Over the last year, COVID-19, climate change, and conflict continued to unfold and compound on one another. The United Nations has projected that 274 million people will need assistance in 2022 — a number that will surely rise as the crisis in Ukraine develops. But just as the challenges we face are intertwined, we are too. As a community of humanitarians spanning the globe, our combined efforts have the power and potential to shape a better tomorrow.

This unifying belief has driven our global team to reach 50+ million people in over 40 countries in 2021. I’m proud of what we’ve accomplished, and I know that we couldn’t be there for communities around the world without our community of supporters.

Working with communities, we have provided critical support for people hardest hit by the pandemic, economic turmoil, conflict, and disasters, like the August 2021 earthquake in Haiti. While responding to these challenges and beyond, we are focused on the future. Through initiatives that improve water security, food security, economic opportunity, and peace and stability, we’re creating lasting positive change.

As I reflect on what we have done and what we are working towards, I want to take this opportunity to thank you for being a crucial part of our global community. We will continue to push forward and ask ourselves “what next?” as we take on the crises ahead — and it’s my hope that you’re right there with us.

Together, we all make up the fabric of a community. With the threads of peace and prosperity, we’re connecting people across our world to a future filled with possibility.

Sincerely,
Tjada D’Oyen McKenna
Chief Executive Officer
WEAVING TOGETHER RECOVERY AND RESILIENCE

As lives have been upended by the challenges of 2021, our teams have worked with communities to rebuild stronger for the future.

Through our COVID-19 response, we advocated for more equitable vaccine distribution for low-income countries and delivered information and supplies to protect communities from infection. In total, we helped more than 28 million people globally stay healthy during yet another year of the pandemic.

Mercy Corps acted quickly to respond to emergencies that left families without homes and basic services, like the volcanic eruption in the Democratic Republic of Congo, flooding in Nepal, and the magnitude 7.2 earthquake that struck Haiti last August. After 130,000 buildings across the island nation were damaged or destroyed, our team in Haiti delivered essential items to 15,000 people and provided cash assistance to 2,300 families so they were able to purchase what they needed most.

Beyond providing immediate support during times of crisis, our teams work alongside communities within four key areas to make a lasting impact. Through increased access to clean water, food, and economic opportunities along with building pathways to peace, we’re working to create transformational change around the world.

\[\begin{align*}
\text{13.7m} & \quad \text{people reached with clean water and hygiene support} \\
\text{10.8m} & \quad \text{people reached with agricultural support} \\
\text{7.5m} & \quad \text{people reached with financial services support} \\
54 & \quad \text{active programs to build peace within communities}
\end{align*}\]
NOURISHMENT FOR A STRONGER FUTURE

All people deserve to have reliable access to safe and nutritious foods. By strengthening this foundation of well-being, children can focus in school, people can build their lives, and communities can thrive.

In Northeast Nigeria, where the ongoing conflict with Boko Haram has severely limited food sources, we partnered with Cisco to digitize our food voucher programming. By improving the registration process, we were able to swiftly connect more conflict-affected households, like Hadiza’s, to staples and fresh produce through local markets.

“With the food vouchers we eat [a] different variety of food to keep us healthy.”
– Hadiza from Nigeria

CLEAN WATER FOR HEALTHY COMMUNITIES

Access to clean and safe water is a human right, and it ensures the vitality of a community. By providing this essential resource — often during critical times — we alleviate a big stressor while helping communities remain healthy.

Our team in Jordan, one of the driest countries on earth, has helped save over 5.2 billion gallons of water by connecting farmers with new irrigation practices and technologies. In addition, we commissioned murals that encourage community members to join the conservation efforts.

Teams in Iraq restored water systems in 23 public health centers and provided water and hygiene support to people displaced by violence. In Guatemala, our partnership with The Starbucks Foundation helped us support women and their communities with water purification systems to increase their health and wellbeing during the COVID-19 pandemic. Our Guatemala teams also connected 17 communities to clean water alongside our partner Xylem after Hurricanes Iota and Eta.

As part of a Mercy Corps project to promote water conservation in Jordan, artists painted beautiful murals to remind the community that “every drop counts.”
SUPPORT FOR SHARED PROSPERITY

To create a brighter future for all, it is essential that everyone have sustainable livelihoods and the freedom to make dignified choices. That’s why we help business owners and individuals build a path forward for themselves, their families, and local economies.

