



Healthy
Entrepreneurs

ANNUAL REPORT 2022

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MESSAGE FROM THE FOUNDER OF HEALTHY ENTREPRENEURS

FOUNDER'S MESSAGE

Dear All,

In 2022, we celebrated the 10th anniversary of Healthy Entrepreneurs. In the last 10 years we have laid the foundation for our expansion in the years to come. We successfully completed our mission to find a sustainable solution for last mile service delivery of health products and services. We tested franchise pharmacies, franchise drugstores, organized all kind of outreach activities from health facilities to conclude that the key lies in the hands of community health workers.



With this experience, Healthy Entrepreneurs is now one of the leading experts on last mile service delivery. And at the same time, we immediately admit there is so much more to learn and improve. The positive responses from all Community Health Workers (CHEs) in our network makes the Healthy Entrepreneurs team highly motivated to continue this journey to maximizing our impact.

Last year, we started our first operation in Burkina Faso in West Africa. In the coming five years, we aim to have operations in a minimum of five countries in West Africa. Like other new countries, we started with a market assessment and alignment of activities with the national ministry of health. In 2023, we expect to have the first 400 Community Health Entrepreneurs active.

Another important development for Healthy Entrepreneurs is the development and introduction of our eDispensing solution. This solution supports the controlled delivery of prescription treatments at the doorstep of homes in rural villages, under supervision of a medical doctor and pharmacist. In combination with telehealth, eDispensing is our solution for offering primary care services in rural areas where there are no medical experts around. The solution is primarily developed for chronic patients like hypertension and diabetes.

We expect the telehealth and eDispensing solution to play a key role in our future home-based care service delivery.

Another achievement in 2022 is the closing of the 2nd investment round with private investors. We are proud to present Philips Foundation Impact Investments and Madiro as two equity investors.

Invest International (previously known as Dutch Good Growth Fund) has committed herself providing additional working capital. With this investment, we secured funding to scale the network up to 150,000 Community Health Entrepreneurs by 2030. At this moment Healthy Entrepreneurs is 66% privately invested and 33% dependent on donor or grant money. The latter is primarily used for starting up new countries, developing new services and technologies.

In 2022, our effort in marketing and communication resulted in a strategy to use modern technology in further strengthening the relationship with our Community Health Entrepreneurs and our final consumers. We also developed our new logo.

In 2023, one of the key priorities is expanding the capacity of the global leadership team. At the end of the year, we aim to have a full global leadership team and global experts able to support the expansion of the network and the setup of operations in new countries. We aim to open activities in two new countries, knowing the Democratic Republic of Congo and Nigeria.

Another objective is the integration of our new home-based service provision in the national policies and strategies. One of the examples is the Kisumu County, where we work with the County Ministry of Health towards an integrated home-based care solution for service delivery for chronic patients in rural and remote settings.

New products and services in 2023 are an affordable and durable water filter solution, reducing the price of drinkable water to €0,001 per liter, with no need to use charcoal to cook water. Another innovation is the solar heated washing machine, which reduces the physical labor and significant time invested in washing clothes.

Next to further strengthening our partnership with national governments, we focus in 2023 on complementary parties working on improved service provision in the fight against malnutrition, supporting early childhood development and improved service provision for chronic diseases. With investors and funders, we explore ways to further and faster scale the Healthy Entrepreneurs model to maximize our impact in the rural communities.

Finally, I want to thank everyone for their work and assistance during 2022. My biggest thanks go to the almost 15,000 Community Health Entrepreneurs for their continuous effort in their communities, our colleagues in five countries supporting our mission daily, and finally to all donors, investors and partners supporting the growth of Healthy Entrepreneurs.

My best regards,

Joost van Engen

FOUNDER, CEO HEALTHY ENTREPRENEURS



GENERAL INTRODUCTION OF HEALTHY ENTREPRENEURS

INTRODUCTION

Over 600 million people in Sub-Saharan Africa live in remote and rural areas where access to high-quality, low-cost, clinical-based primary care is minimal. Walking for hours or even days to reach the nearest health center is only too real for them. Hosting 15% of the world's population Sub-Saharan Africa faces almost 25% of all health/illness-related issues. These have to be countered with only 3% of the world's medically trained professionals and 2% of the financial means spent on health care globally (Kaleidos Research 2015).

Improving access to high-quality, low-cost medicines, services and information at the community level or primary care and investing in community health workers (CHWs) is very cost-effective, especially in increasing children's health (USAID 2018). Each \$1 invested in community health workers, can have a return of \$10 due to an increase in the productivity of a healthier population, the potential decreased risk of disasters, such as Ebola, and the economic impact of an increase in employment; more people are working, generate an income and are, when needed, able to buy health products or services (USAID, 2015).

However, efforts to create cadres of community health workers have reached a limited scale; Lack of government budget and competing priorities results in only 13% of the CHWs in Sub-Saharan Africa receiving some form of payment (Taylor. C 2018).

