

LETTER from Our CEO AND BOARD CHAIRPERSON

After more than two years, Polaris is grateful for signs of recovery as the world emerges from the pandemic. But we know that returning to business as usual won't help people and communities who have been hardest hit by COVID-19 and by systemic inequality — those most vulnerable to sex and labor trafficking.

Fortunately, Polaris is emerging stronger than ever. We have more clearly defined our work as response to and prevention of human trafficking, deepening our resolve and impact in both. As contacts to the U.S. National Human Trafficking Hotline continued to surge in 2021, our team responded to growing needs by assisting more victims and survivors than ever before.

At the same time, Polaris advanced our prevention-focused Big Fights. We engaged survivors and stakeholders in city-based coalitions that strengthened social safety nets, scaled technology to support and elevate the voices of migrant workers and gather data, and provided expert research and training to financial institutions.

We also articulated our technology, security, and intelligence strategy for fighting trafficking as "Mission Engineering," an approach that's opening doors to exciting new collaboration. Across our efforts, we are proud to architect innovative initiatives and engage non-traditional partners in the fight to end sex and labor trafficking and help victims and survivors reclaim their freedom.

To achieve this goal, the anti-trafficking movement must continue to grow in centering survivors, learning from them and following their lead. In 2021, Polaris doubled down on our commitment to Justice, Equity, Diversity, and Inclusion, or JEDI, including a nationally recognized survivor leader on our Board of Directors, launching an Advisory Council with half of its members with lived experience, and making targeted operational and programmatic changes to better reflect our values in all we do.

Thank you for making progress like this possible in 2021 — and over the last two decades. As we mark Polaris's 20th anniversary in 2022, your partnership continues to support our shared vision: a world where the powerful cannot exploit the vulnerable for profit, where everyone has the dignity to choose how they live and work.

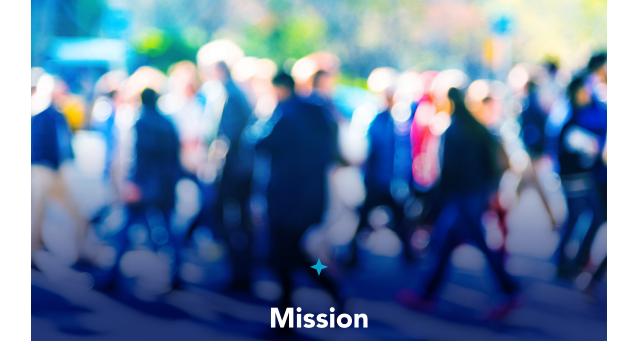
With gratitude,



Catherine Chen

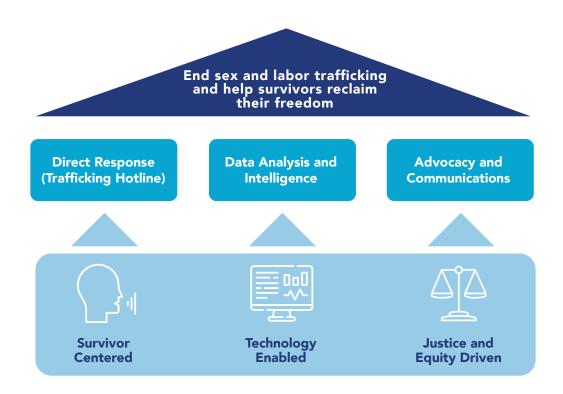


Gregory Moore *Chairperson, Board of Directors*



Named after the North Star, a historical symbol of freedom, Polaris leads a social justice movement to fight sex and labor trafficking at the massive scale of the problem — 25 million people worldwide robbed of the freedom to choose how they live and work.

Polaris works to respond to and prevent trafficking through survivor-centered, technology-enabled, and justice- and equity-driven approaches.



A Look at the Landscape

COVID-19 Continued

As the pandemic persisted through 2021, Polaris tracked emerging trends and made recommendations for supporting victims and survivors. Trafficking Hotline data confirmed that trafficking is profoundly adaptable, with online recruitment growing significantly during pandemic restrictions. COVID-19 also impacted the ecosystem of service providers and advocates domestically and internationally, jeopardizing survivors' stability and financial security. To further inform the anti-trafficking field, Polaris produced <u>two COVID-19</u> <u>Snapshots</u>, short research briefs about sex and labor trafficking and exploitation during the pandemic.



