



Healthy
Entrepreneurs

ANNUAL REPORT 2023

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Healthy
Entrepreneurs

HE ANNUAL REPORT 2023

MESSAGE FROM THE FOUNDER OF HEALTHY ENTREPRENEURS

FOUNDER'S MESSAGE

Dear All,

For over a decade, our collective efforts have laid a robust groundwork for the expansion that lies ahead. We've pioneered a sustainable model for delivering healthcare services to the last mile in rural and underserved regions across various developing nations. Our journey with franchise pharmacies, drugstores, and extensive outreach at the health center level has led us to a pivotal realization: community health workers are essential for scalable and consistent service delivery.



Over the past seven years, our approach with community health workers has been meticulously developed, tested, refined, automated, standardized, expanded, and replicated. Our operations in each country are conducted in close collaboration with national health policymakers and local authorities to ensure integration in the national systems and seamless implementation.

Today, Healthy Entrepreneurs stands as a vanguard in last-mile service delivery, yet we recognize the journey of learning and enhancement is ongoing. The encouraging feedback from our network of Community Health Workers fuels our commitment to amplify our impact further.

In 2023, we embraced a marketing and communication strategy that harnesses modern technology to fortify our bonds with Community Health Entrepreneurs (CHEs) and end-users. This year marked the initiation of our training program for CHEs in Burkina Faso and DRC, with expectations of considerable expansion in these areas. Moreover, we've launched our operations in Nigeria, welcoming the first cohort of CHEs this year.

A significant innovation has been the introduction of our eDispensing system, which guarantees the regulated distribution of prescribed medications directly to rural households under the supervision of healthcare professionals. When integrated with telehealth services,



this system delivers essential primary care to locals devoid of medical specialists, offering a lifeline to chronic patients managing conditions such as hypertension and diabetes. This advancement has already demonstrated immense value for home-based care providers.

Throughout 2023, our leadership circle grew with the addition of Nick van der Sande as Chief Operation Officer and Teresiah Nderitu as Chief Commercial Officer. Looking ahead to 2024, our goal is to enhance the synergy between our international and local teams.

Our strategy includes weaving our home-based services into the fabric of national healthcare policies. A prime example is our partnership with Kisumu County's Ministry of Health, where we're crafting a comprehensive home-based care model for chronic illness patients in remote areas.

The coming year is set to unveil groundbreaking products and services. Notably, a cost-effective water filter that slashes the price of portable water to just €0.001 per liter, and a solar-powered washing machine designed to alleviate manual labour and conserve time. Additionally, we'll be fortifying alliances to tackle malnutrition, foster early childhood development, and enhance services for chronic diseases.

We are grateful for the contributions of our 20,000 Community Health Entrepreneurs, colleagues across seven nations, and the unwavering support of our donors, investors, and allies. Your support is essential for our mission's success, and we look forward to another impactful year together.

Thank you all for your dedication and hard work in 2023.

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 information, services and medicines at the community level or primary care and investing in community health workers 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, if the solution can be offered at scale. Over the past years, Healthy Entrepreneurs scaled the 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 Amref, CARE, Philips Foundation, Bayer Foundation. 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 has submitted several articles about these studies for publication in peer-review scientific journals (see: <https://www.healthyentrepreneurs.nl/publications/>)

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.
- Thijs Bergervoet BA, Secretary, IT background, now Chief Technology Officer

At the beginning of 2023, Thijs Bergervoet has joined the Board of HE Foundation. Thijs is currently the ICT director of Healthy Entrepreneurs. He has a profound knowledge about our systems and the way technology will play an increasing role in our organization.

ORGANISATIONAL STRUCTURE



Joost van Engen
Founder and CEO



Hamed Arthur Yo
Country Director
Burkina Faso



Francis Robert Remesha
Country Director
Burundi



Francis Robert Remesha
Acting Country Director
DRC



Arnold Oduor
Country Director
Kenya



Mayowa Adeagbo
Country Director
Nigeria



Monica Bernard
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 diseases are malaria, pneumonia, diarrhea and malnutrition for children under 5.

As of 2023, we have activities in Uganda, Kenya, Tanzania, Burundi, DRC, Burkina Faso and Nigeria with a network of around 20,000 CHEs, reaching 15 million people in remote and rural areas. HE had sold circa 47 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.