It takes governments and NGOs a long time to develop adequate programs, set up reliable and effective distribution channels and recruit and adequately train health workers.

Structured evaluation of models for managing community-level healthcare is limited, resulting in limited insights into the effectiveness of healthcare interventions and models.

Healthy Entrepreneurs believes entrepreneurship is the sustainable solution to offer healthcare access to the most remote areas of Africa - especially if the solution can be offered at scale. Over the past years, Healthy Entrepreneurs scaled its operations in Kenya and Uganda and expanded to other Sub-Saharan countries in partnership with governments and other organizations. Today, we deliver long-lasting impact on scale in Uganda, Kenya, Burundi, Tanzania and Burkina Faso.

OUR CONTRIBUTION

1. Our customers adopt healthy behaviors when health information and curative and preventative products are available
2. Our work contributes to the well-functioning of the formal national health care system.
 - A. We provide health care where it would otherwise be absent
 - B. We improve availability of health care products
 - C. Our CHEs refer patients to neighboring health facilities when needed
 - D. In all areas we work, we collaborate with the local Ministry of Health
3. Our intervention directly contribute to Sustainable Development goals
4. Our interventions are more cost-efficient than other solutions offered in the market
5. Research has shown that regular supplies of health commodities lead to a 17-25% reduction in market prices
6. Research has shown that our entrepreneurs have increased their income twofold or more since they have started as an entrepreneur

WHO WE ARE

Goal, strategy and activities

The vision of Healthy Entrepreneurs is basic health care for everyone. Access to basic health care in the most deprived areas is an important key to development and self-reliance. We believe that the key to success lies in people themselves, as long as they have the chance to stand on their own feet.

Our mission is to train men and women to become Healthy Entrepreneurs, or independent health professionals. Through our network of entrepreneurs, a wide range of affordable basic health products and services becomes available through an effective distribution chain that reaches the very last mile.

The goal of Healthy Entrepreneurs is to train entrepreneurs and equip them with innovative and practical solutions that meet the health needs of families in remote areas.



Operating Model

Healthy Entrepreneurs (HE) is a social enterprise that manages a fully integrated end-to-end supply chain to deliver affordable and reliable health products and services via a network of trained micro-entrepreneurs to the most impoverished families living in rural areas. HE's product basket targets the health of children under 5 years with products like anti-malaria medications, zinc and oral rehydration salts, as well as sexual and reproductive health and rights for women and adolescent girls with items such as sanitary pads, condoms, and contraception.

Through HE's entrepreneurial micro-franchise model for delivery of basic health in remote areas, access to health care and reduced poverty go hand-in-hand. Selected health workers are trained and contracted as 'community health entrepreneurs' (CHEs). These CHEs provide trusted and targeted health information to their communities, using best-in-class digital aids built from World Health Organization (WHO) and UNICEF content. They also enable convenient, door-to-door and regular access to a wide range of affordable, high-quality health products, such as personal hygiene products, water filters, vitamins, and essential over-the-counter (OTC) medicines (e.g. paracetamol and anti-malaria pills). CHEs digitally manage their educational outreach, product stock, products and payments through solar-powered phones or tablets. By increasing health knowledge and bringing new products and services to previously unreached areas, HE generates income for traditionally low-paid health workers. Managing the full supply chain in each country, Healthy Entrepreneurs ensures the products' quality, availability and affordability, with prices ranging from 10 to 15% below market prices. HE has so far rolled out its model in Uganda, Kenya, Tanzania and Burundi and started activities in Burkina Faso in 2021.

HE creates substantial added value on several levels. Selected health workers become CHEs after investing an average of \$40 and receiving training to complement their previous health education with business skills. After finishing training, they receive a selection of health products, essential medicines, a solar-powered smartphone and periodic refresher courses, enabling them to offer health education in parallel with products to support a healthy life. The smartphone is an educational device to counsel families on healthy habits and a channel to place orders.

The driver of HE's sustainability and value proposition is our integrated supply chain, which allows us to control the movement of products from the manufacturer down to the Entrepreneur. This control reduces mark-ups along the chain of supply, and the cost savings generated from this allow for two things:

1. We pass products along to our Entrepreneurs of higher quality and lower cost than they can obtain elsewhere. They can sell the products to consumers at prices that are ~10-15% lower than what is commonly available on the market, while the products were already marked-up (between 20-35%) to earn a wage. CHEs earn an average of \$22 per month to complement their other income-generating activities. The highest performing Entrepreneurs are earning \$14 a day.

2. The cost savings generated by streamlining supply are substantial enough to cover Healthy Entrepreneurs' lean local management costs at scale. These cost-savings set Healthy Entrepreneurs apart from other direct sales models, such as Living Goods, because at scale the model can sustain itself from the savings generated through our supply chain optimization while continuing to sell products at lower prices in rural markets.