Addressing Dangerous Myths

Mis- and disinformation about human trafficking still circulate on social media, impacting the Trafficking Hotline and diverting resources from victims and cases. It can also serve as a gateway to real-world violence, as the nation saw on January 6, 2021, and as Polaris and our technology partners analyzed in a report titled, "Countering QAnon: Understanding the Role of Human Trafficking in the Disinformation-Extremist Nexus." To tackle this challenge, Polaris has developed an artificial intelligence model that helps us to predict which false narratives might surface on the Trafficking Hotline and to prepare staff and messaging in advance.



A JEDI Journey

Polaris is committed as ever to fighting for a world that is just and equitable, and we are cultivating our JEDI values within our organization in order to reflect them into the world. With over half of our Board of Directors, Executive Team, and staff identifying as people of color, we took the next steps on our JEDI journey in 2021, holding transformative solidarity workshops with Deepa Iyer of Building Movement Project and committing to new ways to center survivors in our work.



Polaris also incorporated and expanded JEDI values throughout our programs, such as planning a criminal justice reform effort under the Strategic Initiative on Sex Trafficking, which will address racial and economic disparities in prostitution arrests and charges. We also continued advocacy to end forced prison labor. Polaris is calling for fair pay and safe working conditions for incarcerated people with criminal justice reform and immigrant rights partners, and we made the internal decision to switch retirement providers to enable us to choose more values-aligned investments that do not include private prison corporations.

SURVIVOR LEADERSHIP

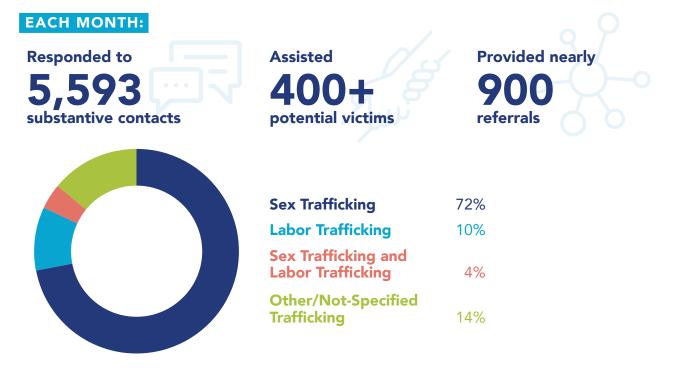
Polaris is privileged to work with survivors as the true experts in the fight against human trafficking. Highlights from 2021 include:

- Welcoming **Tanya Gould,** survivor leader, founder of Identifiable Me, and director of the Anti-Trafficking Office for the Attorney General of Virginia, to contribute her expertise and experience on our Board of Directors;
 - Standing up a new **Polaris Advisory Council** that counts half of its members with lived experience;
 - Launching externally the **National Survivor Study (NSS)** in partnership with survivors, recruiting more than 500 eligible participants;
- Expanding our Survivor Empowerment Initiative, which now sends opportunities to a database of 800+ survivors and has hired 175 consultants to date;
 - Developing new partnerships with survivor-led organizations; and
 - Holding **three survivor forums** where survivors learned more about Polaris initiatives, shared insights and questions, and built relationships with staff.

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Answering the National Human Trafficking Hotline

In 2021, Polaris's team responded to a continuing surge in call volume, not only supporting victims and survivors in and out of trafficking situations but also compassionately redirecting many others for mental health needs and other concerns. Rising to the challenge, our frontline staff assisted more victims and survivors than ever before.



Average monthly statistics and percentages of trafficking types based on data through 10/31/2021 as of 7/5/2022. Final annual data will be published later this year.

MORE HOTLINE HIGHLIGHTS

- (+) Polaris introduced the new Hotline Advocate Training Academy to support frontline staff in building skills beyond their initial training.
- Polaris translated the public National Referral Directory into Spanish to remove language barriers and expand access to important resources.
- Partners across the nation promoted the Trafficking Hotline, ranging from service provider communications to corporate postings to mention in President Biden's year-end proclamation for National Human Trafficking Prevention Month.







The North American Safety Net in Action

Violet called the Trafficking Hotline after hearing from her sister, Paula, that her 15-yearold nephew, Christian, had joined a traveling sales crew in Mexico. The crew's social media portrayed young staff making lots of money, and the crew leader sent Paula photos and assured her that everyone was fine.

