

Faces of Hope

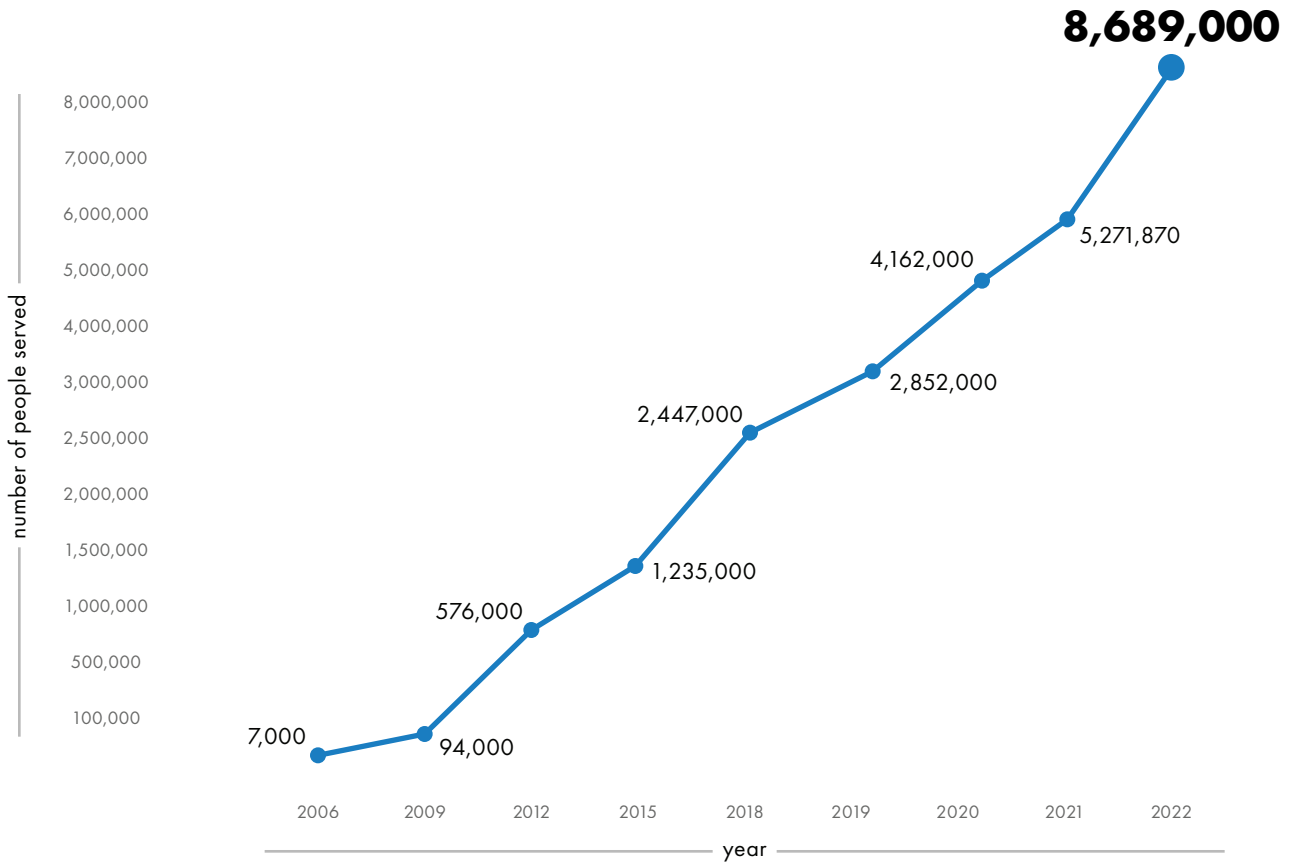
2022 ANNUAL REPORT



Safe Water Saves Lives

WATERSTEP REACHES OVER FOUR MILLION — In 2022, WaterStep impacted 3.4 million lives with access to safe water, sanitation and health education. Bringing our grand total to 8.7 million people served. To be exact, that is 8,697,007 people that have the hope of a healthier, more productive life!

Number of People Served, Since 2006.



As of December 2022, WaterStep has impacted the lives of **8,689,007** people around the globe.

