





Annual Report



Dear Stakeholders, Friends, Family, and Partners:

ongratulations on another successful year of creating equitable access to opportunity! I am proud and continuously humbled to lead such a talented team of entrepreneurs focused on doing good by tackling the dual problems of electronic waste and the digital divide. In this year's letter, I want to celebrate our company's progress toward a more conscious form of capitalism that balances purpose and profit and rewards positive impact on people and the planet.

In 2020, the digital divide could not be ignored any longer. We saw a collective reckoning for one of today's biggest unspoken inequalities: the fact that 80 million Americans still don't have access to an affordable computer and internet connection, and even more lack essential digital skills or access to affordable tech support when something goes wrong. Students attend "Zoom school" on a parent's cell phone, seniors struggle to access healthcare

From the CEO

when their doctor's office is closed, and families lose out on important benefits because they can't afford to get online and stay online.

Our partners—local and state governments, schools, public libraries, and community-based nonprofit organizations—responded swiftly to the almost overnight transition to a digital-first economy, which created record demand for our digital inclusion services. Following our explosive success during that first year of the pandemic, 2021 was the year our organization began to professionalize for the long-term.

And the nationwide response, while unprecedented, was also insufficient and incomplete; the digital divide is not a problem that can be solved in a year. We must invest for the long-term and rethink how to best serve the unconnected. The digital divide is like a virus. It changes rapidly, grows and shrinks through time, and consistently targets vulnerable and underserved populations. Just like our response to viruses like the flu, we need a team of dedicated professionals who can investigate. understand, and get ahead of the problem. Every year, public health professionals review clinical studies, data, and new interventions to design the most effective flu vaccine for current conditions. That same level of institutional effort must be created in response to the digital divide. That's why Human-I-T is building the country's leading team of digital inclusion experts and practitioners, who can create and deploy new innovations for getting everyone online and keeping them online.

In 2021, we delivered some exceptional achievements:

- We launched an updated brand identity that engages and inspires, including new vision and mission statements, brand colors, the soon to be iconic "heart logo," and a redesigned website
- We received almost 3 million lbs of e-waste from corporate donors, including the ten millionth pound since our founding in 2012
- By focusing on reuse and refurbishment before recycling, we put 60,200 electronics back into the circular economy, diverting them from landfills
- We served approximately 40,500 households through our digital inclusion programs, including 14,000 device recipients, 25,000 households assisted to connect to low-cost monthly internet, and 1,500 basic computer skills learners
- We expanded our team to 150 employees by creating 59 full-time jobs with benefits in California and Michigan, and we hosted 8 interns through the Angeleno Corps program
- We raised more than \$13M through the sale of ITAD services, recycling, refurbished devices, monthly internet subscriptions, grassroots giving, grants, and sponsorships
- And much more!

From the **CEO**

Each of these outcomes represents an important step toward our commitment to drive sustainable and just opportunities for all people, organizations, and our planet to thrive. In 2021, we raised the bar for digital inclusion, and we're just getting started!

Human-I-T has always delivered on three big ideas that guide our work: we deliver highquality experiences, we make it easy to do good, and we create equitable opportunities for all. In 2022, we'll bring these ideas to life like never before...

First, we'll create memorable experiences across all of our services, including by opening the firstever Human-I-T Store in Detroit, and completely redesigning our ecommerce marketplace for low-income customers. By committing ourselves to unexpectedly good taste, we'll delight our partners and customers to make them feel welcomed, included, important, and inspired.

Next, we'll make it easy to do good. Whether you're an individual donor, an IT leader, a grantmaker, policymaker, or a Human-I-T employee, we'll empower all of our stakeholders to participate in making change. We're not satisfied with quick fixes or short-term solutions, so we'll create and improve with a focus on simplicity. And we'll do this by partnering with a record number of businesses to divert technology from landfills, offering more self-service options for donors, and innovating our processes to achieve even greater impact with fewer resources. And finally, we'll deliver on our mission to create equitable opportunities for communities left on the wrong side of the digital divide. In 2022, we'll put recipients at the center of everything we do, providing them with seamless access to all of our programs and helping them to navigate solutions to address their personal digital divides. When we work together *with* communities, we create solutions that not only solve problems of today, but also empower others to achieve their full potential.

This year, I want to start a conversation about a lifestyle of doing good for people and the planet. Together, we'll prove that when we lead with purpose, when we influence with integrity, our success becomes contagious. All of us—whatever our education level, work experience, background, or where we live—all of us can be the change we want to see in the world. Taking action brings us closer to inspiring a world where conscious capitalism drives sustainable and just opportunities for all people, organizations, and our planet to thrive.