We know that when women have better income opportunities, their families and communities can thrive. In Kailali district of Nepal, we invested in Rajani and more than 450 other young women as they set up or expanded their businesses.

In the year following the 2020 explosion at Beirut Port in Lebanon, we provided cash assistance to 354 businesses to assist with repairs and lost inventory. Where continued conflict in Yemen has devastated the economy, our team provided support to 200 micro and small businesses through training, grants, and on-site mentorship.

A COMMUNITY FOR LASTING CHANGE

This is just a sampling of how Mercy Corps has helped people push through incredible challenges this year. Our work and the accomplishments we made in 2021 would not have been possible without every person involved — our staff, the community members we work with, and you. For so many lives across the world, our community provides an essential thread of connection to a brighter future.

PEACE FOR SUSTAINABLE PROGRESS

Conflict and violence are threats to the positive change communities work toward, which is why every effort must be made to reduce them. Our programs build foundations or lasting peace and stability one conversation at a time.

In Uganda’s Karamoja region, cattle raids and land disputes are common between communities and often lead to violence. After Longura, a mother of eight, had lost almost her entire herd in a raid, she attended one of Mercy Corps’ dialogue sessions. There, she and her neighbors eased tensions between ethnic groups in her village, developing and agreeing on a plan to move forward peacefully.

“These peace dialogues have helped to remove trauma in me and helped me to transform.”
– Longura from Uganda
2021 FINANCIAL STATEMENT SUMMARY

GLOBAL FINANCIAL SUMMARY
Mercy Corps Consolidated Operations: Condensed Summary of Support, Revenue and Expenses (in the thousands of dollars) for the year ending June 30, 2021

<table>
<thead>
<tr>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2021 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support and Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Support and Revenue</td>
<td>386,842</td>
<td>—</td>
</tr>
<tr>
<td>Private Support and Multilateral Revenue</td>
<td>141,385</td>
<td>8,603</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>27,934</td>
<td>—</td>
</tr>
<tr>
<td>Released From Restriction</td>
<td>9,926</td>
<td>(9,926)</td>
</tr>
<tr>
<td><strong>Total Support and Revenue</strong></td>
<td>566,087</td>
<td>(1,277)</td>
</tr>
</tbody>
</table>

**EXPENDITURES—Program Services**

<table>
<thead>
<tr>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2021 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humanitarian Assistance—Relief</td>
<td>150,334</td>
<td>—</td>
</tr>
<tr>
<td>Humanitarian Assistance—Recovery</td>
<td>26,377</td>
<td>—</td>
</tr>
<tr>
<td>Livelihood/Economic Development</td>
<td>161,818</td>
<td>—</td>
</tr>
<tr>
<td>Civil Society and Education</td>
<td>83,327</td>
<td>—</td>
</tr>
<tr>
<td>Health</td>
<td>60,578</td>
<td>—</td>
</tr>
<tr>
<td><strong>Subtotal: Program Services</strong></td>
<td>482,434</td>
<td>—</td>
</tr>
</tbody>
</table>

**Supporting Services**

<table>
<thead>
<tr>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2021 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>General and Administrative</td>
<td>57,796</td>
<td>—</td>
</tr>
<tr>
<td>Resource Development</td>
<td>18,060</td>
<td>—</td>
</tr>
<tr>
<td><strong>Subtotal: Support Services</strong></td>
<td>75,856</td>
<td>—</td>
</tr>
</tbody>
</table>

**Total Operating Expenditures**

<table>
<thead>
<tr>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2021 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Net Assets From Operations</td>
<td>7,797</td>
<td>(1,277)</td>
</tr>
<tr>
<td>Non-operating Loss, Net</td>
<td>7,845</td>
<td>—</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>15,642</td>
<td>(1,277)</td>
</tr>
</tbody>
</table>

WE USE YOUR GIFTS WISELY

Mercy Corps is efficient and accountable. Over the past five years, we have used 86 percent of our resources for programs that help people in need around the world.

BETTER BUSINESS BUREAU

CHARITY NAVIGATOR
Mercy Corps is a highly rated charity according to Charity Navigator.

CHARITYWATCH
Mercy Corps is a “Top-Rated” charity and recipient of an “A” rating.

GUIDESTAR
Mercy Corps is recognized for its transparency with a Platinum Seal on our GuideStar Nonprofit Profile.

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You can find our complete financial statement at mercycorps.org/financials.