2021 ANNUAL REPORT



Goodwill Industries International



Everyone Deserves Thrive the Opportunity to



"No matter what difficulties or problems you face... the future is in your hands."

– Rev. Dr. Edgar J. Helms Founder, Goodwill Industries®



UPSKILLING FOR A SECURE & PROSPEROUS FUTURE

If someone had told Angel Lawler Winn a few years ago that she'd soon be doubling her salary in a new IT career, she would have laughed out loud. But it's become her reality.

Angel dropped out of school at 16 to be the primary caregiver for a loved one who was ill with cancer. She eventually earned her GED and took some classes at community college. But, mostly, she felt pigeonholed into low-paying restaurant, call center and caregiver positions.

Ultimately, Angel was inspired to make a change after her spouse pivoted from a job in food service to seek a more stable career path through the Google IT Support Professional Certificate at Goodwill Industries of Middle Tennessee (Nashville). Angel signed up for the same IT training program — something that would not have been possible without a scholarship and additional support from Goodwill®.



Angel also took advantage of other services offered by her local Goodwill career center, including job prep classes, résumé assistance and help with developing a strong LinkedIn page. Upon earning her certificate, it was only a few weeks before Angel landed a job in the IT field. The more than 50% pay increase she received, together with her spouse's financial boost, has made it possible for the pair to feel more secure. They will even pay off their home much earlier than expected. They are continuing to upskill in pursuit of an even brighter future.



"One thing I have learned is how open and welcoming the IT world is to self-taught learners and non-traditional students. I think that is something that makes it a really great option for people who have passion and dedication but not necessarily the resources to go through college or even community college before they increase their earnings."

LETTER FROM THE CEO

In 2021, our world, our economy and all of us sought to find solid ground after the greatest upheaval and uncertainty we had ever known. We began to gain confidence as we saw health conditions improve and businesses open up, so we were able to begin looking forward. As 2020 came to a close, 11.4 million people were unemployed, and people of color and those with lesser economic means



were disproportionately impacted. By the end of 2021, 6.3 million people were unemployed and there was strong momentum for continuing job growth fueled by federal spending, federal support and strong consumer demand.

At the same time, a pre-pandemic trend was accelerating, leading to greater changes in the labor market and creating both opportunities and challenges. That trend is the increasing skills requirements for both the new jobs being created and the jobs that already exist. Demographic trends, consumer preferences and greater digitization and automation in our businesses are some of the driving forces behind this trend. For many years, we have witnessed a migration, whereby new jobs are being created and existing jobs are increasingly requiring soft skills, digital competencies and other jobspecific skills.

By the end of 2021, there were a record 11.4 million job openings, many of which were well-paying positions with promising prospects. Because of the skill requirements in these roles, many workers who were unemployed, underemployed or earning low wages were unable to compete for the

opportunities. This "skills gap" — the chasm that exists between job candidates' skills and the training and experience sought by employers — was at the forefront of our minds throughout 2021 and continuing into 2022.

To better understand the experience of individuals facing this gap, our team recently conducted a study that revealed 94% of job seekers identified access to acquiring new skills and training as a high priority. But, more concerning, more than half of respondents who recently sought employment reported that they didn't apply to one or more jobs because they felt they lacked the required skills or credentials.

The key groups most likely to report challenges to finding employment are young adults, people of color, those within the lowest income brackets, and women (especially women of color).

This information has affirmed the criticality of our work in turning the generous donations we receive into needed jobs in our stores and impactful employment programs for people who are seeking skills or other support to enter employment, advance in their careers or start on a new path in our modern economy.

We are leveraging the massive footprint and capabilities of our local Goodwill organizations for greater impact by bringing in partners through the Rising Together[™] coalition. Launched in 2021, Rising Together brings a constellation of major business partners with unique capabilities together to advance our important work in communities across North America. These partnerships support the continuum of need for our participants, ranging from training for marketable job skills, enhanced job placement assistance, case management technologies and other assistance for people who lack basic resources.

