REIMAGINE

ANNUAL REPORT 2019



Freedom happens now.



The 50th anniversary of humankind's first footsteps on the moon also marked several giant leaps for Polaris as we embarked on a new and exciting era.

Highlights included the launch of an innovative new unit that focuses on disrupting the one thing that all trafficking situations have in common – money – and doubling down on our commitment to long-term solutions that focus on preventing sex and labor trafficking at scale.

It was a year that saw a leadership transition, staff and program expansions, and preparations to move into new headquarters in spring 2020.

And it was a year of constant learning. Our understanding of human trafficking continues to evolve because the enterprise is always mutating.

The experience of migrant workers who have been abused and taken advantage of informs our work. We have collaborated closely with our corporate partners to educate their employees to identify exploitive situations and report them. And we have engaged policymakers to help them better understand how current laws help facilitate human trafficking networks.

Through it all, we managed an unprecedented increase in the number of trafficking cases reported to the U.S. National Human Trafficking Hotline (Trafficking Hotline), which we have operated for 12 years. The experience of responding to trafficking as it happens makes it even more clear why we need to pursue a long-term solution to this problem.

We cannot arrest our way out of a tragedy of this magnitude. Now, more than ever, we need to uncover and attack the roots of this pernicious enterprise through programs, changed government and business policies, and crushing sanctions for those who profit from this crime.

As you read this report and examine the inspiring work of Polaris and our partners, we hope you will be motivated to join the fight.

Sincerely,



Nancy McGuire Choi
Interim CEO



Gregory Moore
Chair, Board of Directors



Theory of Change

Polaris's work is built on seven ways we aim to make long-term change.

- Through our work on the Trafficking Hotline, and our partnerships with national trafficking hotlines in Mexico and Canada, we respond to the immediate needs of victims and survivors.
- With the knowledge and experience gained from responding to tens of thousands of cases of sex and labor trafficking, we seek to understand how and where human trafficking is happening, who perpetrators are and the methods they use to force, defraud, coerce, and control, what creates vulnerability, and what the ecosystem of response looks like.
- With this knowledge, we create and scale tools and resources including trainings, policy papers, toolkits, web platforms, and direct worker communication tools.
- We deploy those tools and resources to build the field – sharing our knowledge and partnering with allies and advocacy coalition partners to make change with a unified and coordinated voice.
- By doing these four things, we want to drive change in the policies and practices of governments and major corporations.
 Together, these sectors have a disproportionate ability to make changes that reduce sex and labor trafficking across the United States and around the world.
- scale tools and resources **Understand Build** the field the crime by sharing through dataknowledge driven insights & organizing action DRIVE **Respond** to **SYSTEMS** cases and survivor needs **Drive CHANGE** (Trafficking government Hotline and and corporate other methods) action **Hold abusers Amplify** and exploiters

accountable

Create and

- We believe that these changes in policy and practice will result in abusers and exploiters being held more accountable for the violence and harm they cause.
- As accountability increases, we aim to amplify the power of survivors and workers so that they are able to demand justice and dignity for themselves.

These seven leverage points form the basis of our Theory of Change, are mutually reinforcing, and drive needed systems change. With a clear method in place for creating social change, the table is set for implementing our long-term program strategy.

Our Long-Term Program Strategy Framework and Systems Change Approach

Since Polaris's founding in 2002, trafficking has moved from a fringe issue to a central part of the global human rights agenda. As a result of 20 years of innovation, entrepreneurship, and experimentation in the anti-trafficking field, we now have improved service provision response, best practices, and learnings. Over the past several years, public demand and political will to address human trafficking have accelerated rapidly – providing a unique opportunity for systems change.

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As the operator of the Trafficking Hotline for 12 years, Polaris has developed key insights and a deeper understanding of the effects of trafficking. During 2019, Polaris doubled down on our founding vision and developed a new program strategy that tackles the underlying patterns of exploitation. Our approach is designed to prevent trafficking before it ever happens and fundamentally alter the systems that enable abuse, while continuing to respond to the immediate needs of victims and survivors through the Trafficking Hotline. This is the core premise of Polaris's long-term strategy out of which emerged our 'Three Big Fights' targeting sex trafficking, labor trafficking, and financial systems.

