



EMERGING OPPORTUNITIES FOR SUSTAINABILITY

2010 ANNUAL REPORT | April 2011

NOTE FROM THE EXECUTIVE DIRECTOR

Preparing for Sustainable Growth in Nicaragua

In our second year working in Nicaragua, Emerging Opportunities for Sustainability had one main task: ensuring our own sustainability. EOS co-founder Wes Meier was to complete his service with the Peace Corps in November and we needed to find his successor. Interviews were conducted on two university campuses in Nicaragua. After multiple rounds of interviews, Wes and I identified one candidate who could not only support our technology installations, but would be capable of expanding our operations. And in May, Alvaro Rodriguez, an agricultural engineer from Esteli, Nicaragua, became the first full-time EOS employee and our Nicaragua Country Director.

Alvaro comes highly qualified from the renewable energy company Tecnosol, where he spent the last three years as a branch manager. Alvaro's experience, leadership, and network will allow EOS to embark on larger projects with greater impact and quicker speed to implementation. His vast knowledge of photovoltaic (PV) solar energy systems and the large need for electricity in rural Nicaragua made it an easy decision when the EOS board of directors decided to add household solar energy systems as our newest core technology.

Other highlights from 2010 include a 170% increase in product installations from the previous year, two successful e-campaigns, and tremendous overall support for our cause—more than \$19,000 was contributed last year. The demand for EOS technologies continues to grow and we plan to reach new communities and grow our Nicaragua staff to support this demand.

Each of the past two years have offered unique challenges and have provided great learning opportunities for our team. This year will be comprised of growth and expansion while providing a better understanding for our impact as we see the effect our technologies have had over time. It is a journey that we cannot make alone. I cannot thank our donors and dedicated volunteer staff enough for making the mission of EOS possible and successful. With your continued support, EOS will be able to empower more families in Nicaragua. Let's make it happen.

Peace,
Greg

Vision

That rural communities throughout the developing world have an awareness of and access to appropriate technology solutions that allow families to lift themselves out of poverty.

Mission

To provide rural Nicaraguans with low-cost technologies that generate income, improve health, and contribute to the preservation of the environment.

GROWTH IN NICARAGUA

2010 was our second full year operating in Nicaragua. In that time we have grown from operating in one department of Nicaragua to running projects in 9 departments, made valuable partnerships with established NGOs, and most importantly helped rural communities improve their livelihoods, environment, and health.

New Partnerships

In the last year EOS has had the opportunity to work with great organizations and form formal partnerships with a few top notch groups. Here is a highlight of our new partnerships:

Peace Corps – Nicaragua

www.peacecorps.gov

The Peace Corps is a well-established organization with a broad network and access to significant funding opportunities. There are more than 200 Peace Corps Volunteers (PCVs) in Nicaragua, and EOS gives technology manuals to all new PCVs. The agricultural sector of Peace Corps Nicaragua contracted EOS to install and train volunteers on Drip Irrigation systems throughout all of Nicaragua.

Compatible Technology International

www.compatibletechnology.org



CTI is an established original equipment manufacturer of appropriate technologies. It has a vast network and valuable insight derived from 30 years of experience. EOS is currently pursuing a Letter of Intent with CTI to form a collaborative partnership. While CTI has substantial experience designing a wide range of techs, EOS offers our growing network and distribution system in Nicaragua, making this an ideal collaboration to bring more technologies to people in need.

Collaborating with University Professors and Students

IOWA STATE UNIVERSITY
College of Engineering

EOS naturally gravitates towards universities to seek partners. Engineering classes and student organizations provide research and development for new technologies. University professors interested in engineering and international development also serve as partners in collaboration. EOS has established relationships at Notre Dame, Iowa State University, and the University of Iowa. Iowa State students have traveled to Nicaragua with EOS for three consecutive years.



Interview with EOS' Nicaragua Country Director: Alvaro Rodriguez

Q. Why are you excited to join EOS?

A. Because I want to help out my country. To create emerging opportunities for sustainability gives me an opportunity to help low-income families generate revenue directly and indirectly and work with the environment in its preservation. It is a pleasure and an honor to promote EOS International projects in Nicaragua.