Let's get to work.

John 71

Gabe Middleton Co-Founder and CEO of Human-I-T

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Human-I-T is a social enterprise that creates equitable access to opportunity by providing devices, internet access, digital skills training, and tech support for communities left on the wrong side of the digital divide, while at the same time, empowering businesses and organizations to do good by diverting technology from landfills to protect our planet.

OUR MISSION



Impact by the Numbers



13,545 devices distributed to income-qualified families and nonprofits



× Detroit: 2021

aving already proven that close publicprivate collaboration provided effective solutions to Detroit's acute digital divide—a crisis severely worsened by the pandemic—we set our sights high for what we wanted our work to achieve in 2021.

We challenged our partners to fully invest in Detroit's digital future. They did. They increased their support for us and diverted critical digital resources back into Detroit at scale. We also had to grow—a lot. So, we did, adding 20 people to our team in Detroit this year, alone. And, recognizing that being locally-led and expertlyinformed in how we assist people through their digital journeys enables our success, we got even more on-the-ground with our outreach.

All of our efforts paid off-big time.

By the end of 2021, we distributed 5,291 devices to Detroiters, connected more than 1,200 Detroit households to low-cost internet, and completed 17,750 technical support tickets for DPSCD students, all while diverting over 634,743 pounds of e-waste away from Detroit. While we're certainly proud of those numbers, we're even more proud of what they represent: proof that adopting circular economic principles and increasing investment in digital inclusion services are the two most potent, scalable, and sustainable solutions for tackling the digital divide.

They also represent the product of what happens when your team fully commits to flexibility and to the values of continuous improvement and excellence in execution. In our team's case, it meant being able to provide effective technical support—a key pillar in our efforts to bridge Detroit's digital divide—while still being able to connect individuals to tangible digital resources. However, we can't take all the credit for our success this year.

The ardent support of the City of Detroit government, Connect 313, and the Detroit business community, ensured Detroiters could engage with our organization and unlock their full potential.

As we look back on our achievements in Detroit this past year, we feel more energized than ever about our ability to do what we set out to do when we arrived two years ago.

In 2022, we're going to make immense strides towards making Detroit a national leader in digital inclusion.

> 1,200+ low-cost internet connections

5,466 devices

0 0 0 0 0 0



17,750 tech support tickets fulfilled

0 0 0



The Voices of Detroit

With this computer, I can still finish school work at home even though we're back in the classroom. I don't have to worry about using public computers at a library anymore. It is truly a blessing to have this donation given to us.





By collaborating closely with our partners across Detroit, Human-I-T has helped reduce the number of Detroiters impacted by a lack of access to technology by 25%. On this page, you'll hear from some of the Detroiters we've connected to digital resources.

What you'll notice is that people we often serve speak about the impact technology will have on their life with terms like "life-changing". There's a reason for that: it's the only accurate way to talk about it.

When our partners refurbish and distribute their technology to under-resourced communities, they are not just helping keep our planet safe—they are giving people access to limitless opportunities that live online.

These are quotes from people who live in a city that's rising to the occasion of providing every citizen with the tools they need to thrive in the digital age. This computer from Human-I-T helped my son with school tremendously. He was able to get ahead on his math and reading. He got an academic award for math and met all his reading goals for the school year!

The Trifecta: The Key to



n 2021, we strived to build an even broader, more diverse coalition of organizations dedicated to promoting digital inclusion in Detroit. The cornerstone of this effort was our Empowering Digital Detroit initiative.

Launched in collaboration with the City of Detroit's Office of Digital Inclusion, Connect 313, and the Detroit business community, this initiative aspired to collect over 500,000 pounds of e-waste and transform it into digital opportunities for Detroiters by October, just in time to celebrate Digital Inclusion Week.

A lofty goal, certainly. But, by challenging Detroit's community and business leaders to bolster their city's equity and sustainability, we were able to receive and divert 535,015 pounds of e-waste from landfills and provide over 1,205 Detroiters with critical digital resources. EDD's success has us excited for future opportunities that allow us to showcase the power of social entrepreneurship to drive a more conscious form of capitalism, one that ensures everyone has access to the resources they need to thrive. Our capability to bridge the digital divide in Detroit is anchored by the overwhelming support and feedback of the Detroit business community. Whether they're a small business or a Fortune 100 company, Detroit businesses have continually shown their commitment to giving back to the city that supported their success.

When two of Detroit's largest household names —General Motors and Rocket Companies decided to invest in us, it enabled us to expand to Detroit. And, well, it's easy to see the bang for their buck: tens of thousands of Detroiters gained access to digital opportunities and got protected from pollution and toxic waste. That's why we were thrilled when both General Motors and Rocket Community Fund announced in 2021 that they would each continue to financially support our mission in Detroit.