Strategy in Action

Human trafficking is a low-risk, highprofit business. Our approach is to make trafficking more risky and less lucrative to keep new traffickers from operating.

That's the fundamental theory behind the creation of Polaris's Financial Intelligence Unit, launched through a program partnership with PayPal. The first-of-its kind Financial Intelligence Unit will equip the one industry all traffickers try to misuse – financial services – with the tools to better understand how traffickers use banks, credit cards, payment processors, and the like.

The scope of what can be accomplished through these partnerships is unprecedented. Knowledge of how traffickers operate on the financial "back end," shared throughout the industry, will help anti-money laundering professionals better spot - and shut down - likely trafficking activity. Simultaneously, it will generate more actionable leads for law enforcement. Those leads will in turn help increase trafficking prosecutions so they can move forward without the often re-traumatizing need for survivors to testify.





Illuminating Labor Trafficking

Nannies. Housecleaners. Farmworkers. Some of the very people we rely on most in our daily lives have the fewest legal protections and are at the greatest risk for labor trafficking. In 2019, Polaris worked to draw attention to what we know about trafficking victimization of these vital workers and to learn more so we can help formulate and fight for better protections. This included a report written in partnership with the National Domestic Workers Alliance that offered newly compiled statistics on trafficking of nannies, housecleaners, and home health workers – who comprise the greatest number of labor trafficking victims we learn about through the Trafficking Hotline – and offered detailed recommendations for policies and practices that will protect the people who underpin our economy.

For farmworkers in Mexico who are responsible for much of the food that is served at our tables, information is even harder to come by. Most work in isolated, rural areas, with few opportunities to reach out for help if they are exploited. Working with partners in Mexico and with innovative new technologies, Polaris designed and implemented a two-way survey that allowed us to gather information about trafficking and working conditions facing this community while also providing them with an avenue to seek assistance if needed. The publication of these findings is a vital step toward amplifying farmworkers' experiences and identifying solutions to reduce their vulnerabilities and keep them safe from exploitation, trafficking, and abuse.



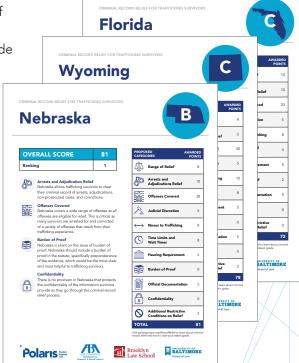
By its very definition, the crime of human trafficking involves people participating in some activity – including illegal activity such as prostitution or drug sales – against their will. This tragically ironic scenario means that the vast majority of trafficking survivors wind up with criminal records that make it hard for them to move forward with their lives. While many states have

a law on the books to help trafficking survivors clear those records, most are ineffective. For example, some provide no relief

to labor trafficking survivors, focusing only on those who experienced sex trafficking situations. Other states provide relief to people who were minors at the time they

were trafficked – leaving adult victims without assistance.

In 2019, Polaris joined forces with the Survivor Reentry Project to right those wrongs by providing detailed, state-by-state report cards on the laws – and equally detailed recommendations about how to make them better. We then provided hands-on support for organizations working to change and improve the laws in their states, and partnered with survivors to get the word out about how important it is for them to be able to move forward with their lives in true, legal freedom. We're already seeing results – better laws passed or moving through the legislative process in states around the country.