Q. Tell us about your family.

A. I have a wife, Ubania Rizo Rodriguez, and three children, Anielka Vanessa Rodriguez Jimenez (7 years), Milagros Rodriguez Sarai Rizo (2 years), and Kenneth Antonio Rodriguez Rizo (8 years). I currently live in the municipality of San Isidro, Matagalpa.

Q. What made you want to work with EOS International?

A. I believe in social projects to help the poorest families in my country. EOS is not a commercial company; it is a social organization, which fills my professional, personal, social, national, and family expectations.

Q. How have you directly seen EOS technologies help people?

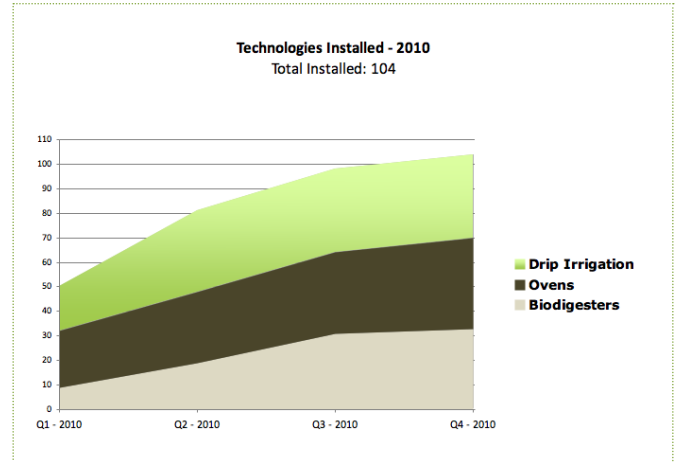
A. EOS International technologies are quality, low-cost technologies that provide good economic, environmental, and health benefits. With these technologies, families become sustainable over time, which is very important for Nicaragua. I have seen these technologies contribute to the health of families, raise the standard of living, and increase the preservation of nature.

To see the full interview with Alvaro, visit our website at www.eosintl.org/interview.

TECHNOLOGY GROWTH

The past year has not only seen growth in EOS partnerships, but in the number of technologies we have installed. We have more than doubled the number of units installed for each of our three core technologies. To the right is a graph showing a timeline snapshot of the 104 technologies installed in 2010 and the growth for each core technology throughout the year.

Below is a map of Nicaragua, showing the nine departments where we currently operate. When EOS started we had projects solely in León. Now we operate in León, Esteli, Nueva Segovia, Chinandega, Jinotega, Matagalpa, Chontales, Granada, and Rivas.



WHERE WE WORK IN NICARAGUA



= DEPARTMENTS WITH EOS TECHNOLOGIES

- | | |
|---------------|---|
| 1. BOACO | 11. MASEYA |
| 2. CARAZO | 12. MATAGALPA |
| 3. CHINANDEGA | 13. NUEVA SEGOVIA |
| 4. CHONTALES | 14. RIVAS |
| 5. ESTELI | 15. RIO SAN JUAN |
| 6. GRANADA | 16. REGIÓN AUTÓNOMA DEL ATLÁNTICO NORTE |
| 7. JINOTEGA | 17. REGIÓN AUTÓNOMA DEL ATLÁNTICO SUR |
| 8. LEÓN | |
| 9. MADRIZ | |
| 10. MANAGUA | |

