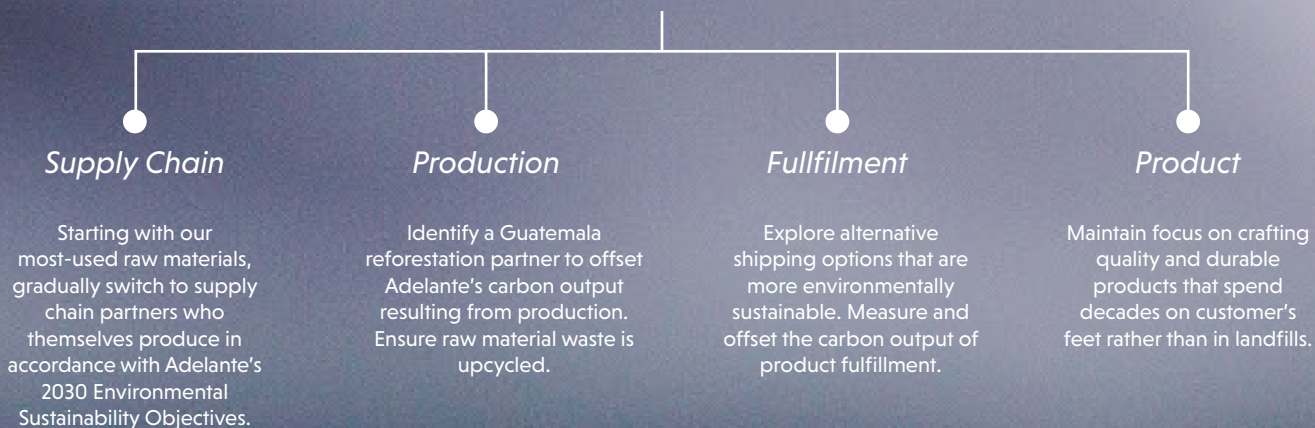


Operate an entirely carbon-neutral business, from the beginning of our supply chain through to product fulfillment.



Ensure that our supply chain, production process, and product do not contaminate waterways or other natural habitats.

Our Approach





Impact Measurement

Until proven effective, the Living Well Line theory of change remains just a theory.

To measure whether the Living Well Line is an effective approach to economic development, we measure our impact against a host of United Nations Sustainable Development Goals. The UNSDGs define development across a broad spectrum of economic, health, and equality indicators.

Direct Impact

SDG 8 – Sustained, full, and productive employment

Indirect Impact

SDG 1 – End poverty in all forms everywhere

SDG 2 – End hunger, achieve food security, and improve nutrition

SDG 3 – Ensure healthy lives and promote wellbeing for all

SDG 4 – Ensure inclusive and quality education for all

SDG 5 – Achieve gender equality

SDG 6 – Ensure availability of water and sanitation for all

SDG 7 – Ensure access to affordable, reliable, sustainable, and modern energy for all

SDG 9 – Build resilient infrastructure

SDG 10 – Reduce inequality within and among countries

SDG 11 – Make cities inclusive and safe

SDG 16 – Promote just, peaceful, and inclusive societies



Direct Impact

SDG 8: Decent Work and Economic Growth

2020

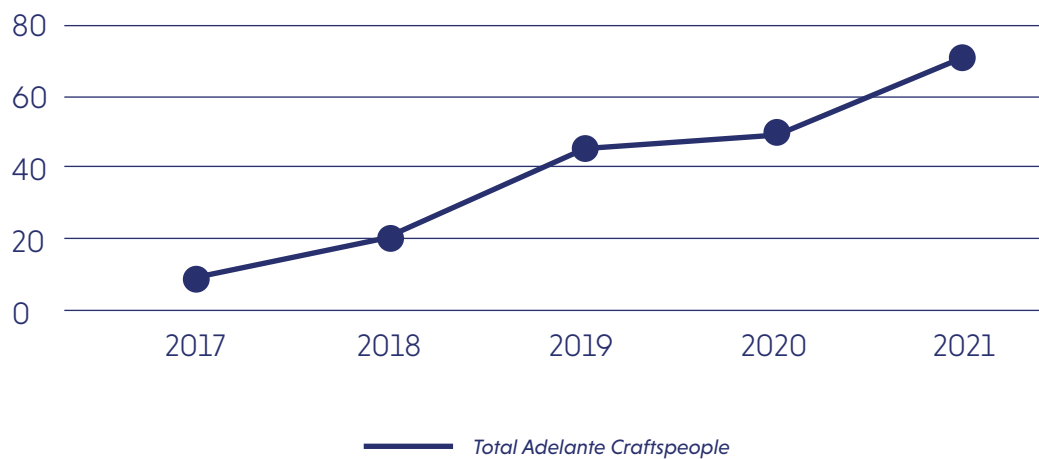
0 formal, full-time jobs created that pay over the Living Well Line