As the leading nonprofit provider of job training and placement programs in North America, Goodwill is positioned to help close the skills gap and is increasingly advancing this work in partnership with other organizations who share our commitment. Doing so will result in something truly amazing: A more diverse and stronger talent pool that advances equity in the workforce and our society. Everyone benefits — individuals, companies and communities.





In the pages of this report, we highlight several initiatives that we are cultivating to match the needs of today's job seekers. In addition to reading more about Rising Together, you will learn how we are leveraging sustainability innovation, adult education and digital skills training, including skills training for target industries like healthcare and technology. We also spotlight, with great pride, several individuals who have directly benefited from your support of Goodwill who give us hope for what's ahead.

Thank you for your continued support, and for making it possible to raise up our communities — one person at a time — as we emerge even stronger from the global pandemic.

In gratitude,

Steven C. Preston

President and CEO,

Goodwill Industries International



CHANGING LIVES: 2021 IMPACT









Whether it is economic uncertainty fueled by a global pandemic or the impacts of a rapidly changing climate, challenging times remind us of the importance and strength of community. In 2021, the support you extended to Goodwill made strong, positive impacts as 155 local Goodwill organizations across North America transformed your generosity into the support your communities needed.

Whether you donated things or money, shopped or volunteered, supporting Goodwill helped nearly two million individuals across North America connect with training, education, financial mentorship, job placement and other services that are critical to improving their lives. You might not see them, but when you walk into a Goodwill donation center or store, you are helping someone in your community access opportunities tailored to assist them in realizing their potential and claiming their right to achieve job security and personal well-being.

Thanks to you, we can meet people where they are in their life journey. We are extending a hand up to those who need help to gain stability. And, in doing so, we are sending a clear message that everyone deserves the opportunity to thrive.

Building inclusion for all within our communities, including serving:

| 10,905 |
|-------------|
| individuals |
| who |
| identify as |
| immigrants |
| or refugees |

| 23,505 |
|--------------|
| individuals |
| who identify |
| as being |
| homeless |
| |

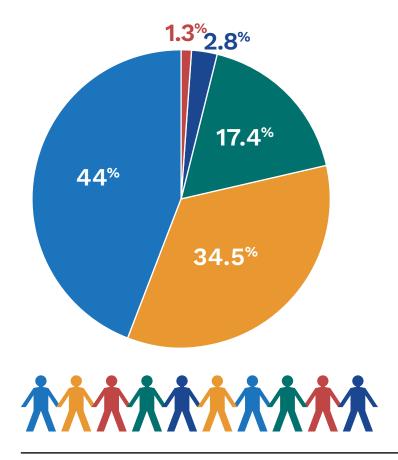
| 47,693 |
|--------------|
| veterans |
| and military |
| families |
| |

| 46,389 |
|-------------|
| individuals |
| who have |
| had justice |
| involvemen |
| |

| 140,128 |
|--------------|
| individuals |
| who identify |
| as having |
| disabilities |
| |

| 156,521 |
|--------------|
| youth and |
| young |
| adults (ages |
| 16-24) |
| |

| 182,624 |
|------------|
| older |
| workers |
| (ages 55 |
| and older) |
| |



1.3%

American Indian/ Alaska Native

2.8%

Asian/Native Hawaiian/ Other Pacific Islander

17.4%

Other Race or Origin

34.5%

Black or African American

44%

Caucasian or White

19% of all persons served were of Hispanic origin



1,984,044

People Empowered Themselves with Goodwill Services,

including skills training, education and job placement, as well as other types of life supports, provided by local Goodwill organizations.

24,452

Careers Advanced

by individuals who earned new industryand employer-recognized credentials through Goodwill programs, including digital skills certifications that are in demand in the IT, marketing, healthcare, production and manufacturing fields. 123,196

People Earned Employment Outside Goodwill

using direct training and placement support from their local Goodwill organizations.

One out of every
600 hires in the U.S.
occurred with help
from Goodwill.

121,414

People were Employed by Goodwill, including integrated mission delivery in stores and donation centers, vocational employment through contracted services and supported workplaces.