General Motors made a \$1.25 million dollar contribution this year, and Rocket Community Fund pledged \$1 million dollars over the coming three years. Each organization's contribution is big, but it feels even bigger to us because we know what we can do with it: we're going to ensure every Detroiter has access to the digital resources they deserve.

Detroit's businesses also offered resourceful and creative solutions to bolster the effectiveness of our collaborations with local, community-based organizations. General Motors, for example, lent us a Chevrolet Suburban High Country SUV to transport 100 laptops to The Adult Learning Lab at non-profit Southwest Solutions' facility in Detroit's historic Mexicantown neighborhood.

Each laptop was reserved for an adult who is served by Southwest Solutions' myriad

Our Impact in Detroit

of assistance programs including adult literacy training, mental health counseling, job training, homeownership assistance, and veteran support programs. Adults like Charles Montegue, a Detroit native and Air Force veteran, who was excited to use his device to connect with family:

This [laptop] will help me video chat with my doctor, and also with my sons in England and Japan. It'll also let me see my grandkids clowning around. Right now, I'm trying to do it all over the phone, and it's just not the same. [lt] is a big life changer.

All of this impact can be distilled down into a singular, potent lesson: when the trifecta of business, government, and community organizations work in tandem, there is no limit to how profoundly we can expand people's access to digital opportunities. It's important—no, imperative—to us that we create opportunity by cultivating equity and empowerment, especially in access to information and technology for under-resourced communities. In order to do this, we prioritize being physically present in the communities we serve while also advocating for digital equity and environmental sustainability wherever we go. their commitment to protecting the planet. Like Avocado Brands. As our Earth Month sponsor, they enabled us to protect even more people from e-waste. In fact, their passion for community-centric sustainability inspired us to follow their lead and host our own employeeled community trash cleanup. On April 24, Human-I-Ters picked up over 25.4 pounds of trash in an hour and, in the process, made their communities healthier, safer places to live.

Meanwhile, partners like Pelican Products showcase their commitment to sustainability by directly minimizing their operations' e-waste. In Pelican's case, the employees played a huge

Community mpact

part in maximizing the organization's environmental impact during Earth Month, too. By Earth Day, their employees donated over 12,000 pounds of unwanted electronics. To put that number into perspective, preventing that tonnage of electronics from going to a landfill has the same carbon savings as if we had taken 23 cars off the road for a month.

It just goes to show that what we've said forever is true: one of the easiest ways for an organization to protect the planet is to look for ways to minimize their contributions to the seemingly-hidden, yet growing waste streams.

Highlights

arth Month provides us a natural platform from which we can remind everyone that, given the scale of the climate crisis, it is every company's responsibility to protect our earth's natural resources. We celebrated this Earth Month by daring ourselves, our supporters, and our partners to think critically about how to minimize our negative impact on the environment and innovate ways to promote the adoption of sustainable practices.

Right before Earth Day, our Senior Vice President of Development, Allie Bussjaeger, moderated a panel discussion between representatives from General Motors, UCLA, and Green Standards. During this discussion, the organizations explored the value of sustainability to their organization and dove into how they innovate solutions to meet their sustainability goals. Having the opportunity to facilitate these types of discussions fills us with excitement as we look forward to continuing building our presence as a leading, sustainable e-waste removal provider.

Of course, it's not as if Fortune 100 organizations have a monopoly on setting the standards for organizational sustainability. There are plenty of organizations who serve as examples for how to comprehensively embody



It shouldn't matter, your zip code. It shouldn't matter, your skin color, or where you come from, or what language you or your parents speak. All that matters in Los Angeles is what you want to do.

-ERIC GARCETTI, MAYOR OF LA

The first week of October marks Digital Inclusion Week: a week-long celebration that offers everyone a chance to reflect on the importance of universal digital access in a society powered by technology. Our team spent this year's celebration engaging with a variety of audiences in discussions about how promoting holistic sustainability is central to providing digital resources to under-resourced communities.

At the beginning of the week, our cofounder-James Jack-joined a panel discussion on e-waste policy with Connect 313 and the City of Detroit's Office of Digital Inclusion. Later that week, we invited 15 students and members of the Metro Detroit Youth Club to tour our Focus:HOPE facility, learn about the circular economy, and receive new Chromebooks. Then, we gathered with community-based organizations at Marygrove College to discuss the importance of digital access and to distribute new devices to over 100 Detroiters. Each device came with one free year of technical support, a hardware warranty, access to free digital training, and assistance connecting to low-cost internet.