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, as 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 forces 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.

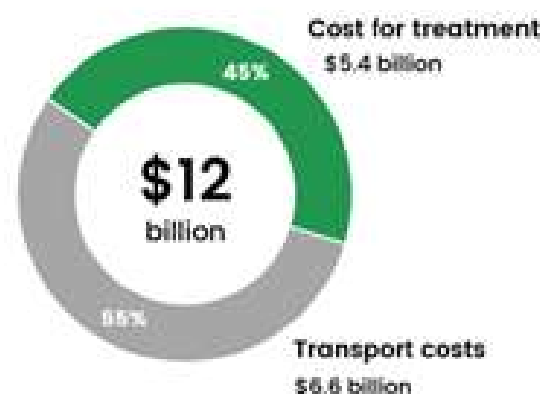
In other words, 600 million people living in Sub-Saharan Africa represent 120 million families spending \$12 billion out-of-pocket on basic health. \$5,4 billion (45%) is spent on treatment and consultation and \$6,6 billion (55%) is spent on transport. The work of Healthy Entrepreneurs is focused on 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

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

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.

COUNTRY UPDATES

In 2023, HE underwent a comprehensive update of its Odoo system on a global scale. While this process presented some challenges, particularly in terms of updating and modifying data, the dedicated efforts of all country teams ensured a successful outcome. As a result, HE is now utilizing a newer version of Odoo specifically tailored for its operations

This updated version of Odoo provides enhanced insights into the purchasing behaviors of Community Health Entrepreneurs (CHEs) and supports our sales staff in delivering more personalized sales experiences. By leveraging these advanced features, HE is better positioned to optimize its operations and drive continued growth and success in providing essential healthcare products and services to communities worldwide. .

Uganda in 2023

HE Uganda in 2023 witnessed significant strides, extending its reach to over 60 districts and train a total of 4,200 CHEs, with approximately 60% of them being women and 35% below the age of 35. HE invested in face-to-face meetings, addressing various subjects such as health topics, products, and business skills. One notable development was the collaboration with Urithi to create the “Community Champions” game, aimed at educating CHEs on business management, which was integrated into the face-to-face meetings. These meetings attracted 8,700 existing CHEs in 2023.

The medicine and pain relief category remained the largest in total sales, constituting 53%, with top-selling products including antimalarial drugs and pain and fever tablets. Nutrition sales showed growth, accounting for 30% of total sales. HE expanded its product range to include items such as moringa powder, fortified porridges, easy soap, and safe drinking water solutions.

In collaboration with the Challenge Fund, HE established the HE Academy to enhance employee skills. A tailored learning course covering life and business skills was developed, reflecting HE’s commitment to invest in its workforce for improved efficiency and satisfaction. services. Key hires were a new country manager, data analyst, medical doctor and sales manager.

Uganda: Innovation

In 2023, HE embarked on innovative strategies to attract young talent and address youth unemployment in Uganda. Collaborating with county officials, HE initiated its first Village Health Team (VHT) training program, aimed at rejuvenating the aging VHT workforce trained two decades ago. By establishing its own VHT training, HE can now select candidates based on age, thereby creating a younger VHT workforce capable of meeting the evolving needs of communities.

Additionally, HE dedicated significant efforts to manufacturing solar-powered washing machines. Despite facing challenges such as shipping delays, HE successfully completed the production of the solar soaker by the end of 2023. In the upcoming months, HE will commence training sessions for its Healthy Living Agents, who will be responsible for promoting and selling the solar soaker. Training is scheduled to begin in Q2 of 2024, marking another milestone in HE's commitment to sustainable innovation and community empowerment.

Uganda: Training and Development

HE has prioritized the enhancement of existing CHEs' roles by implementing various initiatives. At the beginning of the year, the training curriculum underwent adjustments to emphasize business skills and growth. A specialized training module was developed to concentrate on business investment and case review. Furthermore, CHEs benefited from training sessions utilizing innovative tools such as videos and interactive methods.

Following the initial training, CHEs were given the opportunity to form savings groups, enabling access to greater financial resources for business expansion. These groups also serve as a means for members to pool funds for emergency situations. In 2023, HE made significant strides towards becoming a data-driven organization. In pursuit of this objective, HE developed a comprehensive dashboard that facilitates easy access to essential data, including sales figures, training metrics, retention rates, and target versus actual performance.