This scalable and sustainable system allows the HE organization to fulfil its mission and create a 20% margin, which is then used to finance local management and the cost of its operations. Grant funding covers the start-up expenses in new countries. This funding is mostly provided by governments and NGOs, such as the Dutch, US and Canadian governments and NGOs like Aidsfonds, Simavi, Philips, Boehringer Ingelheim. The CHE also provides a one-time investment to ensure his or her commitment.

A study from the Erasmus University Rotterdam and the Makerere University Kampala found a significant improvement in knowledge and access to basic care in the communities where Healthy Entrepreneurs' CHEs operate in comparison to communities without our presence. The research concluded that:

1. Households reached by CHEs have twice the odds of using modern contraceptives and have substantially more comprehensive knowledge of HIV and other STIs (46%).
2. CHEs had a substantially better availability of essential generic medicine (80%) and basic equipment. They were more motivated, referred twice as many patients, spent more time on health work (+20%) and followed more refreshment training.
3. The motivation and performances of CHWs who became CHEs, were positively affected by the opportunity to generate an income, the substantially better availability of essential medicine and basic equipment, and the organizational structure in which they functioned. The entrepreneurial approach provides CHEs with the incentives, products and equipment that improve and sustain their functioning.

The research team will in the near future submit two articles about these studies for publication in peer-review scientific journals. The articles will be published and available online soon.

Organization and Governance

Healthy Entrepreneurs is a social enterprise with a foundation and a limited liability company (Ltd. or BV) in the Netherlands. In addition, there are registered entities in countries where networks of entrepreneurs are currently active. These entities are responsible for identifying, selecting and training new entrepreneurs and for providing these entrepreneurs with products and services.

The foundation in the Netherlands is responsible for program management, for raising funding and for the allocation of funds towards the local operations. The limited liability company or BV in the Netherlands primarily support the local entities with the procurement of products, operational management, IT services, product innovation and reporting on its operational and financial performance. The company also supports the country offices in expanding the networks of entrepreneurs.

The Healthy Entrepreneurs Foundation is a foundation with an ANBI status. An agreement has been drawn up for the management of cash flows between the various entities. Any profits gained from the companies will be reinvested for the further roll-out of new entrepreneurs and for the social goals of the foundation.

BOARD STRUCTURE



COMPOSITION OF BOARD

- Joost van Engen MBA: Chairman, formerly IDA Foundation, founder Healthy Entrepreneurs, now Chief Executive Officer Healthy Entrepreneurs.
- Cees Rustenhoven MA: Treasurer, formerly finance director Haydom Lutheran Hospital, Tanzania, now Chief Financial Officer Healthy Entrepreneurs.

ORGANISATIONAL STRUCTURE



Joost van Engen
Founder and CEO



Hamed Arthur Yo
Country Director
Burkina Faso



Francis Robert Remesha
Country Director
Burundi



Isaac Miruho Nkola
Country Director
DRC



Arnold Ayoma
Country Director
Kenya



Mayowa Adeagbo
Country Director
Nigeria



Terek J. Hunter
Country Director
Tanzania



Tjerk Kuipers
Country Director
Uganda



IMPACT OF OUR WORK

Through the growing network of CHEs, we can reach the most challenging areas with interventions for sexual and reproductive health, maternal health, children's health, water, sanitation and hygiene and nutrition. Priority is combating malaria, pneumonia, diarrhea and malnutrition for children under five, which is done both through prevention and treatment.

As of 2022, we have activities in Uganda, Kenya, Tanzania, Burundi and Burkina Faso with a network of 12,000 CHEs, reaching 11 million people in remote and rural areas. New offices in Nigeria and DRC are in place and will start operations by 2023.

By 2022, HE had sold 28 million impact products, provided a substantial increase in income for CHEs (double their income) and 55% cost savings in health expenditure for rural families by reducing transport costs to health services and access to lower-cost health products for patients.

Health benefits from information and early detection

Well-trained and equipped CHEs can diagnose health issues in the early stages and patients can be treated or referred to a health center in time, a timely detection and treatment prevent further development and spreading. It also prevents high costs of surgery or palliative treatment and decreases the burden on the limited health care available and waiting times in health centers. HE ensures a constant supply of generic medicines, and it is not uncommon, that health centers refer their patients to the CHE when they do not have the medication available themselves.

Market and system change through being the example

The HE model is proving that servicing the last mile in a sustainable and professional way is possible. By showing this HE strives to be an example for many other African organizations and governments, by realizing a full financially self-sufficient/sustainable operation. Based on proven results, donors and national governments will learn that social entrepreneurship is not a threat, but complementary to their contribution. By offering health products and medicines for a competitive and affordable price, HE wishes to force the market to change their prices to a market comfort price.

Financial and economic benefits as a driver for sustainable change

Apart from health benefits, the HE model contributes to employment, which is essential, particularly in rural and remote areas. The CHEs earn a sustainable income from their activities by running their own business. Entrepreneurs can realize a significant increase in their income of 20% on average.

Particularly for women, entrepreneurship is an essential step towards empowerment and self-efficacy; their position in the community and family is strengthened significantly.