Meanwhile, on the West Coast, our Los Angeles team distributed 120 computers paired with hotspots with 100GB of free data for the next five years to the residents of SoLa Impact: a low-income housing community in south Los Angeles. This distribution was a huge success, thanks to the help of SoLa Impact, the Los Angeles Public Library, and Los Angeles Mayor Eric Garcetti, who not only delivered remarks but stood shoulder-to-shoulder with us to directly empower Angelenos with digital technology.

Our tech donors are experts at embodying their commitments to **holistic sustainability.**

ere are some numbers that should make everyone excited. Last year, Human-I-T processed nearly 2,000 technology donations from our corporate partners. Couple that with the fact that two-thirds of our corporate technology donors turn into repeat donors, and it becomes clear that we are growing - fast. And there's a reason for that: we make it easy for our partners to do good.

The numbers don't lie. More and more companies are recognizing that refurbishing outdated technology and distributing it to people in-need—rather than recycling it—is the easiest and most effective way to provide real, lasting opportunities in their communities while also protecting the planet.

Already like-minded organizations who are ready to create tangible impacts have helped us provide tens of thousands of people with access to digital opportunities while also diverting ten million pounds of e-waste from landfills. And they sure seem to enjoy working with us specifically to make these impacts - otherwise our logistics team wouldn't have a 97% customer satisfaction rating.

Who wouldn't want to join a movement that was that effective at making our world a more equitable, sustainable place to live?

We decided to honor Earth Month by asking our employees in our company to donate their e-waste and we partnered with Human-I-T, a great nonprofit organization, to refurbish these products and put them back into the communities that really need them.

PELICAN PRODUCTS

We're happy to help Human-I-T bridge the digital divide and keep landfills cleaner by donating refurbished computers and other devices that can make a big difference to Detroiters.

ALLY FINANCIAL



A fter a successful, year-long incubation with CBOs and partner organizations across California, we took Human-I-T: Include—our free, self-paced digital literacy course—statewide last May. Successfully scaling a program nationwide is a substantial challenge for any impact-driven organization but, by leaning on our value of creative collaboration and drawing from our belief in cultivating equitable access to information, we empowered 1,458 learners with skills they need to succeed in the digital age.

As we opened up Human-I-T: Include, it quickly became clear to us that the gaps in our students' digital skills varied too much from learner to learner for a one-size-fits-most approach. Though we're rapidly building capacity to meet the high demand for digital literacy training, we simply don't have the resources to match each student with an individual instructor. After all we'd need to hire 100 million teachers to provide one-on-one instruction to all the Americans with limited to no digital skills. While tackling this skills gap is not feasible by ourselves, huge progress can be made if organizations—both private and public—band together to support this critical pillar of holistic digital inclusion. To facilitate this kind of interindustry collaboration, we've decided to launch tutor support for Human-I-T: Include in 2022! This exciting initiative will give employees of our corporate partners and sponsors the chance to give back to the community by guiding our learners through the Human-I-T: Include course. We look forward to the close bonds this initiative will generate between our partners and the people in their communities who are enriching their lives by learning new skills.

Community Impact Highlights

If there's one thing we learned in 2021, it's that forging close relationships with like-minded partners is crucial to best serving oftenoverlooked populations. Partners like Palo Alto Networks, who not only lent us their financial support, but who also donated over 7,851 pounds of e-waste to us! Not only that, but they also tapped into their employees' passion for respecting the planet and uplifting underserved communities to divert 1,390 pounds of e-waste from Palo Alto Networks locations across the country.

Palo Alto Networks then took it a step further by collaborating with us to distribute technology to a group of veterans last November. With their new devices, these veterans can now do things like access telehealth services, find and train for civilian employment opportunities, and connect with loved ones. Partners like Palo Alto Networks are showcasing what kind of world is possible when everyone treats access to technology as a right, not a privilege: one where everyone, especially our men and women in uniform, get to enjoy equal access to the tools that power our whole world.

"This gift is going to help this veteran stay connected to his classes, and to his future," said Major Brenda Threatt, California State Guard, speaking about how a laptop donated by Human-I-T was going to impact one of the veterans serviced by El Camino Community College's Veterans' Center.

I've been working from home, but my computer stopped working so I need a replacement. I'm very thankful for this opportunity, I can get back on track to maintaining my full-time employment. As a single parent, I'm able to connect with my son's online computer classes.