Moreover, HE established the HE Academy to further cultivate a culture of continuous learning among staff. Employees undergo thorough training and receive personalized attention. Crucial topics are deliberated upon, providing insights that might otherwise be overlooked due to constraints of time and resources. The dissemination of consistent messages and content ensures uniformity across the organization. Staff actively apply lessons learned, engage in discussions, offer reminders, and provide feedback, thereby demonstrating heightened self-awareness and emotional intelligence. This commitment to learning fosters an environment where trust flourishes, with staff recognizing management's emphasis on personal and professional development. The HE Academy serves as a platform for staff to voice concerns and appreciate the value of ongoing training initiatives.

Furthermore, these training sessions offer trainers valuable insights to enhance the organizational culture and learning environment, while also fostering deeper connections with employees. Commercial staff, in particular, gain a better understanding of the learning processes observed in higher education institutions, further enriching their professional growth and development. responsiveness and how to ensure we support our female CHEs. Uganda:

Uganda: Product and Service Demand

Acknowledging the growing demand for water filters, solar soakers, and other sophisticated health products, HE has innovatively addressed the market's requirements. Given that CHEs are primarily engaged in medical duties and may lack the bandwidth to promote these items effectively, HE will empower local clusters to nominate a peer from their community to spearhead an alternative HE business, focusing on sales within their locality. This innovative strategy leverages peer and cluster support to create new job opportunities, thereby diversifying employment prospects.

In 2024, HE plans to introduce Healthy Living Agents, tasked with selling more complex health products, thereby further expanding its product portfolio and outreach.

The adoption of the HE Product App has proven instrumental in bolstering sales, with its share of total sales steadily increasing. Notably, sales via the app surged from 17% in October to 33% in December of the last quarter. Some districts have transitioned to almost entirely cashless transactions, with the majority of orders being placed through the app. In response to this trend, HE is gearing up to phase out orders that are not prepaid by the year's end, reflecting its commitment to embracing digital innovation and streamlining operations.

Kenya in 2023

In 2023, HE Kenya made significant progress by expanding its operations to more counties and training a total of 1,400 CHEs, with approximately 80% of them being women and 25% below the age of 35.

In its efforts to extend basic healthcare services to Kenyan communities, particularly in hard-to-reach areas, HE Kenya collaborated with the County Health Management Teams, a division of the Ministry of Health at the county level responsible for partnerships and service delivery. The objective was to expand the hybrid and e-dispensing modules to both existing and new counties, ensuring the availability of quality and affordable healthcare services.

In a significant development, the Chief Executive Committee Member (CECM) of health in Nakuru County approved the piloting of the e-dispensing model in one sub-county of Gilgil. This initiative aims to alleviate the burden of Non-Communicable Diseases (NCDs) by providing quality healthcare services, particularly for hypertensive and diabetic patients in remote areas, utilizing telemedicine. Concurrently, HE plans to expand its NCD services in Kisumu and Homa Bay counties by training an additional 300 CHEs within the next two months.

HE has also signed a Memorandum of Understanding (MOU) with Makueni County to pilot the child growth monitoring project, addressing the high prevalence of stunted growth reported in

the county. This initiative complements the existing hybrid model, which has been active since October 2023, with 365 CHEs trained in January 2024 alone.

Lastly, HE secured an MOU with Laikipia County to expand its services, with training sessions scheduled to commence in the second quarter of 2024. These initiatives underscore HE Kenya's commitment to improving healthcare access and outcomes across various regions of the country

Kenya: Innovation

HE has made substantial investments in the development of the eDispensing solution. This innovation is leveraging technology to scan barcodes that correspond to treatment packages. The goal is to streamline the dispensing process and enhance efficiency in healthcare delivery.

Existing CHEs will have the opportunity to enhance their roles by gaining access to the eDispensing solution, which will facilitate the dispensation of Non-Communicable Disease (NCD) treatments. This initiative reflects HE's commitment to leveraging technology to improve healthcare accessibility and outcomes for communities served by CHEs. In Kenya the interest by CHEs and county officials in the eDispensing module is immense. In collaboration with different counties, HE has expanded their eDispensing CHE network. Currently HE has 360 eDispensing CHEs, working mainly in Kisumu County.