Our beneficiaries are families of five members on average, including a child of < 5 years, one adolescent, living in remote villages in one-room houses, earning less than \$2 per day. Families in remote areas of Sub-Saharan Africa spend an average of \$100 per year on basic health treatment (USAID 2016) of which only \$45 is on treatment and \$55 on transport costs. The nearest health center is – on average – 75 minutes walking distance away, or at a \$2 cost for transport.

In other words, 600 million people living in Sub-Saharan Africa represent 120 million families spending \$12 billion out-of-pocket on basic health. \$5,4 billion (45%) is spent on treatment and consultation and \$6,6 billion (55%) is spent on transport. The work of Healthy Entrepreneurs is focused on the most vulnerable population that is spending at least twice as much on basic health due to distances to the health care provider.

Our social business case – proximity to health care is key

Healthy Entrepreneurs offers its products and services at a minimum of 10-15% lower than the market price and offers the end-user a saving of 55% of the annual expenses – money that can be spent on healthcare or other expenses like seeds or school fees. The social business case of Healthy Entrepreneurs is about optimizing the current out-of-pocket expenses and builds on existing funds available in the market.

A burden or a market opportunity

Expenditure on basic health of rural families in sub Saharan Africa

A rural family	
Treatment	\$45
Transport	\$55
<hr/>	
Total	\$100



Potential savings OR estimated market size of \$6.6 billion

THE YEAR 2022

Moving past COVID into new challenges

In the last two years, our annual reports have been opened with an update on COVID-19. This year, COVID was no longer one of the primary concerns in the countries Healthy Entrepreneurs operate in. COVID seems a relic from the past, although that's not the full story. At the same time, we experienced other health challenges in Africa, especially in Uganda with an Ebola outbreak, starting on 20 September 2022.. The outbreak started 200 km from Kampala, in Ngabano, a village of Madudu sub-county in Mubende District. At the time of the outbreak, we had one Community Health Entrepreneur active in Ngabano, with 23 active CHEs in the Madudu sub-county.

At its height there were more than 150 Ebola cases in nine districts in Uganda, including Kampala itself. So far, the national government, WHO and other partners are focusing on tracking cases aiming to get control of the outbreak. On the 11th of January 2023, the Ugandan authorities declared the end of the Ebola disease outbreak, less than four months after the first case was confirmed in the country's central part of Mubende district. HE has supported their CHEs with protective gear and education materials and hence HE was able to continue delivering health care products to the CHEs in the targeted areas using SOPs.

COUNTRY UPDATES

Uganda in 2022

In Uganda, HE has scaled to over 40 districts and has trained 4028 CHEs in total, of which 53% are women and 32% below the age of 35 years. In 2022, HE invested in the design and implementation of an eDispensing solution (see innovation section). The eDispensing will allow CHEs to expand their services and add medication for diabetes and hypertension to their services, thereby increasing their monthly revenues and allowing for better care for patients with non-communicable diseases (NCDs).

In 2022, we increased the number of products sold via our CHEs from 26 million in 2021 to 45 million total units, with significant increases in the sale of family planning, medicines, nutritional products and personal care products.

There has been a decrease in diagnostics sold, mostly due to less COVID antigen tests being sold. However, the number of malaria and pregnancy tests sold has increased in 2022. Furthermore, in partnership with the Challenge Fund, we continued to create job opportunities for voluntarily CHWs enrolled in our CHE program and improve existing jobs of existing CHEs.

A growth strategy has been developed, tested and implemented, as well as a training program for leadership and HE staff with the support of Randstad TA. Currently we are looking for additional TA to continue developing and implementing the developed modules.

HE has also hired additional resources to support scaling of the business and new innovative services. Key hires were a new country manager, data analyst, medical doctor and sales manager.

Uganda: Innovation

New strategies have been discussed and tested to attract more young talent and create alternative jobs for these youth to contribute to youth employment in Uganda. We have made changes in the project plan by reducing the target number of CHEs and adding alternative types of jobs, such as a better staffed Commercial Cluster support team. The Commercial Cluster Support (CCS) team will be introduced to an additional product basket (consisting of water filters, solar soakers and nutrition products). Currently the solar soaker is in development, and we expect to start training the first CCS in Q2 of 2023.

HE also aims to produce portable, solar powered, washing machines in collaboration with Unorthodox financing. The new project will be implemented in 2023 to ensure that targets are reached. The solar machine (solar soaker) is not a real machine, but more a handy basket which uses solar to clean dirty laundry. The distribution of the solar soaker will lead to new additional jobs, both in rural areas as well as in the urban areas of Uganda.

HE has also invested a lot in the development of the eDispensing solution. The new eDispensing platform is under development and the technology will be used to scan barcodes that match treatment packages. HE aims to roll-out the eDispensing solution in Q2 of 2023, whereby existing CHEs can improve their job by receiving access to the eDispensing solution and NCD treatments.

