Between challenge and change
In 2022, we saw unprecedented shocks and stressors as rising conflict, the compounding effects of climate change, and unrelenting hunger affected communities around the world. And in 2022, Mercy Corps helped communities rise to these challenges.

Our global team worked with communities to support them as they cope with and adapt to today’s toughest challenges while developing shared solutions to thrive into the future. Because we believe all communities — and the people within them — can generate the power to create transformational change, withstand the unexpected, and ignite the power of possibility.

The support of our global community helped us reach more than 38 million participants across nearly 300 programs in 40+ countries last year, many of them driven by their own strength and determination to overcome challenges they did not create. Thank you for your passion, commitment, and support for our work last year. I look forward to continuing to partner with you in the year ahead as we continue to take on the greatest challenges of our time.

I want to highlight some of what we accomplished together last year. From helping families displaced by conflict to supporting communities to rebuild in the wake of intensifying natural disasters, Mercy Corps teams and partners provided:

- **4.6 m** people reached with better access to clean water and hygiene supplies
- **7.6 m** people reached with agricultural programs to grow livelihoods and food access
- **3.8 m** people reached with financial services to improve livelihoods
- **63** active programs to promote peace and good governance within communities

The recent earthquakes that took thousands of lives and left even more people in need of urgent support in Northwest Syria reminds us that 2023 will bring further crises and challenges across the world. The United Nations estimates that one person in every 23 — a total of 339 million globally — will require humanitarian assistance this year.

Yet, between challenges communities face and change we unite behind, there is what we can do together. One day at a time, Mercy Corps is connecting people to possibility.

Thank you again for being in this work with us and the communities we serve.

Sincerely,

Tjada D’Oyen McKenna
Chief Executive Officer
CONNECTING PEOPLE AND POSSIBILITY

As conflict and the climate crisis further deepen challenges across the globe, Mercy Corps is steadfast in our commitment to sparking new possibilities alongside our partners, communities we serve, and dedicated supporters. This last year, we have come together to support people as they overcome challenges and create lasting change.

We know that however complex or daunting the barrier, a path forward can be built with greater connection — to clean water, to nutritious food, to better economic opportunities, and to activities and solutions that foster peace within communities. Every person, family, and community we work with is on their own journey forward, and our teams provide support so they can better cope in the midst of crisis, adapt to evolving challenges, and thrive into the future.
Across Somalia, communities are grappling with the worst drought they’ve experienced in 40 years — with one in six people now facing extreme hunger. We rapidly responded with life-sustaining support, delivering water for communities and livestock, hygiene kits for people forced from their homes by the drought, and cash for families needing urgent assistance. We won’t let communities take on this humanitarian crisis alone, and we continue to provide people with the relief and resources they need to cope with a crisis they had little part in creating.

When communities face displacement, hunger, and other consequences of conflict and climate-driven disasters, Mercy Corps responds quickly. In 2022, we helped people meet their most urgent needs while maintaining dignity and choice in difficult circumstances.

After the full-scale invasion of Ukraine, our teams partnered with organizations and communities in the region to create safe spaces for children and families coping with trauma of war, organize and provide emergency cash distributions so people can meet their needs as they seek safety, and prioritize marginalized groups with limited access to resources and information. As the conflict continues, we remain committed to providing immediate relief and long-term support for people as they move forward.

In Warsaw, Poland, Olena Vaidalovich (pictured above) speaks with a group of Romani refugees from Ukraine at Fundacja W Stronę Dialogu, a local Mercy Corps partner and community center supporting refugees.
Our team is connecting agricultural communities in rural Nepal to the resources they needed today and the climate solutions needed for a stronger tomorrow.

FROM EVOLVING CHALLENGES TO COMMUNITY STRENGTH

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Alongside communities around the globe, we’re innovating new climate solutions. In Lebanon, food shortages and an economic crisis have worsened with the ripple effects from the war in Ukraine. To help communities strengthen sustained food access and take on climate challenges, our team is partnering with local organizations to research plant tissue and develop stronger crops for the future. And to provide quicker support for farmers across Africa hit by climate disasters, we’re working with our partners to use blockchain technologies as innovative ways to better measure weather risks, automate insurance claim assessments, and distribute funding for recovery at scale.
We believe it takes all of us to build a future we can all share. Mercy Corps works with the communities we serve, our partners, and local governments to help ensure marginalized people and groups have the opportunities to lead and the means to invest in their own future.