Approximately

3.8 Billion Pounds

of Reusable or Recyclable Goods

were redirected from local landfills and found new purpose through Goodwill retail stores, reducing waste across our communities.

More than

15 Million Pounds of Electronics

were collected across more than 2,000 Goodwill locations and recycled into new computer parts.



MEET OUR 2021 NATIONAL AWARD WINNERS

The Achiever of the Year and Kenneth Shaw Graduate of the Year awards recognize two of the millions of people who use Goodwill job training, career services and related support to better their lives. Find more success stories like these on our My Story blog.



The Fortitude to Forge a New Path 2021 Achiever of the Year

After spending time in the justice system, Michael Blanton worried about difficulties ahead. On a tip from a friend, he looked into the Goodwill Re-Integration Program (GRIP) offered by Goodwill Industries of Southeastern Louisiana (New Orleans).

GRIP helps people who are impacted by the justice system through mentoring, employment services and job training. During his time in the program, Michael was matched with a case manager, who worked with him on an individualized career plan.

He soon landed an entry-level position at a local Goodwill store, where his strong work ethic and positive attitude shined. He was quickly promoted, twice, and eventually assumed the position of assistant manager. Later, he was instrumental in his store's safe reopening during the global pandemic. His commitment and critical thinking earned him yet another promotion to manager at another store — just 14 months after his initial hire date.

Today, his district manager reports that Michael's success can be attributed to his infectious optimism and an ability to boost employee morale. He hopes to inspire others.

About the Award: Annually, the GII Achiever of the Year award goes to a person who has shown great progress and accomplishment in overcoming challenges to finding employment, and who still benefits from the Goodwill work environment or receives services to support employment at a community site.

"I am grateful to Goodwill for taking a chance with me. They hired someone with a less than stellar past and have given me a bright future."



Watch Michael tell his story.

Inspiration that Propels Others Toward Big Goals 2021 Kenneth Shaw Graduate of the Year

Growing up, Diondre Ouzts went to school for sports and socializing. But in high school, academic setbacks overshadowed his athletic talents, making him ineligible to play football. Feeling defeated, he dropped out. Some time later, he chose to finish his education, inspired by his mother's positive experience at The Excel Center®, a tuition-free charter high school for adult learners operated by Goodwill of Greater Washington (DC).



Through the Goodwill of Greater Washington Career Readiness Program, Diondre connected with an instructor who worked with him to explore topics that sparked his curiosity and instilled in him a love of learning. After earning his high school diploma, Diondre set his sights on helping other youth discover their love for learning.

He pursued that goal upon acceptance into the Literacy Lab's Leading Men Fellowship Program, which helps young men of color pursue opportunities in education. As a fellow, Diondre participated in a year-long residency and received coaching and professional development while gaining experience as a reading and writing tutor to pre-kindergarten students. This experience led to a dream of becoming a teacher.

Diondre is now pursuing a degree in early childhood education at Catholic University. He hopes to establish a nonprofit organization for disadvantaged youth who, with a little confidence, might also become shining examples of what hard work, perseverance and commitment can do to propel someone towards big goals.

About the Award: Each year, the Kenneth Shaw Graduate of the Year award recognizes an outstanding person with a disability or disadvantaging condition who completed a Goodwill career services program and is competitively employed by a non-Goodwill employer.



Watch Diondre's award acceptance video.

"I had given up on my goal of teaching and even going back to school to better myself. What made me change my mind was when I saw my mother graduate from The Excel Center... The staff and teachers stuck beside me the entire time. They motivated me to be a better man, a better student and a better teacher. They made sure that I led by example and stayed on track, and helped me find my drive and chase my dream again."



Goodwill Industries International (GII) supports a network of 155 nonprofit member organizations across North America. Each local Goodwill organization delivers opportunities and services that meet people where they are. From training, education and job placement to transportation assistance, childcare and financial coaching, local Goodwill organizations help people prepare for and join the local workforce and strengthen their communities.