Uganda: Training and Development

HE has also worked on improving jobs of existing CHEs. At the start of the year, the training curriculum has been adjusted to focus more on business skills and growth. A training module was developed that focusses on investing in the business and reviewing the business case. CHEs trained in level 2 and level 3 received additional business training and skills.

CHEs were also trained using new and improved training tools and received access to treatment for infections, family planning and peptic ulcers. The CHEs received additional gender-responsive training and were trained on the usage of DMPA-SC.

The Area Managers of each district have received additional training in managing their operations and supervising their area team and are now supported by digital dashboards to monitor the performance of sales in their area.

All staff are scored and appraised on their performance on a monthly basis and personal development growth. The GESI training is provided to start the discussion of gender responsiveness and how to ensure we support our female CHEs. Uganda:

LESSONS AND ADAPTATION

Talent Attraction & Retention

Lessons attained in 2022 by the HE management team, include understanding the dynamics of the CHEs, how to retain them, and most importantly how to attract a more diverse group of CHWs.

A strategy to attract younger CHWs, and to improve their businesses includes focusing on digital innovations and products specifically targeting youth. In 2022, HE invested in expanding the product basket with more contraceptive methods (DMPA) and HIV tests. These products are especially in high demand among youth and younger people, making the business attractive for their young CHE peers.

Product and Service Demand

We realized that there is a high demand for water filters, solar soakers and other (more complex) health products. The CHEs are often occupied with medical work and have limited capacity to promote these items. Therefore, HE will offer an opportunity to clusters to select one peer from their community that will start an alternative HE business and sell these products in their community.

There is a high need and demand for the eDispensing solutions from international and national partners. Ministries are recognizing the gap in the market and are excited about the solution proposed by HE. HE has secured letters of support to start piloting and implementing the eDispensing solution in 2023.

Kenya in 2022

As predicted, 2022 being an election year, the expansion was slow, since HE always works with the County Ministry of Health focal persons. Despite this challenge Healthy Entrepreneurs continued to create opportunities for CHEs with its unique business model. In the first year of implementation, Healthy Entrepreneurs scaled to the counties of Nakuru, Marsabit and Kakamega, and trained 450 CHEs, of which 75% are women and 29% below the age of 35 years. Overall, the network of CHEs in Kenya has grown to 2,000 CHEs in total.

Healthy Entrepreneurs continues to ensure that our trained entrepreneurs experience an increase in income and a decent career path whereby new health services can be added, based on technology-supported quality control and guidance. Throughout the year we have been able to introduce and scale-up in new counties such as Marsabit, Kilifi and Nakuru, thereby increasing the operation capacity, prompting the increase of staff with at least fifteen new sales officers and improved the overall capacity for the team through staff peer to peer group training.

Kenya: Innovation

To empower the CHEs better at their cluster level, we introduced small stock at cluster level named Hazina Hub, which work to ensure access of product/stock by the CHEs whenever in need without having to wait for the monthly/bi-weekly delivery and improves their income.

HE has put emphasis on investing in the digital space and applications, which are very key to the youth population and to serve the communities in a holistic way. One of the innovations that HE has been able to develop during the year is the e-Dispensing solution which is currently at the prototype stage and being tested with different stakeholders for its practicability. One challenge is to get the legal framework approved since this is unique in the community health ecosystem.

Kenya: Learning and Development

HE Kenya also started rolling out new structures, policies and strategies. Having the right training materials was key in ensuring the quality of enrolled new CHEs. One of the strategies taken at the beginning of the year, was to improve the training program and adopt more adult-based learning techniques.

With the assistance of the available Uganda materials, the Kenyan team incorporated it into Kenyan material, adopting it to the local context. L&D experts (through TA) provided training to the team, providing guidance on the material's content and improving the team's training skills. The HE team, with support from the Erasmus University in the Netherlands and L&D experts has

also developed a curriculum to improve the jobs of existing CHVs. It is based on a gamification of business training, client identification and revenues. During the training, CHEs practice how to run their business and use their profits better with a specially designed so called “Biashara Game”.

The curriculum was assessed and adopted to be used in training of the newly onboarded. The Game is now also adopted in Uganda and Burundi.

Kenya: Recruitment and Capacity Building

The growing number of CHEs has led to an increased need for more staff being hired to support the scaling of the model, especially in Supply Chain, Finance & ICT and the Sales team. All new staff followed an onboarding program in which they received introductions per department, field visits and HE value training. This was achieved mostly through the peer to peer interdepartmental organized and structured training.

Kenya: New IT Support Tools

On IT technical support, HE was able to revamp the Odoo system and upgrade to a more updated version, which will be able to incorporate the revolutionary HE e-Dispensing solution, a tool to improve the work of our CHE impact on our quest to be a futuristic homebased care solution. Furthermore, as part of the technical support, HE worked with Proportion Global on the Human Centered Design study to identify barriers and enable CHE to retain. To achieve this, we were able to conduct interviews with prospective CHEs with existing CHEs.