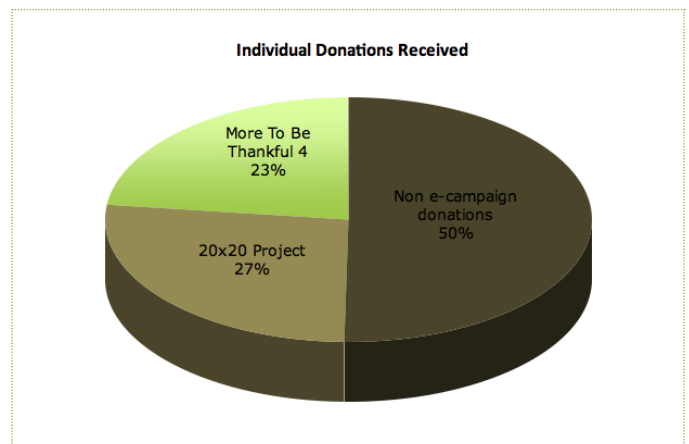
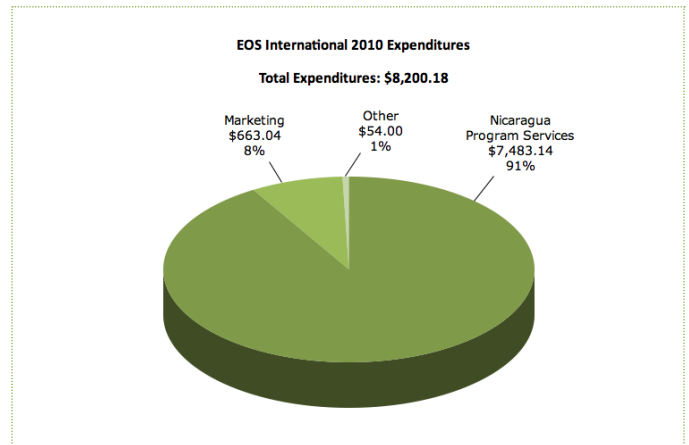
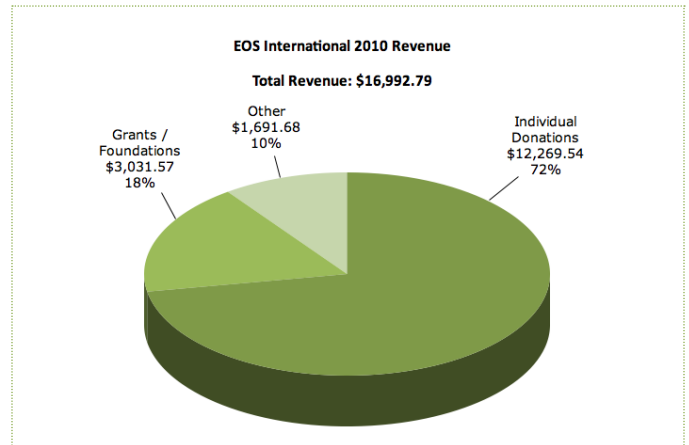
2010 IN REVIEW - EOS FINANCIALS

2010 was a big year on all fronts, from donations received, to money spent, to technologies installed; EOS was able to significantly expand our footprint in Nicaragua.

We raised nearly \$17,000 with more than \$12,000 of that coming from individual donors. Those donations allowed us to install over 100 technologies, hire a full-time employee, and overall expand our reach to hundreds of rural Nicaraguans living in poverty.

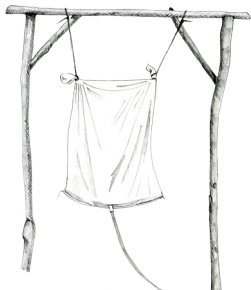
At EOS, we realize that donations are not given to us, but rather entrusted to us. It is our responsibility to make that donation be as effective as possible. EOS has been fortunate that our first two years of Nicaraguan operations came with the volunteer labor of Wes Meier via his work in the Peace Corps. We now have a full time employee and EOS is committed to making sure that he has the supplies he needs to successfully reach as many people as possible. An important metric for EOS to judge how effective we have been is the cost per technology installed, which is nothing more than our expenditures divided by the number of technologies installed. In 2010, our cost per technology installed was \$79. This is a number we are proud of, and as further cost reductions are implemented to our core technologies and our volume of installations increases we plan on reducing that number further. Even at the 2010 level, it is humbling to think that less than \$80 is enough to empower a rural family to begin taking sustainable steps out of poverty.

At the end of 2010 EOS had revenue of \$16,992.79 and expenditures totaled \$8,200.18. Nearly all expenditures were made on Nicaragua Program Services, which are the in-country costs incurred to carry out our mission.



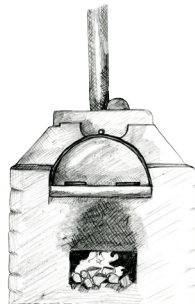
INSIDE EOS - TECHNOLOGY & DEVELOPMENT

In our last newsletter, the Inside EOS section focused on getting to know all about volunteering with EOS. In this newsletter we'd like to share the top things you should know about each of our core technologies.