> ROXANA GOMEZ, US AIR FORCE VETERAN

Bringing It Home:

How Human-I-T Honors Our Men & Women in Uniform

[This device] means a lot. I can look things up on my own and maybe learn a little more. YouTube— I have little breakdowns at home and I go on YouTube and see if I can fix it myself. I'd have to sneak up on my grandkids and ask 'Can I use your laptop for a few minutes?' and they'd frown because they're always doing stuff on the computer so I'd have to wait my turn.

> OSCAR GUERERRO, US ARMY NATIONAL GUARD VETERAN

15% of veterans live in households without access to the internet. When nearly three million veterans don't have access to the internet at home—a basic resource in the modern day—something is terribly wrong.

That's why we're working with our partners to empower our men and women in uniform with the technology they need to access telehealth services, connect with loved ones, apply for jobs, and more. It is, quite simply, the least we can do.











What Doing Good Looks Like







Recognitions

When you spend your time helping people reach their full potential and protecting the planet, people are going to want to talk about it.

Here are just some of our favorite pieces from last year that explore how our work is changing lives across the country.

How nonprofit social enterprise Human-I-T is working to bridge the digital divide • Crain's Business Detroit

Nonprofit looks to bridge Detroit's digital divide through donations from local businesses • Detroit Free Press

<u>It takes a village: understanding how the IT channel delivers</u> <u>great outcomes with technology</u> • **Forbes**

The digital divide in Detroit: how the city is working to bridge the gaps • NPR

Mayor, Human-IT launch new effort to help close Detroit's digital divide, reduce e-waste, create jobs • Patch

Committing to our Detroit home • General Motors

Promoting equitable access to tech • PCMA

<u>South LA students receive laptops for</u> <u>Digital Inclusion Week</u> • NBC Los Angeles

Our Donors

The Key to Promoting Digital Access

A huge thank you to everyone in our communities who donated to Human-I-T in 2021. It is because of your continued support that we are more confident than ever in our ability to build a more sustainable, equitable world.

General Motors Foundation Detroit Public Schools Foundation

AT&T

Rocket Community Fund

City of Long Beach

Microsoft Corporation Leonetti O'Connell Family Foundation

The Gries Family

LA Care Health Plan Kim Wilkins TD SYNNEX The William C. Bannerman Foundation Wine Warehouse LA2050 Consulate General of Israel, Los Angeles Essex Apartments Josephine S. Gumbiner Foundation Marathon Petroleum Foundation Venable Foundation Conrad N Hilton Foundation Clif Bar Family Foundation Amazon Web Services Avocado Green Mattress Cassie Bleuer Evalyn M. Bauer Foundation Givebutter Laserfiche WarnerMedia

Our Donors

continued

Aaron Hoefling Adam Hasz Alexandra Bussiaeger Alexia Zhou Ali Lehner Alisan Amrhein Amanda Barber AmazonSmile Foundation American First National Bank Ayako Akazawa **Benjamin Driver Bess J. Hodges Foundation** Brandon Bussjaeger Breanna Briggs Cadilus Caitlin Beas Cal Water Service Group Carey Feng Carol Adler Carol Taggart Carrine Johnson Cathy Procopio Christian Terry Comcast Connect-In-Place Courtney McCall Dan Cox Dana Gealon Daniel & Susan Harris Danielle Schultz

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The Key to Promoting Digital Access

A huge thank you to everyone in our communities who donated to Human-I-T in 2021. It is because of your continued support that we are more confident than ever in our ability to build a more sustainable, equitable world.

Overwatch - OWG Patricia Taggart Patrick O'Doherty Paul and Rebecca Smith Pauline Mendoza Rae Johannessen Saeed Garshasbi Saffron Homayoun Mirza Salesforce.org Schwab Charitable Sev Kocharian Shannon Hough SkyOne Federal Credit Union Smart and Final Charitable Foundation Sponsored LLC Susan and Paul Schuster Taylor Peck The Hardin-Bealaryans The Taggart Tech Hacker Community Thomas Marder Todd Scherwin Tom Assam-Miller Tonya Williams Vanessa Gorski Vinicio Viquez Yvonne Ta Zorina Ohanian

Financials 2017–2021

In 2021, Human-I-T heavily invested our resources into people, technology, and process. Specifically, we expanded employee benefits for all staff, refreshed and updated our brand experience across all channels, and built the foundations for long-term growth by initiating a number of large-scale improvement projects. Broadly, we're focused on providing delightful experiences through services for tech donors, community partners, and recipients alike. These improvements will enable Human-I-T to better support our existing customers and expand market share through new customer acquisition.



Disclosure Statement: Financial statements prepared below for 2021 are from internally generated reports, have not yet been audited, and may be adjusted before Human-I-T's financial audit is produced. Audited statements are available upon request.



Empower **people.** Protect **the Earth.**

LOS ANGELES

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