Kenya: Recruitment and Capacity building

The expansion of the Community Health Entrepreneur (CHE) program has necessitated the hiring of additional staff to support the scaling of the model across various departments. This includes roles in Supply Chain, Finance & ICT, and the Sales team. To ensure a smooth transition for new hires, HE implemented a comprehensive onboarding program.

New staff members underwent an onboarding program designed to familiarize them with their respective departments, including introductory sessions, field visits, and training on HE values. The onboarding process was primarily facilitated through peer-to-peer interdepartmental training sessions, providing structured guidance and support.

Furthermore, HE capitalized on the opportunity to engage interns to support its operations. These interns bring fresh perspectives and ideas to the table, while also providing an avenue for young individuals to gain valuable experience in a global social enterprise setting. By leveraging the contributions of interns, HE continues to foster a dynamic and inclusive work environment while supporting youth development initiatives

Kenya: New opportunity

The Kenyan government has distributed kits containing various products, including measuring equipment such as BP machines and glucose meters, to all Community Health Workers (CHWs). However, despite the distribution of these kits, no training has been provided to the CHWs on how to use them effectively. This presents a significant opportunity for HE, as our eDispensing module focuses on hypertension and diabetes management.

HE is leveraging the newly delivered kits to initiate collaboration with counties to offer training sessions. These training sessions will empower CHWs to effectively utilize the equipment provided in the kits. By partnering with counties to provide training, HE aims to expand its network of Community Health Entrepreneurs (CHEs) significantly.

This strategic initiative not only addresses the critical need for training among CHWs but also aligns with HE's mission to improve healthcare access and outcomes in communities. By equipping CHWs with the necessary skills and knowledge, HE can enhance the capacity of its network of CHEs to deliver quality healthcare services, particularly in the management of chronic conditions like hypertension and diabetes.

Tanzania update

In Tanzania, our business has seen continued growth, following a trajectory similar to that of the previous year. Despite not expanding our network in the past two years, we were still able to make a small profit last year. This achievement can be attributed to the efforts of our small yet efficient local team, which has driven autonomous growth and laid a solid foundation for future investments.

To further expand our network of entrepreneurs, we are exploring opportunities for significant investment in Tanzania. Initial responses have been positive, particularly from the local government. Despite previous concerns about the investment climate in Tanzania, we are now optimistic about the changing landscape. We are engaging multiple possible partnerships to expand our Tanzanian activities..

Expanding our presence in Tanzania aligns with our new strategic plan and complements our business expansion efforts in Eastern Africa. We are confident that scaling up in Tanzania will contribute to our overall growth and success in the region

Burundi update

In 2023, HE expanded its network by adding 1,400 new Community Health Entrepreneurs (CHEs), with 55% of them being female. This growth represents a significant increase in HE's capacity to deliver essential healthcare products and services to communities.

In collaboration with multiple partners, HE Burundi focused on improving its Sexual and Reproductive Health (SRH) services. This effort resulted in a substantial increase in the sales of condoms and hygienic pads for women. Compared to 2022, HE witnessed a significant surge in sales, with over 8 times more condoms and 3.5 times more hygienic pads sold in 2023.

These achievements highlight HE's commitment to expanding access to vital healthcare products and services, particularly in the realm of sexual and reproductive health, thereby contributing to improved health outcomes in Burundi and beyond.

Additionally, HE has made strategic investments in designing and implementing an eDispensing solution. This innovative platform will enable Community Health Entrepreneurs (CHEs) to enhance their services by offering medications for conditions such as diabetes and hypertension, as well as sexual and reproductive health and nutrition services.

The eDispensing solution reflects HE's commitment to meeting the evolving healthcare needs of communities through an integrated approach. By leveraging technology, CHEs will be better equipped to address a wider range of health concerns, ultimately improving access to essential healthcare services and promoting better health outcomes for the communities they serve.

Burundi: New pilot

In 2023 and early 2024, HE made significant investments in developing an IT system named ClickMedix to monitor malnutrition effectively. This system aims to enhance the efficiency and accuracy of monitoring processes, facilitating timely interventions.