11 part-time, contract jobs created that pay over the Living Well Line

2021

5 formal, full-time jobs created that pay over the Living Well Line

31 part-time, contract jobs created that pay over the Living Well Line



Indirect Impact

SDG 1: End Poverty in All Forms Everywhere

2020

50 Guatemalans living over the International and National Poverty Lines

50 Guatemalans living in households with access to *basic services

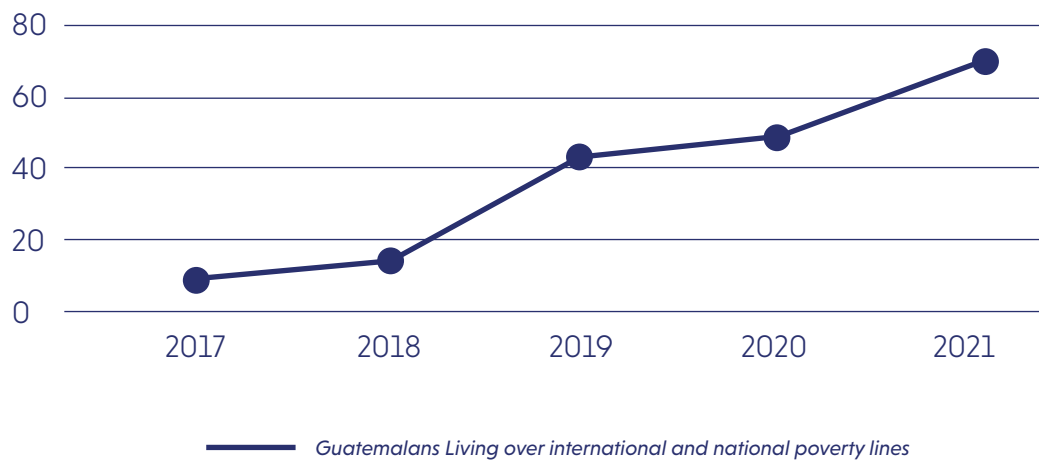
2021

73 Guatemalans living over the International and National Poverty Lines

• 46% year-over-year increase

73 Guatemalans living in households with access to *basic services

• 46% year-over-year increase



Craftsperson Spotlight

OSCAR ALVAREZ

"I've been making shoes since I was 11 years-old. My dad taught me. Now, I'm 29 and have been with Adelante for three years.

Before Adelante I worked from home for a few people in town. I prefer working with Adelante because I earn more, and because the workshop community is fun to be part of. I started working with Adelante right when my second child was born, and it's a good thing I did because we are now a family of five and I wouldn't be able to support us if I still worked from home. The consistency of work with Adelante, plus the option to work overtime and health care coverage for my whole family make it all possible.

One day I hope to own my own boot shop here in Pastores, and with Adelante I can save a little each month to move closer to achieving my goal."