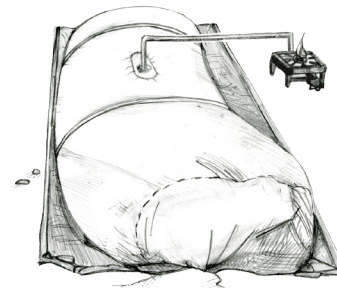
Drip Irrigation

1. In 2010, we reduced the cost of a drip irrigation system by more than 50% by incorporating different materials and simplifying the design. This is now the lowest cost system in Nicaragua!
2. Low-cost drip irrigation systems can easily pay for themselves in one growing season.
3. Irrigated plots in developing countries commonly yield twice as much as rain-fed plots do.
4. With affordable drip systems, farmers can shift from subsistence production to higher value production for the market, doubling their income.



Fuel-Efficient Ovens

1. An EOS fuel-efficient oven reduces firewood usage by up to 75% when compared to a traditional oven. This means fewer trees cut down and less smoke in the house.
2. The cost of the oven can be repaid in seven weeks by baking twice per week and selling baked goods at market. After this period, a family can use the oven to generate extra income.
3. With very little maintenance, an EOS oven can last more than 3 years.
4. All of EOS International's technologies are made from locally available materials. This is important because if the client needs to repair or expand the technology, they can purchase the parts locally.



Biodigesters

1. Women in families with biodigesters are able to get more sleep because now creating a fire is done instantly versus manually starting a log fire.
2. Adding one 5-gallon bucket of a manure/water mixture every other day will yield up to 5 hours of biogas for cooking each day!!
3. The World Health Organization states that indoor air pollution causes over 1.6 million deaths per year in the developing world—which is 1 death every 20 seconds. With the use of an EOS biodigester, indoor air pollution is almost completely eliminated.
4. Biodigesters are the fastest growing EOS technology with a 175% increase of annual installations in 2010.



SOLAR PANELS

As of September 2010, EOS added solar panels to our set of core technologies. By utilizing both Alvaro's past experience with solar panel installation and EOS's wide distribution network, EOS will provide electricity to families currently living without power. We are very excited about this new opportunity and look forward to sharing photos and stories from families, small businesses, and communities harnessing energy from the sun!

SUPPORTING EOS

As you read on page two, EOS has been experiencing incredible growth in our Nicaraguan operations, including the addition of our first paid employee. Growth also means more opportunities for you to get involved in EOS. Below are some of the ways you or someone you know can support EOS. If you are interested in any of the volunteer positions contact our Executive Director at gregory.mcgrath@eosintl.org.

VOLUNTEER NEEDS

Board Members – EOS International is looking to diversify our board of directors. We are looking for leaders that are passionate about the EOS mission and are willing to support us with your time, access to your personal network, and/or financially. We are specifically looking for people with a background in law, accounting, public relations, international development, and/or fundraising. The time commitment for a board member is estimated at 5-10 hours per month.

EOS Marketing Director – The EOS Marketing Director will be responsible for managing EOS' marketing efforts. Work will include managing social media, developing PR efforts, and creating new EOS programs and initiatives. Experience in the fields of marketing, media, design, and or nonprofits preferred.



Director of Operations Wes Meier and Marketing Director Megan Sellheim after the completion of a biodigester installation in El Valle de San Antonio for the 20x20 project. May 2010.

PLEDGE TO EOS

We are looking for people who believe in the EOS mission and would be interested in specifically supporting the implementation of our Nicaragua project work. If you are interested in making a monthly or annual pledge to EOS please contact Joseph Lamusga at joseph.lamusga@eosintl.org.

Checks can be made payable to EOS International and sent to:

EOS International
c/o Joseph Lamusga
607 Lord St.
Indianapolis, IN 46202

Donations can also be done securely online through PayPal® or Google Checkout®. Please visit www.eosintl.org/donate or contact donations@eosintl.org for more information.

Please consider making a donation to EOS International today!



In 2010, EOS technologies were installed for over 100 Nicaraguan families. Here, one family poses after assisting with the installation of their new biodigester provided by the EOS 20x20 project.