In the second quarter of 2024, HE Burundi will initiate the first pilot of Child Growth Monitoring, in collaboration with SNV. This pilot program represents a crucial step towards implementing innovative solutions to address malnutrition in Burundi. By partnering with SNV, HE aims to leverage expertise and resources to ensure the success of the pilot and pave the way for broader implementation in the future.

The introduction of ClickMedix and the pilot of Child Growth Monitoring underscore HE's commitment to leveraging technology and partnerships to combat malnutrition effectively and improve the health outcomes of vulnerable populations in Burundi and beyond.

To ensure access to essential healthcare products and services in the most remote areas, Healthy Entrepreneurs (HE) has established and expanded a network of Community Health Entrepreneurs (CHEs). This innovative market-based solution enables us to consistently deliver health education, services, and a comprehensive range of health products to the poorest rural households.

One key aspect of our service offering is access to telehealth-enabled remote health professionals. This technology allows individuals in underserved communities to connect with healthcare professionals remotely, ensuring timely and effective healthcare delivery. Through our network of CHEs and telehealth services, we strive to bridge the gap in healthcare access and improve health outcomes for communities in need.

To combat stunting, HE has developed an integrated approach that encompasses health education, awareness, child growth monitoring (CGM), telehealth, and access to a comprehensive package of health commodities

CHEs play a pivotal role by raising awareness and educating communities about malnutrition. They conduct CGM every three months, measuring weight and height using designated tools. The collected data is transmitted to teledoctors in Bujumbura, who input it into electronic medical records, utilizing unique patient IDs. The system generates growth charts, highlighting any deviations. In cases of abnormalities, teledoctors recommend appropriate interventions: HE package 1 for slight deviations, HE package 2 for children at potential risk, or referral to clinics for severe cases of malnutrition.

HE packages consist of preventive fortified foods, vitamin drinks, high-calorie items, water purification solutions, and hygiene products to promote cleanliness. These packages are tailored to different age groups and deviation levels on growth charts. Additionally, teledoctors prescribe dietary adjustments and suggest incorporating additional vegetables into meals. Furthermore, they recommend deworming and treatment for other stomach illnesses as necessary.

Children showing deviations from growth charts undergo monthly monitoring, ensuring timely intervention. HE ensures regular replenishment of supplies to sustain the provision of essential services for children's growth.

This comprehensive approach aims to prevent, detect, and monitor malnutrition, thereby improving the health outcomes of vulnerable populations.

Burkina Faso

In this new year, HE's operations in Burkina Faso have led to the training of 163 Community Health Entrepreneurs (CHEs) in three communes of the Kombissiri Health District. These communes include Gaongho, Toecé, and Doulougou. The trained CHEs will be able to serve approximately 120,000 people in their communities with quality health products and services.

In the commune of Gaongho, the first on-site training focused on DENGUE, a viral disease transmitted by mosquitoes. This epidemic resulted in 570 deaths from January to November 2023.

Over the next six months, our ambition is to cover the last commune of the district and expand to other districts, particularly those facing security challenges, where populations are in dire need of quality primary healthcare.

DRC

In 2023, HE resumed operations in the Democratic Republic of the Congo (DRC). Collaborating with CARE Nederland, HE initiated a project to implement the HE concept in the DRC. To support this endeavor, HE expanded its team to three full-time employees. By the end of 2023, HE had trained 101 Community Health Entrepreneurs (CHEs) and provided them with support in ordering and delivering products.

Looking ahead to 2024, HE anticipates further growth, aiming to increase the number of CHEs to more than 500. This expansion reflects HE's commitment to extending access to essential healthcare products and services in the DRC, thereby improving health outcomes for communities across the country.

Nigeria

As we strive to reach our goal of 2,500 Community Health Entrepreneurs (CHEs) within three years, beginning with 250 in 2024, HE Nigeria is preparing to inaugurate an initial group of 50 CHEs in the coming months in the Jamaa and Kaura Local Government Areas (LGAs) of Kaduna State.

In January, we held our first unofficial meeting with potential CHEs, during which they were introduced to the HE model and its objectives. Additionally, we organized a significant stakeholder meeting with the honorable Commissioner of Kafanchan Municipality, who oversees both LGAs. This meeting was attended by key representatives from the Chiefdom, highlighting the importance of extending access to medication to the most remote areas through Community Health Entrepreneurs.