In general, the TA offered especially on human resources, brought a positive impact to the organization’s human resource operation, while a strengthened IT has put the organization among the strategic futuristic companies in home-based care solutions.

Tanzania update

In Tanzania, the business continues to grow in the same way as last year. However, there are some challenges due to competition from ADDOs (legal/illegal) and the inflation. With a small but efficient local team, we continued our autonomous growth and built a sound basis for further investments. To further scale up the network of entrepreneurs, we are exploring opportunities for making a significant investment in Tanzania. The first responses are quite positive, especially from the local government.

Although we had doubts about the investment climate in Tanzania during the last couple of years, we are now convinced that things are changing. A further scale-up would align with the new strategic plan and fits quite well in how we scale up our business in Eastern Africa.

Burundi update

Since November 2021, HE Burundi has scaled to three health districts: Gahombo, Mutaho and Gitega and has recruited, trained and enrolled 613 CHEs in total (56% Female vs 44% Male) by end of 2022. Training and learning tools have been improved to support the CHEs to grow their business and provide better services in the fields of SRHR, HIV, nutrition and ICCM.

During cluster meetings, refreshing training has been conducted to ensure the CHEs do not only have products but also that they are knowledgeable about health issues, prevention, business and product knowledge. Existing CHEs have benefited from refreshing training and trained CHEs had been onboarded with the new training materials like Carte Kaju and other updated contents from HE health app in the local language.

In February 2022, we focused our effort on the improvement of our SRH services in the CHEs' basket by adding condoms (Prudence class) in our basket through PSI collaboration. So far, we have provided 1238 condoms just in Gitega health district. We expect to sell more in the coming weeks, following the HE Burundi expansion plan (see annexes).

Due to the conflict on free contraceptives in community through government CHWs, HE planned recruitment of private community health workers to get a private CHE network which can serve contraceptives such as Sayana-Press in the last mile communities using HE supply chain. Furthermore, HE has made investments to design and implement a eDispensing solution. The eDispensing will allow CHEs to expand their services and add medication for diabetes and hypertension, but also sexual and reproductive health and nutrition services to respond to the need of the community through an integrated healthcare approach.

BUSINESS DEVELOPMENT

As part of our business development plan, we are working on expanding to new countries. We are currently working towards either Ethiopia or Ivory Coast to start an operation next year. The final decision will be taken in the first half of 2023.

In parallel we are exploring the first replication of the Healthy Entrepreneurs model in Nigeria, together with a replication partner called My Medicines, which is led by Abimbola, the female entrepreneur of the year in Nigeria. Abimbola is also an Ashoka fellow.

We are working on a proposal for collaboration in the Kaduna state, aiming to have more than 2,500 CHEs active by 2026. My Medicine has significant experience in the pharmaceutical business, including supply chain, automation, access to producers etc. To this, Healthy Entrepreneurs brings experience, technology, systems and other innovations.

The grant funding for the start-up costs in Nigeria comes from Bayer Foundation, who also brought complementary partners with agri experience and logistic capacity.

The setup is a joint venture where Healthy Entrepreneurs has an option to become co-owner, to be decided after three years of grant funded activities.

INNOVATION

eDispensing

The eDispensing solution is completing our proposition of providing quality and affordable care in a controlled way through our network of Community Health Entrepreneurs. In the previous report the concept was explained, (below a link to a brief explanatory movie to explain the innovation).

<https://www.youtube.com/watch?app=desktop&v=Symv8Tr204Y&feature=youtu.be>

In 2022, we have finalized the design of the technology (application), which is currently being developed and is expected to be ready for the first field trials in 2023. In parallel, we have finalized the list of products and services offered using e-Dispensing.

We will initially focus on chronic patients with hypertension, diabetes, and arthritis. In the second stage, we will include infectious diseases like urine tract infection, skin infections etc. In parallel, we are having conversations about home deliveries of patients on treatment for HIV and tuberculosis.

We have completed and produced the packaging to prepack the different treatments. And we have developed and implemented the procedure for prepacking at large scale. The materials for training CHEs are ready as the materials and internal procedures for ordering prescription treatments.

We have presented the case to ministries and local governments who unanimously responded positively to the proposed solution. According to them, the e-Dispensing solution responds to long standing challenges of quality of care, drugs resistance, self-medication, affordability of service provision and lack of human capacity to serve the complete populations.



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IN ANY CORRESPONDENCE ON
THIS SUBJECT PLEASE QUOTE NO. ADM 105/309/03



Ministry of Health
P. O. Box 7272
Plot 6, Lourdel Road,
Wandegeya
KAMPALA
UGANDA

17th of October, 2022

The Executive Secretary

The Uganda National Council of Science and Technology,
Kampala Uganda

Dear Sir,

RE: Letter of Support For "Hypertension and Diabetes Services in rural and Remote areas in Uganda by Healthy Entrepreneurs through innovative e-Dispensing model."