But then Paula received a call from a stranger's phone ... and it was Christian. He shared that the crew leader took all his earnings and said that if he worked hard enough, he might be able to use a phone. Scared, Christian wanted to leave but didn't have any money or way to communicate. He told Paula he would walk to the nearest regional bus station and try to borrow another phone to get in touch.

Because the situation was ongoing, involved a minor, and needed details from Paula in Mexico, the Trafficking Hotline transferred Violet to Consejo Ciudadano para La Seguridad y Justicia, which operates the Mexican trafficking hotline that Polaris helped establish. Polaris had already shared resources on traveling sales crews with Consejo staff, as this scenario is a known type of labor trafficking in the U.S. but has been emerging in Mexico during the pandemic.

Prepared by these discussions, Consejo activated their network of contacts with regional transportation authorities and child protection services to locate Christian at the bus terminal, return him safely to his family, and provide him with case management. Polaris is proud to have played a part in helping Christian reunite with his family. It's just one example of the North American safety net in action.

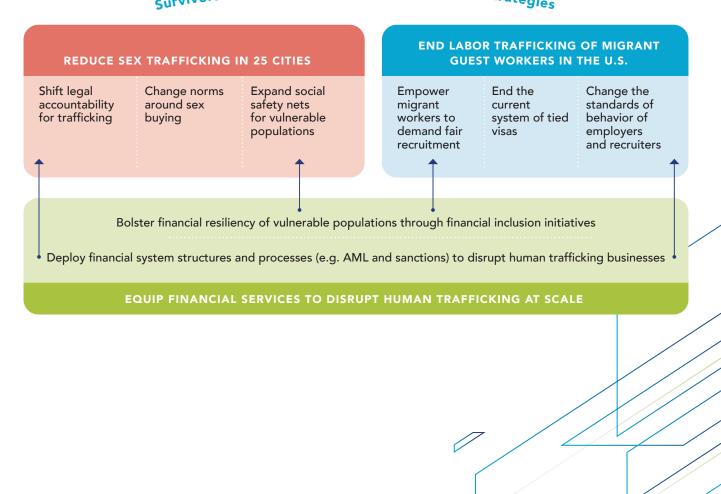
*Names and certain details have been changed to protect anonymity.

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In 2021, Polaris advanced our long-term prevention strategies known as the Big Fights. These initiatives tackle the underlying patterns of exploitation so that we can prevent trafficking before it happens and fundamentally alter the systems that enable abuse. As always, survivors inform all of this work, driving and guiding Polaris's efforts and the field as a whole.

Survivors' lived experiences are integral to all strategies



Sex Trafficking Initiative

Polaris worked with 51 community partners, 16 survivor leaders, and 63 community members across six cities to launch the initiative. Led by local survivor input, these coalitions explored ways to strengthen social safety nets for vulnerable populations, identifying trafficking prevention priorities in four cities.

Strengthening the Social Safety Net



BOSTON

Advocating for passage of Equality Model legislation

LOUISVILLE

Helping youth aging out of the child welfare system to access housing



NEW ORLEANS Ensuring stable housing for parents of at-risk youth

SAN DIEGO

Increasing number of safe(r) spaces for LGBTQ+ youth

Labor Trafficking Initiative

Polaris created and distributed a Spanish-language H-2A visa toolkit to educate migrant workers about their rights in the United States, reaching more than 120,000 people and bolstering the efforts of public and private partners in the United States and Mexico. We also began scaling Nonechka, a unique mobile-based platform, collecting migrant worker feedback on their recruitment and working conditions and sharing resources to prevent trafficking and exploitation.

A STARTING POINT FOR EMPOWERMENT

Polaris partnered with MUDJI (United Women in Defense of Farmworkers and Indigenous People) to engage farmworkers in a Nonechka survey. One woman, who didn't usually participate in labor rights activities, decided to answer because she was impressed that organizations like Polaris were interested in her experience. Such a first step not only provides valuable insights from on-the-ground workers but also opens the door to stay in touch with workers, provide resources, and connect them to a larger community of changemakers advocating for their rights.