These initiatives mark the beginning of our efforts to establish a strong network of CHEs in Kaduna State, ultimately enhancing healthcare accessibility and outcomes in the region.

As we establish partnerships with three prominent collaborators in the agricultural sector, our goal is to empower female farmers by providing them with vital information to enhance crop yield, connect them with potential buyers, and economically empower their households. By doing so, we aim to enable these households to afford medications and improve their overall health outcomes.

Our target is to make a positive impact on over 500,000 households, ensuring that medication and health products reach more than 30,000 female farmers in Kaduna over the course of three years, covering 10 Local Government Areas (LGAs). Through these partnerships and initiatives, we strive to create a sustainable and holistic approach to improve the well-being of female farmers and their families in the region.

BUSINESS DEVELOPMENT

As part of our business development strategy, we are actively pursuing expansion into new countries. One of our key focus areas is on establishing an operation in Ethiopia, with plans to commence operations next year. To facilitate this expansion, we have developed a comprehensive concept note outlining our objectives and proposed initiatives.

We have taken proactive steps to engage with relevant stakeholders, including presenting our concept note to the Dutch Government in Ethiopia. This engagement is to establish partnerships and garner support for our endeavors in the region.

Our expansion into Ethiopia represents a strategic opportunity to extend our reach and impact, providing essential healthcare products and services to communities in need. We are committed to work collaboratively with local partners and stakeholders to ensure the success and sustainability of our operations in Ethiopia.

In parallel, HE is continuously pursuing new partnerships with organizations such as Mastercard, SNV, WFP, USAID, and a combined project with the Dutch Government. These collaborations are integral to our mission of expanding access to essential healthcare products and services in underserved communities.

Partnering with Mastercard, SNV, WFP, and USAID allows us to leverage their expertise, resources, and networks to enhance our impact and reach. These partnerships enable us to implement innovative solutions and scale our operations effectively.

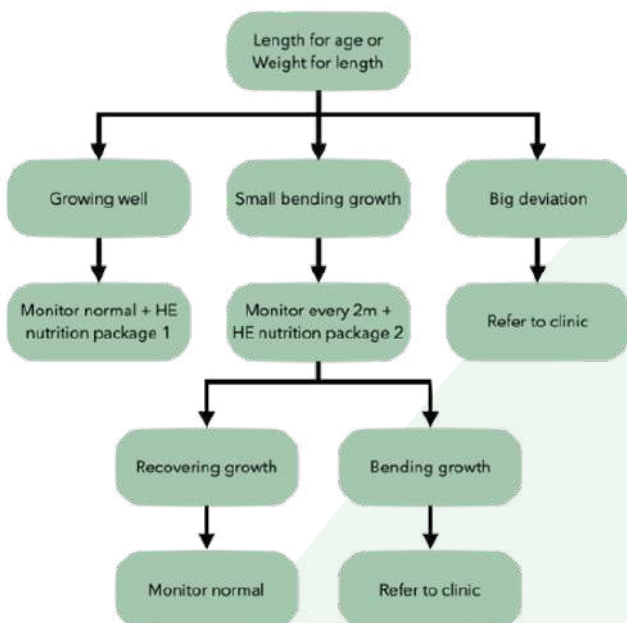
By forging strategic partnerships with these organizations, HE is well-positioned to drive positive change and make a meaningful difference in the lives of individuals and communities around the world.

INNOVATION

ClickMedix

Child growth monitoring is a vital aspect of HE’s healthcare services, facilitated by a systematic procedure designed to track the growth of children. This process involves obtaining various measurements from the child, which are then entered into the Click Medix system. The system generates personalized growth charts based on weight and height measurements, guiding subsequent actions.