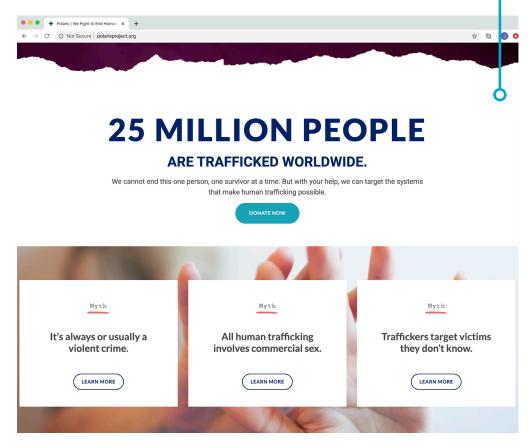




Know the Story

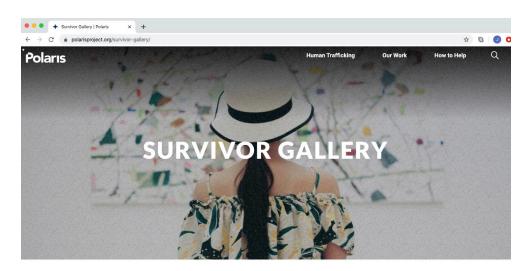
Human trafficking is complex and dynamic, resistant to quick fixes and easy answers. As our understanding of sex and labor trafficking continues to evolve, Polaris has strengthened our commitment to ensuring that this complexity is reflected in public understanding of the crime.

Toward that end, in 2019 Polaris unveiled a new website designed to make it easier to find important information about what trafficking is – and isn't – and how the public can be involved in new ways. Specifically, we are working to shift the focus of anti-trafficking awareness campaigns away from visual cues or "know the signs" messaging and toward a deeper understanding of the crime. We're also shining a light on how both proximity and context can play a role in helping to identify and provide support to people in trafficking situations. In the years to come, we'll continue spreading the word that it's less about knowing the signs and more about knowing the real story of trafficking.



Survivor-Informed Focus

During 2019, Polaris continued to integrate survivor insights across the organization and highlight the experience through launching a new Survivor Gallery page on our website that's driven entirely by the survivor community and dedicated to sharing their voices and stories.



Survivors of sex and labor trafficking are the true experts and the engine of innovation in the anti-human trafficking field. But they are also so much more than that. Some work in the field and some don't. They are teachers and parents, artists and writers, doctors and lawyers. They are fierce, resilient, talented and diverse. This is some of their work.

Infused in Polaris's mission and strategy is the survivor perspective and lived experience. In 2019, we identified 11,500 cases of human trafficking involving 22,326 survivors in the United States. We know that survivors are experts and leaders in the field whose perspectives and information should define our work and the wider anti-trafficking movement. We also know that survivors often need employment opportunities with maximum flexibility and trauma-informed work environments. Not having those opportunities puts them at risk of unemployment and further re-exploitation.

With this in mind, in 2019 Polaris piloted a Survivor Empowerment Initiative connecting 77 survivors to short-term paid opportunities to support our program and communications efforts. We have a network of 500 survivor consultants that can be expanded to connect many other survivors to paid opportunities. This marries survivor insights with the data produced by Polaris and the Trafficking Hotline while placing survivor leaders at the center of the next generation of the anti-trafficking movement. Leveraging the gig economy and widespread corporate interest in employing survivors, Polaris aims to scale up the Survivor Empowerment Initiative into a national program.

Providing a Victim-Centered, Trauma-Informed Response in **Real Time**

through the U.S. National Human Trafficking Hotline

In 2019, the volume of contacts to the Trafficking Hotline continued to increase to new levels with 48,326 substantive contacts – an 18% increase from the previous year – and 10,490 substantive signals from victims and survivors - a 27% increase from 2018.

In 2018 and 2019, 13% of the trafficking cases reported to the Trafficking Hotline by text were crisis situations – meaning a likely victim of trafficking needed emergency assistance. By comparison, crisis cases constituted only 8% of the trafficking cases reported to the Trafficking Hotline via phone call.

increase in text messages to the Trafficking Hotline

In 2019, the Trafficking Hotline managed 8,412 substantive text conversations









48,326 substantive contacts to the Trafficking Hotline

The Trafficking Hotline is available 24/7 by phone, text, email, webchat, and webform.



Sex Trafficking Cases 8,248 **Labor Trafficking Cases**

Sex Trafficking and **Labor Trafficking Cases**

Other/Not-Specified Trafficking 1,511



Substantive contacts from victims and survivors

A 27% increase compared with 2018







National Referral Directory

During 2019, Polaris launched the first-ever audit of the National Referral Directory – the Trafficking Hotline referral database. Of the nearly 3,500 organizations in the directory, our team has audited about one third of service provides, resulting in 704 accounts being removed for inactivity, no longer serving human trafficking victims, or not meeting other inclusion criteria, while adding 64 organizations. Through this audit, we ensure the quality of the remaining service providers remains high.