Partnerships, Projects, and Training

International

	2015	2016	2017	2018	2019	2020	2021	2022
Number of Projects	25	70	96	25	261	392	484	604

Financial Analysis

Consolidated Statement of Activity

For Year Ended December 31, 2022

Revenues		
Total Income	\$	<u>1,878,000</u>
Expenses		
Programming (85%)		1,585,000
Fundraising (7%)		137,000
Administration (8%)		<u>150,000</u>
Total Expenses		<u>1,872,000</u>
Change in Net Assets		<u>6,000</u>
Net Assets at Beginning of Year		1,400,000
Net Assets at End of Year		<u>1,406,000</u>

WaterStep's Financial Notes

At WaterStep, we are proud to say that we accomplish our life-saving work around the world using minimal financial resources. This is possible because of the following:

- Our manufacturing team is comprised solely of volunteers which allows us to produce our safe water and sanitation equipment with zero labor costs.
- Our equipment is simple and straightforward making it easy to train others. WaterStep rarely incurs travel expenses because we train our field consultants virtually. They can then take the skills from our training and teach others around their communities.

It is typical for a non-profit's "change in net assets" to fluctuate between positive and negative from year to year, based on when project monies are received and used. For us, disaster relief funding and building renovation funding causes the majority of differences from years to years. Functional expenses classification percentages are within guidelines.

Letter from the Founder

The phrase, "Teach someone to fish and they'll feed themselves for a lifetime" reflects liberation. And, if tracked, these fishermen or women, might go on to teach hundreds of others how to fish.

At WaterStep, recruiting and teaching international volunteer field consultants how to save lives with safe water is never simply a one-off project. Once they see the possibilities, there's a passion to equip others with the same skill set. We watch what happens and even track data as they pass on our equipment and training around safe water, sanitation, and health (WASH). These field consultants go on to impact lives in wider and wider circles of influence.

The process looks like this:

1. Field consultants are empowered to make water safe, sanitize homes and institutions, and improve community health.
2. They become a catalyst for change by educating more and more people with WaterStep training and equipment. Sometimes they teach people how to sell safe water or make and sell disinfectant and thus escape poverty. Or help schools to provide safe water to the families of their students. Or help a community build a plan to change the way they manage trash, practice good hygiene, and sanitize bathrooms, kitchens and health facilities.
3. As they help others take on new projects, these experiences add value down the line.
4. New solutions benefit WaterStep's entire network with lessons learned and best practices shared.

This progression elevates everyone and fuels hope. People and communities can really be liberated from poor health, poverty, and despair. Over the years, we're witnessing transformational change. It's like throwing stone after stone after stone into a pond. The ripples turn into waves, colliding into each other and churning up the water's surface all the way to the shore. Everything changes.

I hope you're catching waves. Thank you for being an agent of change,

Mark Hogg, Founder and CEO





THE WATERSTEP NATION: WHERE ARE WE IN THE WORLD?



What Do Shoes Have to Do With Water?

If you live in Louisville, you have most likely seen a WaterStep shoe collection box at a local business around town. Or perhaps your child has come home with a flyer advertising an upcoming shoe drive at their school benefiting WaterStep. The notoriety of our shoe program continues to grow in Louisville and is now expanding to areas like Chicago and Cincinnati. When groups tour our facility we are often asked, "What in the world do shoes have to do with water?" This is a great question! The answer is our shoe program helps fund our water projects around the world – projects that have impacted more than 5 million lives through access to safe water and

improved sanitation. The shoes we collect are sold to an exporter and funds received are used to help bring safe water to those in need. There are currently more than 7 million people worldwide who do not have access to safe water. In addition to helping fund water projects, the shoes provide micro-business opportunities for people in the developing world, giving them a way to support their family and boosting the economy in their community. The shoes become affordable footwear for people who now have increased protection from disease, as a result of wearing shoes. We process an average of 15,000 pounds of shoes each month through our Old Louisville



Headquarters. Each shoe that comes through the building has to be sorted, creating many volunteer opportunities. We have volunteers sorting shoes M-F during business hours and we offer some after hours options as well. There are hundreds of schools, churches, businesses and other groups who host shoe drives for WaterStep throughout the year. We also have over 300 locations around town that are permanent collection sites for us. Thank you to all of our supporters who make our shoe program successful and who, ultimately, save lives with safe water around the world!