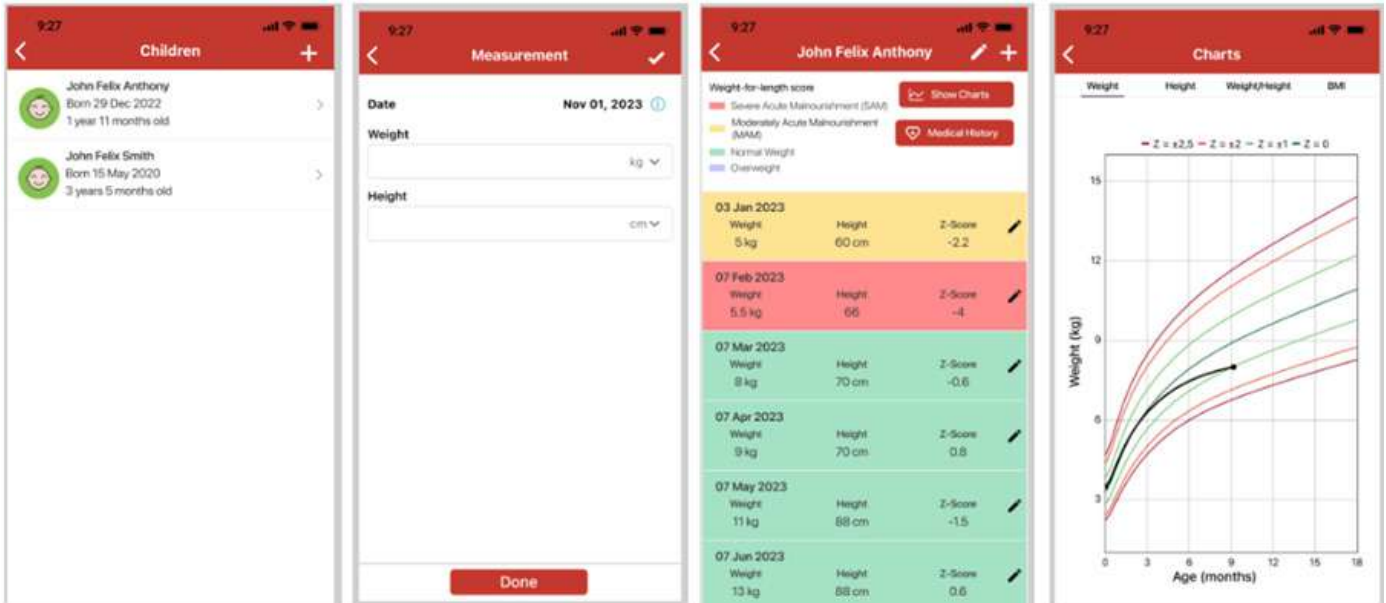
ClickMedix technology plays a pivotal role in virtually automating the procedure, ensuring that decisions are made in alignment with the intended workflow. Regular examinations are integral to this workflow, determining the trajectory of monitoring and intervention.



The CHE collaborates closely with the call center to conduct these examinations. The initial examination occurs promptly after birth to confirm successful delivery. A follow-up examination is conducted after one month, primarily to assess breastfeeding success. Subsequently, children are monitored every three months until the age of two, and then every six months until the age of five. Children displaying deviations from the growth chart are monitored more frequently, with monthly check-ups until the deviation resolves.

This systematic approach to child growth monitoring ensures that timely interventions can be implemented to address any deviations and promote healthy growth and development in children.

CGM workflow



Odoo ERP system

After five years, Odoo, our ERP system, was subject to a maintenance update and a new database had to be implemented to make the system ready for a further scale up. As a result, workflows had to be validated, optimized and altered based on the requirements of the new Odoo system. Furthermore, the system upgrade gave us the possibility to improve our way of working and to improve our internal controls. It was an intense and lengthy process which started at the beginning of the year and which was completed by the end of the year. Especially with the data migration we were facing a lot of challenging. Thanks to the enormous efforts of the Odoo project team as well as the local finance teams, we were able to complete the migration successfully and to make the local administrations suitable for the audits at the beginning of 2024.

Marketing and communication strategy

After five years, Odoo, our ERP system, was subject to a maintenance update and a new In 2023, HE made a significant addition to its team by hiring a new Marketing and Communication expert. This strategic hire has led to the expansion of HE's social media presence and the development of enhanced marketing materials.

The marketing team has created several calendars that can be distributed to partners, along with informative factsheets for HE's larger operations in Kenya and Uganda.

SOME IMPRESSIONS OF OUR RECENT WORK

DIGITAL MARKETING AND HEALTH EDUCATION



BETTER VISION CAMPAIGN



RADIO TALK SHOW

HE COMMUNITY VISIBILITY



These tools serve as effective means for HE to share its successes in an engaging and informative manner.