The Ministry of Health (MOH) recognizes the growing burden of NCDs in Uganda and the need to develop innovative solutions and frameworks aimed to provide quality healthcare for patients suffering from NCDs such as diabetes and hypertension in rural and remote areas in the country.

The aim of using e-Dispensing technology is to offer quality care via telemedicine services while controlling the distribution of medication. This innovative solution seek to provide community based care for patients suffering from diabetes and hypertension through the network of Community Health Entrepreneurs (CHEs).

The MoH in collaboration with Healthy Entrepreneurs will be conducting joint research to emphasize on the effect of using such an innovative method of delivering healthcare to rural and remote areas in Uganda. The Ministry of Health shall also supervise the service to ensure quality care delivery at all levels.

The purpose of this letter is to recommend this research for your review and approval.

A handwritten signature in blue ink, appearing to read 'J. W. ...', with a long horizontal line extending to the left.

The solution offers the opportunity to respond to ongoing pandemics like tuberculosis and HIV. It also resolves the known issue of chronic patients who have never been treated.

We have met representatives of the non-Communicable disease department, the Pharmacy Department, the Community Health Department in both Burundi, Kenya and Uganda.

We have submitted several proposals for grant funding to scale the solution with interesting value for money propositions. With an investment of €500,000, we can onboard 15,000 CHEs to offer sustainable telehealth and e-Dispensing services for 1,125,000 chronic patients in their communities.

Technology

In Q4 2022, we made an upgrade of our ERP system called Odoo. There were multiple reasons to upgrade the system, primarily additional features serving our customers better as much as the speed of the system. In practice, the upgrade did not offer the exact expected improvements yet, primarily as the speed has not reached its full potential. In the coming month, we will ensure increased speed but also explore if Odoo is the right system for an organization growing at our pace. We are also working on designing a system to register activities of CHEs in the field, including household registration, activities conducted at household level, targets setting and monitoring performance and digital reporting to governments and donors.

The system is designed on the opensource medic platform (<https://medic.org/>). There are several reasons for working on this platform: It is community health focused, works offline, has low maintenance costs (as most is covered by Medic) and is the standard for reporting in Kenya, Tanzania and Uganda. The platform also offers options to include workflow or job aids and health educational materials.

We expect to start testing this solution beginning of 2023, aiming to implement it on scale in the course of the year.

Another innovation we are currently considering is a solution using vouchers, called Medivoucher (<https://portal.vouch.services/#>). This solution offers digital vouchers which patients, or their family members living in urban Kampala or Nairobi, could buy. It could also be used by international development partners investing in health service provision by CHEs in rural and remote settings.

The voucher scheme offers the opportunity to identify the poorest 10-15% of the population living in rural settings who cannot afford healthcare.

Vouchers enable us to identify and serve this category by providing vouchers to pay for their service provision. The benefits are both allocating targeted donor money to reach and serve the most vulnerable people and increase the customer base of the CHEs at the same time. In the future, we could consider crowdfunding campaigns to directly contribute to affordable, sustainable, effective and reliable healthcare provision.

Marketing and communication strategy

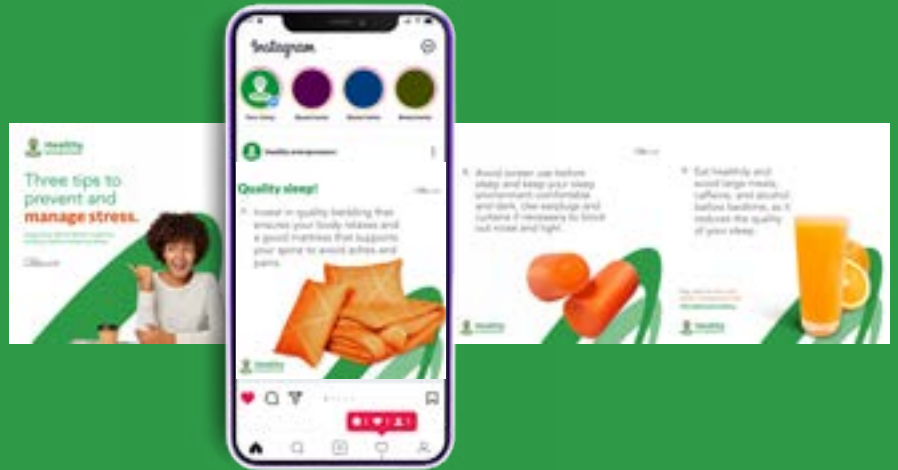
In 2022, Healthy Entrepreneurs adopted a new logo. This is one of the results of the marketing and communication strategy.

We have also finalized the Healthy Entrepreneurs brand book. The brand book includes aspects like our story, brand persona, logo, brand assets, tone of voice, colors and graphics. Our experts have spent significant time in the field, obtaining the right tone of voice and graphics required to respond to the needs of our CHEs in the field.

In the coming month we will implement the marketing and communication strategy in all countries where Healthy Entrepreneurs operates. We have developed strategies for all key stakeholders, primarily our patients and our CHEs but also for governments, donors and investors.