One word to describe Adelante: **Family**

Continuing Employees

SDG 2: End Hunger, Improve Food Security, and Improve Nutrition

2020

100% of continuing employees regularly able to afford healthy food for their families

9.7% of continuing employees skipped a meal because they couldn't afford to eat

12.9% of continuing employees households ran out of food from lack of money

2021

95% of continuing employees regularly able to afford healthy food for their families
• -5% year-over-year decrease

14% of continuing employees skipped a meal because they couldn't afford to eat

0% of continuing employees households ran out of food from lack of money
• 100% year-over-year improvement



SDG 3: Ensure Healthy Lives and Promote Wellbeing for All

2020

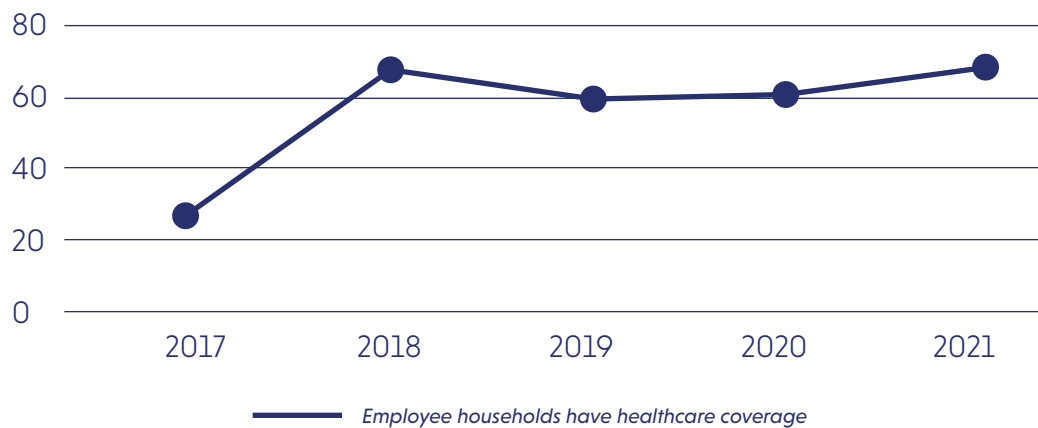
62% of employee households have healthcare coverage

100% of births in your family attended by skilled health professional in the past 2 years

2021

71% of employee households have healthcare coverage
• 15% year-over-year increase

100% of births in your family attended by skilled health professional in the past 2 years