As 2021 came to a close, millions of households across North America felt the ramifications of the waning global pandemic and subsequent inflation. These events brought many people who were looking for help in their communities to Goodwill for services — especially racial and ethnic minorities, women, people impacted by the justice system, people with disabilities, older workers, veterans and military family members, youth, and those who lack access to the education, skills and technology required by a rapidly changing workforce.

In response, GII designed and launched the Opportunity Accelerator™ workforce development model to ensure equitable and consistent delivery of effective practices, resources and services regardless of location or life circumstances. Through this holistic approach, job seekers and career advancers are using the Opportunity Accelerator to improve their career prospects, increase earnings, and connect with employers.

The Opportunity Accelerator ensures job seekers can assess their needs and interests in relation to their local labor market, develop personalized career plans, build relevant skills, conduct effective job searches, connect with employers, and succeed in their new jobs.

At any local Goodwill organization, or from any electronic device, the Opportunity Accelerator provides access to career coaching and navigation, digital skills, financial planning and other services to reach their personal and career goals.

A growing number of GII partners are supporting the expansion of the Opportunity Accelerator to make it available to job seekers and career advancers across the U.S. and Canada. These include:

- Accenture
- Bank of America Charitable Foundation
- Caterpillar Foundation
- Comcast
- Elevance Health Foundation
- General Motors
- Google.org/Charitable Giving Fund of Tides Foundation
- Lowe's Companies
- Microsoft Philanthropies
- USAA

More People Are Gaining Digital Skills Through Goodwill Services









More than 8 in 10 mid-level jobs today require digital skills, and more than half of workers will need to upgrade their skills to qualify for those in-demand careers. To help people learn the digital skills for the careers they want, many Goodwill organizations offer five levels of training programs through the Goodwill Digital Career Accelerator®. Offerings range from digital awareness and basic computer programs to more technical skills and occupation-specific training and certification in high-growth industries such as healthcare, production and manufacturing.

Fueled by investments from Accenture, Caterpillar Foundation, Comcast Internet Essentials, Google.org, Meta Elevate and Microsoft Philanthropies, more than 1.2 million people built their digital skills at more than a hundred local Goodwill organizations. Nearly 315,000 job seekers used Goodwill Digital Career Accelerator services to earn digital economy jobs since 2017. Goodwill organizations continue to align resources with training and services to close the digital skills gap and help individuals become more competitive both for the jobs of today and those emerging in our shifting economy.

Individuals benefiting from the Goodwill Digital Career Accelerator are equipped for jobs that include but are not limited to:

- Project manager
- Helpdesk specialist
- Network administrator
- Computer programmer
- Social media marketer
- UX design specialist
- Data analyst



Since 2017, approximately 1.2 million people from often overlooked communities built digital skills, and nearly 315,000 job seekers earned digital economy jobs with help from Goodwill.

Exploring a Career Change During the Pandemic

After losing her job as a dental office manager during the COVID-19 pandemic, Grace Young decided to explore a career change in the direction of information technology, a longtime area of interest. Aware that pivoting careers would require new skills, she got to work researching programs and found Goodwill Industries of Hawaii's Google IT Support Professional Certificate program.

She borrowed a friend's computer to fill out the application and complete online testing in math, English and computer skills. Grace's persistence paid off when she was selected for one of 30 free scholarships for the certificate program through the Goodwill Digital Career Accelerator.

The program was a great fit. In addition to online IT instruction and one-on-one coaching, Goodwill Hawaii also provided Grace with jobreadiness training, access to community resources and individualized career counseling. She also had an opportunity to meet a member of Google's staff for career advice.

Upon graduation, Goodwill Hawaii helped Grace explore job vacancies and apprenticeships in the IT field while also employing her to help with implementing a CARES Act-funded grant related to the organization's COVID-19 response. During this time, Grace also pursued additional courses at the community college before landing a long-term, paid internship with a local IT company.



"I have always found interest in doing IT work whenever I got a chance. I tried to learn on my own, and would sometimes ask friends in the field if I got stuck with a problem I could not solve," Grace says. "After becoming unemployed, I really need this training and certification to find employment, advance my career and get a better-paying job."