SOME IMPRESSIONS OF OUR RECENT WORK

DIGITAL MARKETING AND HEALTH EDUCATION



BETTER VISION CAMPAIGN



VIDEO EDUCATION

KNOW YOUR CHE CAMPAIGN



RESPONSIBLE BUSINESS CONDUCT

Healthy Entrepreneurs positions itself as a social enterprise, for which responsible business conduct is an integral part of its business operations. Healthy Entrepreneurs is compliant with the OECD Guidelines for Multinational Enterprises.

The OECD Guidelines for Multinational Enterprises (MNE Guidelines) are comprehensive international standards for responsible business conduct, which cover all major areas of business ethics.

In this way, Healthy Entrepreneurs has set up and implemented a whole range of policies, guidelines and procedures which steer and control the way we do business, and which determine our behavior towards our network of entrepreneurs, end customers, employees, suppliers and other stakeholders.

The main objectives of our policies can be summarized as follows:

- Improved healthcare by creating healthy business and healthy lives
- Creating a safe and sustainable environment for all stakeholders
- Act responsibly towards people, planet and profit

We accomplish this by stimulating awareness with regular training among our staff and entrepreneurs. Healthy Entrepreneurs requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

These high standards are reflected in our policies, procedures and guidelines. As our organization has grown tremendously in the past years, we felt the need to broaden our range of policies and procedures in the light of our corporate responsibility. As a result, Healthy Entrepreneurs has set up and implemented the following policies:

- **Anti-corruption Policy:** Healthy Entrepreneurs is committed to the principle of zero tolerance towards corruption. The Code of Conduct rejects any form of corruption. Corruption can take many forms such as: bribery, theft, embezzlement, extortion, exploitation of “conflict of interest”, fraud, granting or receiving unlawful compensation, money laundering etc.
- **Modern slavery and human trafficking Policy:** we do not tolerate slavery, trafficking or forced labor in any part of our business or supply chain.
- **Conflict of Interest Policy:** employee’s or director’s personal interest may not contradict the interest of the company.
- **Whistleblower policy:** this policy is intended to encourage and enable employees and others to raise serious concerns internally so that HE can address and correct inappropriate conduct and actions.

- **Prevention of sexual exploitation, abuse & harassment Policy:** Healthy Entrepreneurs is committed to a workplace that is free from sexual exploitation, sexual abuse and sexual harassment. All of us have a responsibility to act in an ethical and transparent way to build a respectful working culture that rejects inappropriate behavior, and where staff, partners and communities feel supported and valued.
- **Safeguarding and Child Protection Policy:** this policy affirms Healthy Entrepreneurs' commitment, under the United Nations Convention on the Rights of the Child (UNCRC), to keep the children in our global operations and programs safe, protected from harm and uphold their rights.
- **Data Privacy and Data Protection Policy:** this policy details how Healthy Entrepreneurs handles Personally Identifiable Information in accordance with Relevant Laws. Our protection standards need to be compliant with the European General Data Protection Regulation (GDPR) as well as with the Data Protection and Privacy Act 2019 in Uganda and the Data Protection Act in Kenya.
- **Environmental Policy:** this policy is to prevent and control potential risks to the environment. It acknowledges the impact of our activities throughout the value chain, from the sourcing of materials, through packaging, distribution, sales and marketing, to the use and consumption of our products.

In our view, these policies are concrete tools to set up and manage our operations in such a way that it strengthens the local communities and the environment, instead of contributing negatively to them. To be fully compliant, we will organize (refresher) courses about our policies and guidelines among our staff and other stakeholders.

It's our ambition that these policies become an integral part of the way we do business. That starts already with the way we recruit, select and hire new staff and new entrepreneurs. It's also reflected in our procedures, (employee) manuals and other guidelines.

All the activities reflected in the ambitions for 2023 are related to our responsible business conduct. It's not that we only feel responsible, but we are also convinced that such a social investment will pay off financially, both for HE as well as for our entrepreneurs. This is how HE would like to do business and how we would like to become a changemaker in the lives of poor people.

STATEMENT OF INCOME AND EXPENDITURE 2022		
Income Statement	2022	2021
Income	2.341.502	1.435.566
Project Expenses	2.342.608	1.446.465
Other Income		
Results	-1.106	-10.899
Other Expenses		
General Expenses	5.540	11.875
Operating result	-6.646	-22.774
Financial income and expenses	-9.507	-8.543
Share in results of subsidiaries and participating interests	-	213
BALANCE OF FUNDS	-16.153	-31.104

BALANCE SHEET 2022		
	2022	2021
Financial assets	-	4645
Trade receivables	2.214	-
Other receivables	413.508	-
Accrued income	210.435	248.060
Cash and cash equivalents	98.359	309.477
Total assets	724.516	562.182
Equity – reserves	24.504	40.657
Other related parties	660.099	459.646
Trade payables	23.595	2.135
Other payables	16.318	59.744
Total liabilities	724.516	562.182