Continuing Employee's Children

SDG 4: Ensure Inclusive and Quality Education for All

2020

65% of school age children in school

71% with basic computer skills

44% with advanced computer skills

100% literate and numerate

2021

47% of school age children in school

• -28% year-over-year decrease

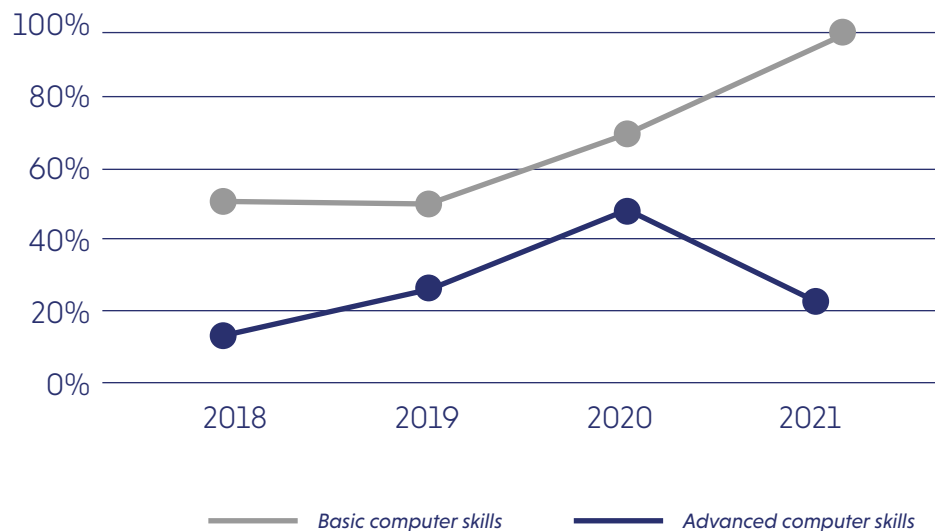
100% with basic computer skills

• 41% year-over-year increase

26% with advanced computer skills

• -41% year-over-year decrease

100% literate and numerate





SDG 5: Achieve Gender Equality

2020

6% of total employees are women

5% of new employees are women

94% of total employees are men

2021

7% of total employees are women

• 14% year-over-year increase

6% of new employees are women

• 23% year-over-year increase

93% of total employees are men

• -1% year-over-year decrease



Continuing Employees

SDG 6: Ensure Availability of Water and Sanitation for All

2020

52% of continuing employees have filtered drinking water at home

100% of continuing employees have a bathroom at home

100% of continuing employees have a sink with soap

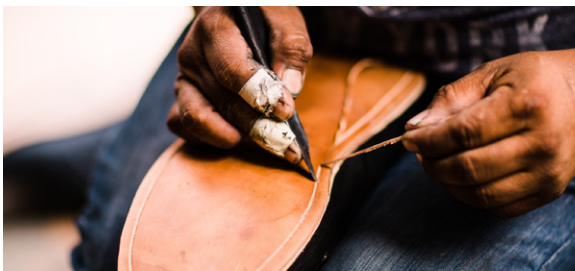
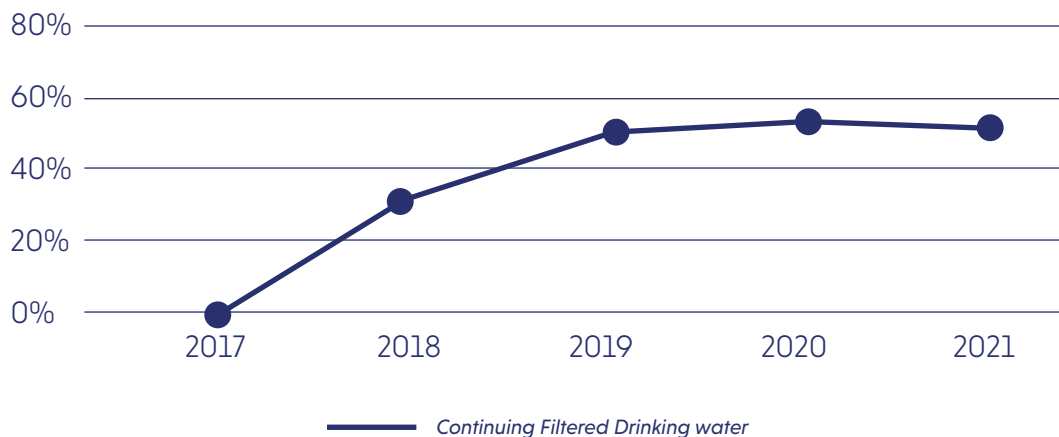
2021

50% of continuing employees have filtered drinking water at home

• -3% year-over-year decrease

100% of continuing employees have a bathroom at home

100% of continuing employees have a sink with soap



Craftsperson Spotlight

KAREN MELENDEZ

"I've been part of the Adelante team since I turned 18 years-old, basically since the beginning. I love working here. My favorite part is being part of the friendly work environment. Life is complicated, but Adelante has helped me to push forward.

I bought a motorcycle last year, and a car hit me earlier this summer while riding. I spent time in the hospital, and the police still have not returned my motorcycle. Then, as if that weren't enough, a relative defaulted on a bank loan that I had guaranteed. Adelante helps me to set aside a portion of my paycheck so I can repay the loan every month. It's not a small loan.

If it weren't for the steady salary at Adelante, I don't know where I would be right now. I'm just focused on continuing to move forward and working my way out of these things."