Connecting with Youth to Create Brighter Futures

The Goodwill network reaches more than 150,000 youth and young adults each year. Through a partnership with Accenture, GII is piloting its Opportunity Accelerator to amplify best practices and engage young people with enhanced training, mentoring and other support services to create futures that might not otherwise exist for them. These efforts endeavor to help youth and young adults connect their personal interests with the importance of education and training, and its relevance to their career paths.

The first phase of this partnership focuses on tailoring the Opportunity Accelerator specifically for youth and young adults through pilot programs with Goodwill organizations in Louisville, KY; Greenville, SC; Tucson, AZ; Houston, TX; and Columbus, OH.



These Goodwill organizations are focusing on building relationships with local schools; expanding occupational training opportunities in healthcare, transportation and IT; building employer partnerships and growing work experiences; and developing new ways for youth and young adults to take on leadership roles. Youth can also take advantage of opportunities to engage with the program through recreational opportunities, including fashion shows, basketball tournaments, talent shows, and local food truck gatherings.



During 2021, these pilot projects have initially engaged 1,048 youth and young adults in education and career services, provided 889 youth and young adults with skills training and support services, and connected 234 youth and young adults with education and career pathways.

Persistence Pays Off for Young Man Seeking New Opportunities



When Chancellor "Chance" Hawthorne found Goodwill, he was looking for a path to a better future. He had dropped out of high school and was working in restaurant positions to make ends meet. He wanted to complete his GED so that more opportunities would be open to him.

This was not his first attempt to finish his education. He was previously dismissed from an adult learning program for misbehavior, but he didn't give up. Although he felt like he was out of training options in his area, a couple of friends tipped him off to Goodwill Industries of Upstate/Midlands South Carolina (Greenville), which is piloting the Opportunity Accelerator tailored to connect teens and young adults with opportunities in education or training for employment and entrepreneurship.

Chance was connected with a career navigator who helped him with work readiness skills, career planning and exploration, digital literacy, GED preparation, ServSafe certification and job search assistance.

When it came to the hard work of earning his GED, Chance passed test after test, but math posed his biggest challenge. On his first math test, he scored five points lower than he needed to pass. He didn't give up, though, and recently passed the math test and earned his GED. He is thankful for Goodwill staff who helped him on his journey and kept him motivated when he wanted to give up.

During his time with Goodwill, Chance also gained employment within the food service industry, and credits his success to his Goodwill-sponsored job skills certification. Chance is proud of his achievements and plans to start his own music production company and own a record label. He is planning to pursue fine arts classes that will allow him to adapt to the continuous changes of the music industry as well as gain practical business skills.



"I did not give up and finally made it! Thank you!"

Launching Healthcare Careers





With support from the Elevance Health Foundation, GII launched a two-year pilot program called Healthcare Career Launch at eight local Goodwill organizations. Using the Opportunity Accelerator service delivery model, the program amplifies existing Goodwill healthcare training programs to ensure more equitable and consistent delivery of proven best practices, resources and services.

Goodwill organizations headquartered in the following cities are participating in the pilot program:

- Atlanta, GA
- Fredericksburg, VA
- Knoxville, TN
- Little Rock, AR
- Long Beach, CA
- Macon, GA
- Roanoke, VA
- South Bend, IN

Through Healthcare Career Launch, participants receive intake and assessments, case management, and referrals to holistic services to ensure they can thrive in training and on the job. Based on information received during intake, participants are enrolled in industry-recognized healthcare credentialing programs delivered by their local Goodwill organization or an educational partner. While enrolled, they also benefit from career coaching and work readiness planning, and participate in employer networking events.

In 2021, the first year of the program, the participating Goodwill organizations used Healthcare Career Launch to enhance training and support for individuals seeking to enter and advance in career pathways that include medical administration, billing and coding, emergency medical technician, phlebotomist and even registered nurse.

Returning to Healthcare After An Extended Hiatus

Rhonda Walby's experience in the healthcare field reaches back to working part-time in medical settings while attending high school south of Atlanta, GA. Following graduation, she worked in the phlebotomy and cardiology departments, and eventually became certified as a nursing assistant (CNA) before she stepped away from the workforce to raise her children.