With these new resources in place, HE is better equipped to communicate its mission, achievements, and impact to stakeholders, partners, and the public at large

PRIORITIES FOR 2024

Collaborating closely with leadership teams across different countries, HE has outlined its priorities for 2024. These priorities are centered around optimizing our model, enhancing the performance of Community Health Entrepreneurs (CHEs), and advancing the overall development of the organization, with a focus on leveraging technology to support these efforts.

By aligning our priorities with these key areas, we aim to drive continuous improvement and innovation within our operations. This includes refining our model to better meet the needs of the communities we serve, empowering CHEs to deliver high-quality healthcare services, and fostering the growth and sustainability of our organization as a whole.

Through strategic planning and concerted efforts across all levels of the organization, we are committed to achieving our objectives and maximizing our impact on the ground. By prioritizing these areas of focus, we are well-positioned to drive positive change and improve health outcomes for those we serve.

Improved CHEs

HE remains committed to refining its approach to identifying the right Community Health Entrepreneurs (CHEs) through targeted strategies and initiatives. To this end, we are implementing an early attraction strategy to engage potential CHEs at the earliest stages. This includes providing options for CHEs to recommend others to join the network, leveraging their existing connections and networks for recruitment.

Additionally, we are introducing prescreening activities using phone interviews to gather information and assess potential candidates. This early engagement allows us to identify and invite the most suitable candidates for recruitment and selection events, ensuring that we attract individuals who are well-aligned with our mission and values.

Furthermore, we are placing a strong emphasis on supporting existing CHEs to upscale their businesses, providing them with the tools, resources, and training necessary for success. Additionally, we will focus on reactivating dormant CHEs, providing them with the necessary support and encouragement to re-engage with the network and resume their activities.

Improved telemedicine and edispensing services

In 2024, HE will continue to expand its e-dispensing services while introducing a new monitoring system called ClickMedixs. This system will serve as the foundation for the Child Growth Monitoring (CGM) project, aimed at monitoring malnutrition in children. Selected Community Health Entrepreneurs (CHEs) will receive additional training in the CGM project.

By combining our telemedicine services with ClickMedixs, we aim to address stunting rates in all countries where HE is active. The CGM project will initially launch in Burundi, where stunting rates are particularly high. Throughout 2024, we anticipate expanding the CGM project to Kenya and Uganda.

This initiative underscores HE's commitment to leveraging technology and innovative approaches to improve health outcomes, particularly among children facing malnutrition. By implementing the CGM project, we aim to make a meaningful impact on stunting rates and promote the health and well-being of children in the communities we serve.

Expansion of our model to multiple countries

As mentioned, HE is actively pursuing expansion opportunities in new countries, with a focus on initiating operations in Ethiopia within the next year. Additionally, we are dedicated to implementing and rolling out our model in Nigeria, where we have recently established our presence.

While these new ventures hold significant promise, we also recognize the potential for further growth in the countries where we have been operating for an extended period. This growth can be achieved through expanding our network to new districts or counties, as well as by diversifying our portfolio with additional services and products.

Expanding our offerings not only contributes to our autonomous growth but also enhances the value and impact of our network. Our network has become a valuable asset for our organization and various stakeholders seeking to leverage it for their own interventions.

Looking ahead, we are optimistic about the future and the potential for meaningful impact on those in need. By continuing to innovate and expand our reach, we aim to make a positive difference in the lives of the communities we serve.

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 setup 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 setup 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 are becoming 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 2023		
Income Statement	2023	2022
Income	3.171.752	2.341.502
Project Expenses	3.152.586	2.342.608
Other Income		
Results	19.166	-1.106
Other Expenses		
General Expenses	20.158	5.540
Operating result	-992	-6.646
Financial income and expenses	-16.129	-9.507
Share in results of subsidiaries and participating interests	-	-
BALANCE OF FUNDS	-17.121	-16.153

BALANCE SHEET 2022		
	2023	2022
Financial assets	-	-
Trade receivables	-	2.214
Other receivables	432.854	413.508
Accrued income	311.052	210.435
Cash and cash equivalents	183.691	98.359
Total assets	927.597	724.516
Equity – reserves	7.383	24.504
Other related parties	901.154	660.099
Trade payables	-	23.595
Other payables	19.060	16.318
Total liabilities	927.597	724.516