As families have fled Venezuela, many lack resources to rebuild their lives in their new communities. In 2022, our team in Colombia provided people with cash assistance to meet their most pressing needs — and open new possibilities for the future. A mom, migrant, and now business owner, Dayris is one of the people taking advantage of our support. The financial assistance we provided has helped her to pay unexpected medical bills, purchase a food cart, and start her own business selling the food she grew up with.

“ I don’t know how I was able to do it, but I did, I was a warrior. I surprised myself with how wonderful and great I was because I was able to take care of my kids, the house, pay rent, the hospital, I did everything.”

— Dayris, Business Owner

Our global teams are partnering on ways to connect people to the resources needed to unleash their potential. Through collaboration with Village Enterprise in Uganda and Ethiopia, we’re working to support refugees and crisis-affected communities as they start up a network of businesses, unlock their futures, and help their local economies flourish. Additionally, we are celebrating 20 years of partnership with The Starbucks Foundation. In 2022, we came together to provide health and financial training for women in coffee-growing regions of Indonesia, Guatemala and Colombia, so they are better able to build their lives and lead their communities toward a brighter tomorrow.
TOGETHER, WE POWER POSSIBILITY

These are only a few stories of the impact we made in 2022. They illustrate how positive change is possible when we work together as a global community. Our teams, supporters, partners, and communities we serve — we are all united by a shared determination to reshape our world for the better. And together, we can take on today’s toughest challenges, build solutions the world has yet to imagine, and unlock a vibrant future.

JOIN US IN BUILDING A MORE EQUITABLE WORLD

We can provide sustained support for communities in Ukraine, Somalia, Yemen, Syria, Haiti, and beyond. By making a monthly donation, you can join our community of humanitarians — Partners In Possibility — dedicated to helping people around the world survive crises, build better lives, and transform their communities for good.

Explore monthly giving at mercycorps.org/monthly

ABOUT US

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action—helping people triumph over adversity and build stronger communities from within. Now, and for the future.

Our Efficiency

86%

Over the last five years, we have used 86 percent of our resources for programs that help people in need.

mercycorps.org/efficiency

Our Exceptional Standards

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2022 FINANCIAL STATEMENT SUMMARY

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

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, 2022

<table>
<thead>
<tr>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2022 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support and Revenue</td>
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<tr>
<td>Public Support and Revenue</td>
<td>392,253</td>
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<tr>
<td>Private Support and Multilateral Revenue</td>
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<tr>
<td>Other Revenue</td>
<td>31,487</td>
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<td>Released from Restriction</td>
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<td>(14,919)</td>
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<td>Total Support and Revenue</td>
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EXPENDITURES—Program Services

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<tr>
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<th>WITH DONOR RESTRICTIONS</th>
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<tbody>
<tr>
<td>Humanitarian Assistance—Relief</td>
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<td>129,983</td>
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<tr>
<td>Humanitarian Assistance—Recovery</td>
<td>32,129</td>
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<td>32,129</td>
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<tr>
<td>Livelihood/Economic Development</td>
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<td>175,905</td>
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<td>Civil Society and Education</td>
<td>83,086</td>
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<td>83,086</td>
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<tr>
<td>Health</td>
<td>42,816</td>
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<tr>
<td>Subtotal: Program Services</td>
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Supporting Services

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<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
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</thead>
<tbody>
<tr>
<td>General and Administrative</td>
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<td>Resource Development</td>
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<td>Subtotal: Support Services</td>
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<tr>
<td>Total Operating Expenditures</td>
<td>547,315</td>
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Change in Net Assets from Operations

<table>
<thead>
<tr>
<th></th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>2022 TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Change in Net Assets</td>
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<td>46,360</td>
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Condensed Statement of Financial Position

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<tr>
<th></th>
<th>MCG</th>
<th>MC AND AFFILIATES</th>
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<tbody>
<tr>
<td>Total Assets</td>
<td>228,439</td>
<td>457,890</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>111,892</td>
<td>280,784</td>
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</table>

Net Assets

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Net Assets</td>
<td>116,547</td>
<td>177,106</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>228,439</td>
<td>457,890</td>
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