Breaking Free from Hopelessness



In East Africa, most women are in a desperate cycle of poverty. Forced to make poor choices, like stealing food for their children, they can end up being arrested and imprisoned. The women experience a feeling of hopelessness and are unable to imagine a future where things might look different. WaterStep Field Consultant, Humphrey Mechuma, has been working in East African prisons to improve water quality and sanitation practices within these facilities. Each institution is trained on our equipment: the M-100 ChlorineGenerator to make their water safe to drink, and the BleachMaker to make disinfectant. The disinfectant solution generated by the BleachMaker will kill viruses such as Ebola and COVID and can also be diluted for general household cleaning. Both pieces of equipment are incredibly inexpensive to operate and are fully sustainable. In the prisons WaterStep has been able to work in, the women are remarkably healthier

and their environment is sanitary. They have become empowered by learning how to manufacture their own safe water and bleach. Humphrey also trains the women on business practices and money management. Once released, they can sell these products in open markets and earn money, allowing them to

BREAK FREE FROM THE CYCLE OF POVERTY AND HOPELESSNESS



Now, A NO RISK Walk to Water

In the community of Nisungwi, in Tanzania, there are 189 children living in an orphanage established by the government and run by nuns. These children have albinism, and they are given up at birth by their families because there is a superstition in Sub-Saharan Africa that albino children are not human. They are hunted for their body parts and even killed, simply because they lack pigment in their skin, hair and eyes. They are thought to be ghosts or haunted beings. The children living in the albino orphanage in Nisungwi have been without a functioning well for almost a year.

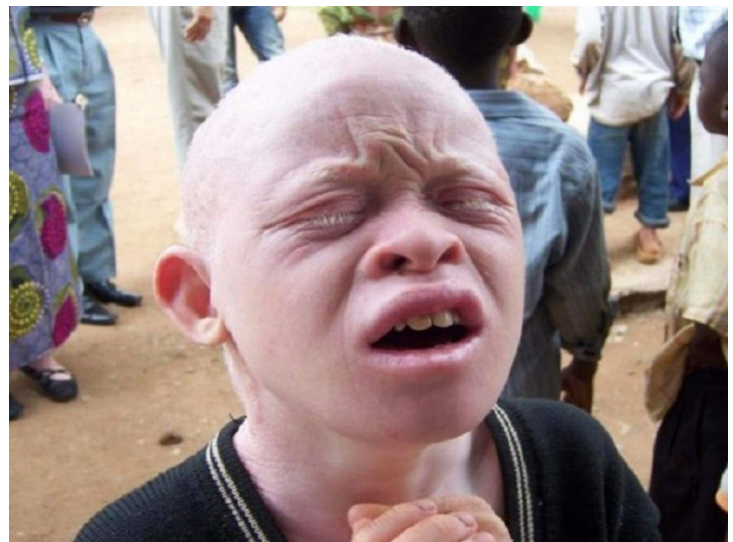
As a result, the children had to walk more than three miles to reach another water source. On the journey, they were ridiculed and had rocks thrown at them. They were also at risk of being killed or kidnapped every time they left the orphanage. WaterStep Field Consultant Jerald Melamba (pictured below) visited the orphanage and was struck by the terrible and demoralizing situation the children were in. He surveyed the broken well and within weeks, the well had a brand new hand pump and concrete pad and was functioning properly. Jerald also installed an M-100 ChlorineGenerator



to make the water safe to drink and gifted the orphanage with a BleachMaker so they can sanitize surfaces. Jerald told us, "When the children realized they could now get water right outside their home, they immediately knelt down and began praying in thankfulness. It was such a heartwarming moment. I don't have words to express how it felt to witness.

Thank you Jerald for bringing joy and peace to these children. We are so thankful to have you on the WaterStep team saving lives with safe water!

"I'M SO THANKFUL WE WERE ABLE TO HELP THESE HURTING KIDS."



WaterStep Collaborates to Send Additional Relief to Ukraine

WaterStep recently partnered with two other Louisville-based humanitarian organizations to send aid to Bucha Ukraine and other towns north of Kyev where victims are suffering from former Russian occupation. WaterStep sent 40 BleachMakers to provide disinfection in medical settings, SOS sent medical supplies and medications and Love the Hungry supplied fortified meals for the victims and refugees from the war. The 40 BleachMakers included in this relief shipment are in addition to the 100 BleachMakers WaterStep shipped out to Ukraine last month. These tools are portable, durable, sustainable, inexpensive to operate and are in high demand by medical centers and mash field hospitals in the red zones of Ukraine. The total value of the equipment sent thus far is \$63,000. We hope to send an additional 350 BleachMakers in the coming weeks and months.