EOS IS GOING GRAPHIC

If you support EOS and design, you will love the new EOS t-shirts. Designed by our very own E. Noelle Bullion, these t-shirts artfully convey the use of simple technologies to provide sustainable environmental improvement and economic growth. Thanks to all our supporters who voted on the EOS t-shirt designs. The winning designs are featured here. EOS is proud to be providing our supporters with a fashion friendly way of supporting EOS!

Both of these designs will be sold via our website next month. We will be notifying all EOS supporters via email when pre-order sales will be starting!



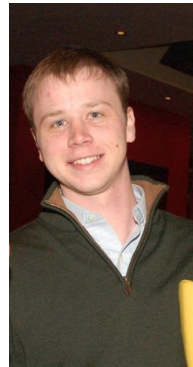
GET TO KNOW THE EOS STAFF



E. NOELLE BULLION

This summer EOS was extremely lucky to have E. Noelle Bullion, an intern from the Minneapolis College of Art and Design (MCAD), work with us on print, digital, and clothing marketing items. With Noelle's help we were able to realize some of our marketing goals.

Noelle graduated from Middlebury College in Vermont with a degree in Art History and Spanish. After working at the advertising agency Mullen in Boston, she decided to pursue graphic design full time. She now lives and works in Minneapolis, freelancing and furthering her education at MCAD. She believes in the power of visual communication to improve lives and has a soft spot for design ephemera. She has agreed to stay on as the EOS graphic designer on a part-time basis while she continues at MCAD.



SEAN RYAN

Sean graduated from the University of Notre Dame in 2006 and majored in finance. Since then he has been on the move quite a bit with his employer, SPX Corporation, where he does corporate finance and accounting work. The

company has moved him 5 times in as many years to cities such as Charlotte, Detroit, Kansas City, and Shanghai. Sean joined the EOS team in mid-2010 as a fundraising coordinator and has been enthusiastically working toward that goal ever since. He identifies with the mission of the organization and believes that empowering individuals is a compelling way to enact sustainable change. Sean has been a great addition to the EOS Fundraising team!

MANY THANKS, MUCHAS GRACIAS

2010 was an exciting and challenging year for us at EOS. With an all-volunteer staff in the U.S. and only 1 employee in Nicaragua, we have been able to reach over 100 rural Nicaraguan families and empowered them to break free from a cycle of poverty using appropriate technologies. Many of these families have children, who are now able to realize a future that a year ago was only a dream. It is because of the financial support of hundreds of donations, many from repeat donors, that we are able to help Nicaraguans turn their dream and drive into a financially stable future. We plan to further grow the organization in 2011, and with our Nicaraguan Country Director, Alvaro Rodriguez, we feel we have the right person to lead our efforts on the ground and reach twice as many people. Even with all the right people in place, we can still only reach our goals with the continued financial contributions of our generous supporters. We thank all our donors so very much for the support they have given over these past few years, and we humbly ask for your continued support as we continue on our path of changing the world through appropriate technology.

-EOS International Board and Staff

Thank You to all of our 2010 Supporters!

Individual Support

EOS depends on the donations made by numerous individuals from around the country. It is through the generosity of many and the belief in the power of appropriate technology that we are able to operate, grow, and impact the lives of Nicaraguan families.

Foundation Support

St. Thomas Aquinas Tithe Grant

United Way

SPX Foundation

General Mills Foundation

Volunteers

EOS is managed and operated in the United States solely by volunteers who donate their time, energy, and talents to develop new appropriate technology systems and expand our organization. Please contact EOS to find out how you can share your talents to improve the lives of others.



2010 EOS STAFF

Greg McGrath, Executive Director
Wesley Meier, Director of Operations
Alvaro Rodriguez, Nicaragua Country Director
David Lohry, Drip Irrigation Project Manager
Megan Sellheim, Marketing Director
E. Noelle Bullion, Graphic Designer
Rachel Nardini, Development Director
Sean Ryan, Development Team
Trinidad Arredondo, Development Team

2010 BOARD MEMBERS

Joseph Lamusga, Chairman
Chris Deal
Joe Dunlay
Greg McGrath
Wesley Meier
Jaymin Patel
Megan Sellheim
Mark Tekippe