Coordinated North American Response

Having over a decade of experience, Polaris was uniquely situated to provide technical assistance and training to national trafficking hotlines in Canada and Mexico. With Polaris's support, Canada launched its national human trafficking hotline in May 2019. Polaris provided extensive training for the Mexican and Canadian hotlines and worked with them to set up standard protocols to enable tri-lateral case coordination. In effect, we helped drive a coordinated North American, continent-wide response to trafficking.

survivor story

Eunice,* a 30-year-old female migrant worker in Nebraska, contacted the Trafficking Hotline in 2019 after leaving a labor trafficking situation at a vegetable packing plant. Eunice told the Trafficking Hotline that she worked 13-hour days, six days a week and was not paid overtime or holiday pay. She also didn't receive her full check, which frequently had unknown deductions. When she brought this up to the foreman, she was threatened with deportation. Eunice left the job after peak harvest and packaging season – but she still wanted justice and the wages she was owed.

She decided to contact the Trafficking Hotline, which connected Eunice with a rural legal aid organization that assisted her directly. Eunice's attorney started her application for a T-Visa and was able to communicate directly with the federal agent working on the case thanks to Trafficking Hotline facilitation. Eunice was finally receiving some justice from her forced labor situation.

*Names have been changed to protect anonymity.



Advocacy in Action

Early in 2019, we saw the culmination of many years of work to reauthorize and update the federal framework for anti-trafficking in the United States and around the world. Through Polaris's advocacy, the Trafficking Victims Protection Reauthorization Act (TVPRA) saw significant budget increases for key Polaris priority areas – most notably, services for victims and survivors. The 2019 TVPRA included funding for the Polaris-operated Trafficking Hotline in federal statute for the first time ever. This significant recognition by Congress of the critical role of the Trafficking Hotline in coordinating a nationwide response speaks to the importance of funding comprehensive services to support trafficking victims and survivors.

Another long-standing Polaris priority – legislation that would ensure traffickers cannot hide behind anonymous shell companies – was approved by the U.S. House of Representatives and introduced with bipartisan support in the Senate in 2019. Hopes for final passage remain high.

Meanwhile, we continue to advocate for legislation, such as the Visa Transparency Anti-Trafficking Act, to protect guestworkers by making the program more transparent. Polaris is also working closely with bipartisan members of Congress to ensure that safety net programs, foster care, youth shelters, and other vital services have the resources they need to meet the needs of victims, survivors, and potential victims of sex and labor trafficking.

The Power of Corporate Partnerships

Polaris has developed dynamic corporate partnerships with major companies representing the travel, hospitality, financial, social media, tech, and other industries. Support from corporations includes financial and in-kind donations of goods and services to benefit victims and survivors, as well as collaborative and strategic initiatives to prevent and disrupt sex and labor trafficking. These impactful partnerships often include the creation of custom trainings for employees, targeted awareness efforts, sponsorship of key programmatic activities, and high-level consultation around business policies and practices to both further Polaris's mission and assist companies in achieving human rights objectives.

Sirius \$500,000+





Vega

\$250,000 -\$499,999



LATHAM & WATKINS LLP

Capella

\$100,000 -\$249,999











Antares

\$50,000 -\$99,999











Regulus

\$25,000 -\$49,999











Ahara

\$10,000 -\$24,999

















^{*}Partnership values are comprised of cash and/or in-kind annually*

^{*}Polaris is named after the North Star that quided slaves to freedom in the United States and thus our Corporate Partnership levels are named for the stars that can be seen from Earth, beginning at the brightest, continually lighting our way as we fight slavery in the modern world*



Financial Summary

2019 Revenue and Expenses

BREAKDOWN OF REVENUE



Foundations (37%) \$4,982,100
Other (1%) \$102,558
Corporations (10%) \$1,386,575
Government (13%) \$1,749,402
Individuals (18%) \$2,459,329
In-kind (21%) \$2,755,423

EXPENSES BY FUNCTIONAL CLASS



Programs (79%) \$10,557,675
Fundraising (8%) \$1,101,741
Management &
General (13%) \$1,675,323





U.S. NATIONAL HUMAN TRAFFICKING HOTLINE