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Financial Systems Initiative

Continuing our innovative work through the Financial Intelligence Unit (FIU), Polaris established formal partnerships with seven major financial institutions, engaged with over 40 major financial services companies, and trained more than 2,500 financial crimes professionals, supporting antimoney laundering (AML) efforts and working toward the goal of making trafficking less profitable and riskier for traffickers.

"The partnership and support Polaris has provided our financial institution's AML program has had a meaningful impact on our ability to detect and report potential suspicious activity associated with human trafficking. Whether it be in-person training that the Polaris team delivered for our AML analysts or through ongoing engagement regarding current trends in human trafficking, the Polaris team has had a material impact on our bank's human trafficking detection and investigation program."

- FINANCIAL CRIMES PROFESSIONAL AT A MAJOR U.S. FINANCIAL INSTITUTION

"Intelligence packets shared by Polaris have enhanced our ability to identify transnational activity linked to child exploitation. This intelligence has been critical in helping to identify, report, and/or mitigate questionable transaction activity amounting to tens of thousands of dollars."

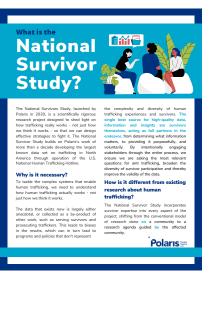
- FINANCIAL CRIMES PROFESSIONAL AT A GLOBAL FINANCIAL INSTITUTION

Centering Survivors in Research and Training

The National Survivor Study (NSS)

The first-of-its-kind NSS recognizes survivors as the real experts of the anti-trafficking movement. Flipping the traditional dynamics of research done on a community, it involves survivors in study design, delivery, and data analysis, generating knowledge about specific topics and about the best ways to work with survivors at every step of the process.

With the partnership of survivor leaders; the financial support of Match Group, PayPal, and United Way; and the technology resources of Twilio, Palantir, and Amazon Web Services, Polaris publicly launched the NSS in 2021, recruiting more than 500 eligible survivors to share their expertise about what they need to thrive and how to meaningfully engage them in research. Still underway, the NSS has already built trust; supported survivors in connecting, healing, and developing professional skills; and revealed learnings for the whole Polaris team.



"I think that we need to close the gap between being just a participant and becoming a researcher. ... With each research study, I think that there is opportunity to educate and equip survivors with the skills." – NSS SURVIVOR EXPERT

From "What is Meaningful Engagement in Research for Survivors of Human Trafficking?" (Dec. 2021)

HUMAN TRAFFICKING 101

In October 2021, Polaris launched a <u>free introductory training</u> <u>course</u> available to the public to leverage the power of compassionate, committed individuals and communities to prevent and reduce human trafficking. Six interactive modules incorporating survivor insights and stories have helped more than 2,000 participants learn what human trafficking really is, how it happens, and how they can be part of the solution.



Leading the Movement

Drawing on learnings from all of our programs, Polaris continues to advocate for legislation, policies, and resources that support victims and survivors and that change the systems that enable trafficking. We work in coalition with other anti-trafficking partners, as well as labor, immigrant, and human rights groups, taking a leadership role in regular reauthorization of the Trafficking Victims Protection Act and other trafficking-related efforts.

In 2021...

- Polaris's Public Policy and Strategic Advocacy team held
 60+ one-on-one meetings with Congressional staff and widely shared research and policy recommendations on labor recruitment and the impact of the pandemic on agricultural labor trafficking and exploitation.
- CEO Catherine Chen testified about combating human trafficking before the House Foreign Affairs Committee, and Polaris submitted a statement for the record for a Senate Judiciary Committee hearing on immigrant farmworkers.
- **Polaris engaged grassroots supporters**, generating thousands of messages calling for legislation supporting victims and survivors.



In late 2021, Polaris and the anti-trafficking field saw a major win: Passed as part of a larger package, the Debt Bondage Repair Act will create a process for survivors to get adverse credit information from their trafficking experience removed from their credit report. Though there is still work to be done to ensure survivors can reclaim both freedom and financial footing, this piece of legislation is a key step.

WORLDWIDE REACH

Polaris's scope stretches from the local to the federal level — and around the world! Our Global Modern Slavery Directory shares information about more than 2,000 organizations in 200 countries that address human trafficking, modern slavery, and related issues. Victims, survivors, service providers, researchers, and community members have all used the directory to identify and connect with resources.