One word to describe Adelante: **Progress**

Continuing Employees

SDG 7: Ensure Access to Affordable, Reliable, Sustainable, and Modern Energy for All

2020

97% of continuing employees have electricity at home

45% of continuing employees have clean cooking stoves at home

2021

95% of continuing employees have electricity at home
• -2% year-over-year decrease

48% of continuing employees have clean cooking stoves at home
• 9% year-over-year increase



SDG 9: Build Resilient Infrastructure

2020

84% of employees have a mobile telephone at home

2021

99% of employees have a mobile telephone at home

• 17% year-over-year increase



SDG 10: Reduce Inequality Within and Among Countries

2020

81% of continuing employees identify as members of the middle class

79% of new employees self-identify as a higher social class after joining Adelante

98% of employees feel they have protected rights with Adelante

2021

71% of continuing employees identify as members of the middle class

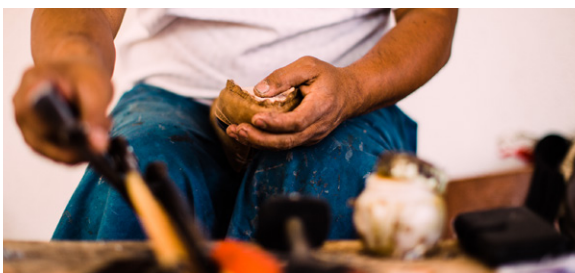
• -12% year-over-year decrease

74% of new employees self-identify as a higher social class after joining Adelante

• -6% year-over-year decrease

92% of employees feel they have protected rights with Adelante

• -6% year-over-year decrease



Continuing Employees

SDG 11: Make Cities Inclusive and Safe

2020

87% of continuing employees have adequate and safe housing

100% of continuing employees have accessible public transportation

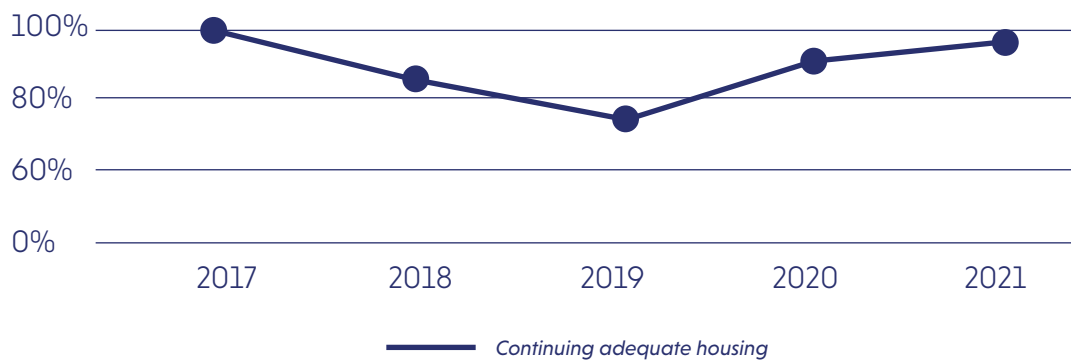
90% of continuing employees feel safe walking in the area they live

2021

98% of continuing employees have adequate and safe housing
• 12% year-over-year increase

95% of continuing employees have accessible public transportation
• -5% year-over-year decrease

81% of continuing employees feel safe walking in the area they live
• -10% year-over-year decrease



Craftsperson Spotlight

VICTOR ESTRADA

"I almost went to the United States to look for work before I started working with Adelante three years ago. I was an electrician, which was fun because I got to travel around the country, but I earned less and the work was inconsistent.

I have a family to support – my wife and two children – and I have relatives living in Ohio, so I was trying to save money to go. I've always liked the idea of a big adventure to go work in the US anyways. But now I'm building a house here for my family. It's better this way.

Sometimes I still want to go, but I don't have a good excuse anymore. Adelante is consistent, and the work is close to home. I miss traveling, but I get to spend a lot more time with my family."



One word to describe Adelante: **Wellbeing**

Continuing Employees

SDG 16: Promote Just, Peaceful, and Inclusive Societies

2020

3% of continuing employees paid a bribe to a public official in the past year

77% of continuing employees voted in a government election within the past year

2021

10% of continuing employees paid a bribe to a public official in the past year

• 233% year-over-year increase

64% of continuing employees voted in a government election within the past year

• -17% year-over-year decrease



A woman is shown from the waist down, wearing a mustard yellow, button-down dress with a side slit and dark green Chelsea boots with light brown soles. She is standing on a wooden stump in a garden with purple flowers and green foliage in the background.

 **ADELANTE**
MADE-TO-ORDER