In addition to the BleachMakers, WaterStep would also like to deploy a WOW (Water on Wheels) Cart to Ukraine. The WOW Cart is a mini-water treatment plant on wheels that is designed to provide safe water, disinfectant, and a power source in a disaster or war situation. WaterStep Founder and CEO, Mark Hogg, is pictured above demonstrating the WOW Cart for Louisville Mayor Greg Fischer when he stopped by our headquarters this week.

WaterStep is honored to be a part of Louisville's Ukrainian Task Force, a volunteer group with a desire to help Ukrainians, organized by the Louisville Metro Office for Globalization. The Metro Office has selected WaterStep as a trusted local nonprofit that is working to provide relief to the people of Ukraine.



The WaterBall to the Rescue!



In many countries around the world, the first thing women and children must do in the morning is to retrieve their family's daily water supply. They set out before dawn on a long journey for water. The average trip is 3.7 miles, one way. Then, they have to transport the water back to their home which they do by carrying large jugs containing 5 gallons of water and weighing 40 pounds on their heads. Some women will carry one jug on their head, one on their back and have a baby strapped to their chest. The WaterBall is a water transport tool that holds 12.5 gallons of water and easily rolls over any terrain. This tool allows for fewer trips to get water because of its increased capacity over the standard jug, and also makes the trips pain free because, while the WaterBall holds

more than 100 pounds of water, it is pulled or pushed with little effort. Our WaterBalls are highly sought after in the communities we serve because they make such a tremendous impact on the lives of the women and children who are tasked with getting water. Recently, some inventive folks in Kenya came up with their own WaterBall design while they waited for ours to arrive. We love their entrepreneurial skills! The WaterBalls are here! This group of women in Kenya were thrilled to receive 9 WaterBalls from WaterStep Field Consultant Humphrey Muchuma. All of these women are over 60 years of age and the woman on the far left is 96. She is known in her community simply as "mother". We are so thankful to have been able to provide a tool to make these lovely ladies lives easier.



The WaterBall can triple the amount of water a woman brings home. They can live with less pain.

Enterprising High School Students = Incredible Impact

The Our Lady of Mercy (OLOM) girls school in Chebukaka, Kenya has a reason to celebrate as their WaterStep Club, comprised of 35 students, launches a new safe water business. The school is fortunate, having had access to safe water and sanitation since last November when WaterStep Field Consultant, Humphrey Muchuma (pictured with the students below), trained club members on the M-100 ChlorineGenerator and BleachMaker. The principal at OLOM is thrilled with the impact safe water and improved sanitation has had on the students and

told WaterStep that the reduction in absenteeism has been tremendous. The first product launched by the club was OLOM Bleach. The students bottle the disinfection solution produced by the BleachMaker and label it with their custom labels. The bleach is sold in the community and the income generated goes to offset school fees for peers who are unable to pay them. They created an awesome commercial to promote their product. The bleach business has been incredibly successful, so they were ready to try their hand at safe water. All the students and faculty at the school

have access to purified water, but the girls in the WaterStep Club wanted those in the community to reap the benefits of safe water also. They created a new label for their OLOM Water, obtained the necessary equipment and came up with a business plan. Water would be bottled twice each week and sold for a little less than \$.04/bottle.

IT WAS TIME TO LAUNCH THEIR NEW BUSINESS!



Imagine a Day Without Water

For many of us living in the U.S., it's difficult to imagine not having access to water any time we need it. We go to the sink, turn on the faucet, and water is readily available to us. And, better yet, the water is safe and we don't have to worry that it will make us sick.

People living in the communities we serve around the world are not as fortunate. When they get up in the morning, the first task of the day for the women and children in the family is to go get water. Their water source may be a bore hole (which is a big hole in the ground that fills up with rain water), a pond or stream, or a well, and it may be miles from where they are living.