After inviting feedback from survivors, staff, and partners, Polaris relaunched the Global Modern Slavery Directory with a refreshed, user-friendly website in 2021.

Take a look at https://globalmodernslavery.org/

Global Modern Slavery Directo

Connecting victims and survivors to support and services around the wor

- Agencies across the globe that address the issue of modern size and human trafficiency. Have questions above
- step directions? Please see our IAC page. Per more information and inclusion oriteria, please review the G Service Provider Guidelines and Emeri
- Inclusion oriteria; however, the GMSD is not responsible for the accuracy of information contained on this site. More informatio inclusion into the GMSD can be found on our Above.
- If you are seeking more information about organizations in the Un States, please visit the National Referal Directory of the LLC Asso



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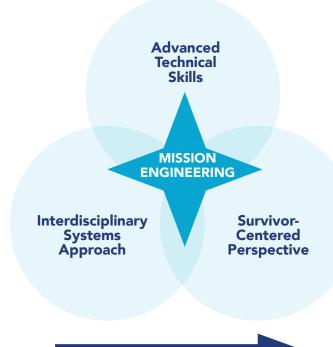


CORPORATE PARTNERSHIPS Mission Engineering Liftoff

Human trafficking is a \$150 billion criminal industry with at least 25 million victims worldwide. Its massive scope means that technology must be part of the solution to fighting this crime at scale. But it takes a unique philosophy — and dedicated corporate partners — to use technology in safe, effective, and innovative ways to end trafficking.

At Polaris, we now call this philosophy "Mission Engineering," which involves advanced technical skills; an interdisciplinary systems approach; and a survivor-centered, trauma-informed perspective. It also demands that we are always on the alert, responding to a rapidly changing threat landscape.

What does this look like in practice? Here are just a few examples of how Polaris and our forwardthinking corporate partners are driving the antitrafficking movement with technology:



Rapidly Changing Threat Landscape

AMAZON WEB SERVICES

With support from Amazon Web Services, Polaris has worked to rebuild a fully cloudbased network that enhances our programs and level of security.

PALANTIR

Thanks to Palantir, Polaris maintains the largest data set on human trafficking in North America and is improving analysis through data science and artificial intelligence.

PAYPAL

Since helping launch the Polaris Financial Intelligence Unit, PayPal has advanced Polaris's groundbreaking financial research, from identifying potential trafficking businesses to studying traffickers' use of cryptocurrency.

TWILIO

A key partner for engagement, Twilio has long enabled Trafficking Hotline text service, as well as the multi-channel, two-way contact center used for NSS outreach in 2021.

Financial Summary – 2021

REVENUE

Corporate Donations (19%)	\$4,324,503
Government Grants (16%)	\$3,544,359
Individual Donations (12%)	\$2,742,712
Private Foundations (11%)	\$2,485,000
Donated Goods (27%)	\$6,150,000
Other Income (12%)	\$2,843,000 (PPP Loan and ERC)
Pro-Bono Services (3%)	\$750,000



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EXPENSES

National Hotline (53%)	\$10,156,541
Learning, Innovation and Data Systems (5%)	\$1,010,018
Strategic Initiative – Labor Trafficking (5%)	\$878,531
Other Programs (20%)	\$3,911,900
Administration (11%)	\$2,131,305
Fundraising (5%)	\$1,014,807



ENDING NET ASSETS

\$6.9M

Note: These financials are pending audit completion and Board approval.

ABOUT POLARIS

BOARD OF DIRECTORS

Gregory L. Moore, Chairperson Frederick Reynolds, Secretary Jean Gilbert, Treasurer Roy L. Austin, Jr. Lisa Benenson Susan Coppedge **Boris Gartner** Tanya Gould Elizabeth Kiehner Angel Nguyen Swift

ADVISORY COUNCIL

Wade Arvizu Rafael Bautista Aaron Karczmer Megan Lundstrom Muftiah McCartin Audrey Morrissey Mahendra Pandey Jason Reich

EXECUTIVE TEAM

Catherine Chen, Chief Executive Officer Caren Benjamin, Chief Communications Officer Jen Jinks, Chief Strategy and Impact Officer Patrick McIntyre, Chief Development Officer Michelle Nicholson, Chief People Officer Alfonso Wright, Chief Financial Officer

U.S. NATIONAL HUMAN TRAFFICKING HOTLINE







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