When we think about people living without access to water, we think about those in the developing world. However, the US Water Alliance and Dig Deep have identified there are two million individuals who experience lack of access to adequate drinking water and sanitation here in the US. Black, Hispanic, Latino, Indigenous, and low-income communities are more likely to experience this lack of water and sanitation than are white or affluent communities.*

October 20th is "Imagine a Day Without Water," a national day of action bringing together communities and policymakers to advance greater and more equitable water investment.

When a community experiences water contamination or shortages, they have no water to drink, prepare meals, bathe their children, wash their hands, flush the toilet, or do laundry. Firefighters can't put out fires, and farmers cannot water their crops. Hospitals would close without water.*

WaterStep responds daily to those living in the developing world without access to safe water. We also respond here at home when disaster strikes with our Water on Wheels (WOW) Carts which are mini-water treatment plants on wheels that provide safe water, sanitation and power to communities affected by disasters.

Thank you to all of you who have joined WaterStep Nation and support our efforts to save lives with safe water around the world.

Take a moment today and imagine living without that readily available water coming out of your kitchen faucet. How can you make an impact for those living without that luxury?

**Information gathered from www.imagineadaywithoutwater.org.*



WaterStep has BIG News!

WATERSTEP TO OPEN NEW GLOBAL OFFICE IN BUNGOMA, KENYA!

Claudia Daniels, Zacharie Tossou and Humphrey Muchuma teamed up to make the exciting announcement that WaterStep will be expanding our global footprint by opening a field office in Bungoma, Kenya. The office will be managed by WaterStep Ambassadors Humphrey Muchuma and Raphael Wanjala and they will be the faces of WaterStep in East Africa. Both men have been working with WaterStep for the last ten years and have had a tremendous impact building healthier communities in Kenya and surrounding East African countries. WaterStep has been fortunate to host Humphrey at

our Louisville headquarters this week. During his first trip to the US he shared with WaterStep staff and supporters how privileged and honored he is to have the opportunity to manage this new office in his own community. He announced from stage, "I'm excited that when the history of WaterStep is read many years from now, I will be a part of that history and this new global office located in Kenya will be part of that history."



Zacharie Tossou, WaterStep's International Development Director, said, "This new East African office is a game changer for WaterStep. It will provide a central location to link all the work being done in Kenya, Uganda, Tanzania and Zambia and allow that work to expand even further."

The Bungoma office will offer opportunities for extended training on equipment, space for groups to meet and strategize, and access to Humphrey, Raphael and other WaterStep field consultants during pre-set business hours.

Humphrey told us when he first began working with us ten years ago that he was going to make WaterStep a household name in Kenya. Congratulations Humphrey – mission accomplished!

Thank you WaterStep Nation for celebrating with us and for making this expansion possible through your love and support.



WaterStep has BIG News!

We are celebrating with Kenyan Field Consultant, Dida Daniel, who was just named the Kenyan Red Cross Youth Volunteer of the year! Dida was selected out of a pool of 260,000 volunteers and recognized as an individual who has the capacity to overcome adversity and solve humanitarian challenges. What an amazing accomplishment!

Dida began working with WaterStep in 2020 at the height of the COVID-19 pandemic. He teamed up with WaterStep Ambassador Raphael Wanjala to train institutional workers throughout Kenya how to use the BleachMaker to stop the spread of the virus. Today, he continues to

work in hospitals, clinics and schools in Samburu County educating and training on proper health and hygiene through his work with WaterStep and the Kenyan Red Cross.

Earlier this year, Dida was elected as Chairperson of the Red Cross Youth Board of Samburu County. In this role, he mentors and empowers youth while creating leadership opportunities for them. He also works alongside them to take away challenges that are impeding their efforts.

Dida – keep up the amazing work! We are so incredibly proud of you and blown away by the impact you have made in Samburu County, Kenya.



Conclusion

2023 IS SHAPING UP TO BE ANOTHER EXCITING YEAR AT WATERSTEP!

BY FOCUSING ON OUR FOUR KEY AREAS OF HEALTH AND WELLNESS, EDUCATION AND TRAINING, EMPOWERMENT, AND DISASTER RELIEF, WE WILL BE ONE STEP CLOSER TO OUR VISION OF LIVING IN A WORLD WHERE EVERYONE HAS ACCESS TO SAFE WATER.

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