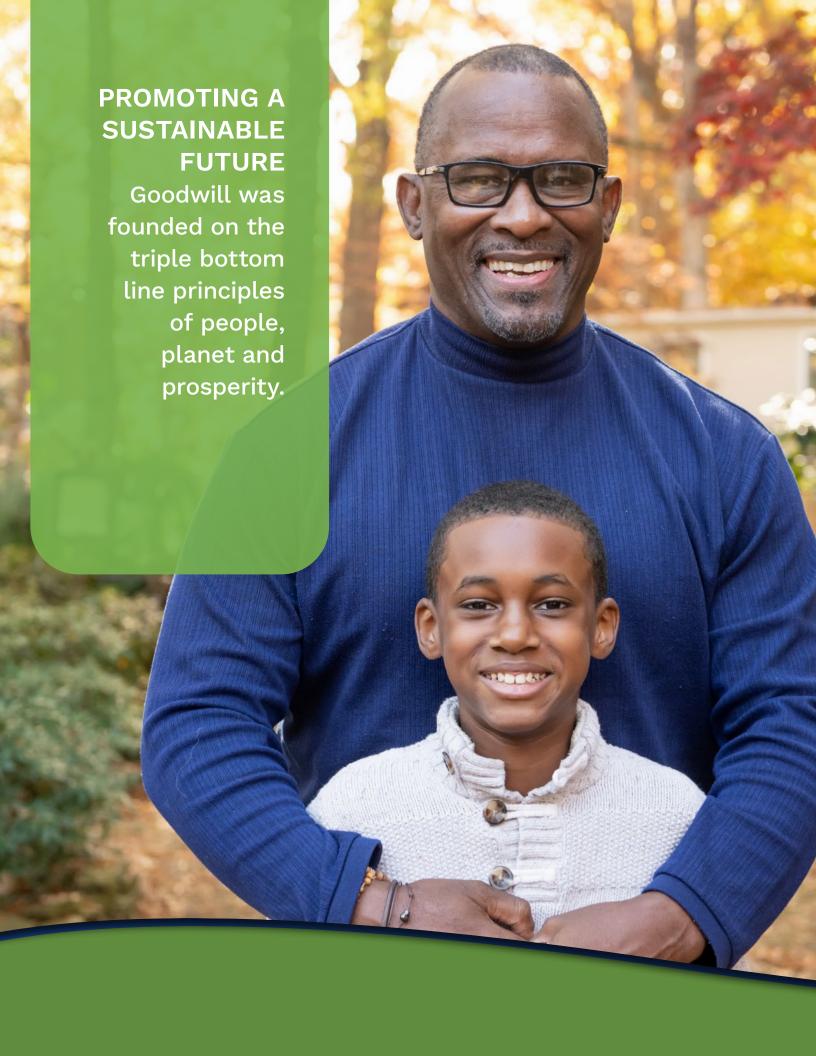


She later moved to North Georgia and decided retail would be a good place to rejoin the workforce, and she found work as a cashier. After positions at several major chains, she felt the call to return to healthcare. She quickly learned that the types of positions she desired would require pursuing additional certification.

Through research and networking, she found the Goodwill of North Georgia Cornelia Career Center staff, who matched her goals with an Elevance Health Foundation grant to cover the cost of a certification program. Her case worker provided support that she says was critical to her success and later helped her find a position that would meet her clinical requirements. Following graduation, Rhonda passed her certification exam and remains in the same position as a full-time employee.



"I enjoy working for a small, family oriented company, and especially appreciate a company that works with me to create a schedule that allows for a healthy work-life balance," Rhonda says as she celebrates 120 days on the job with her new healthcare employer.



The Goodwill mission to provide people with support so they can empower themselves and thrive through training, development and employment is directly tied to the health of our planet. It is well documented that people who have experienced inequities socially, economically, culturally, politically or institutionally tend to be most vulnerable to environmental threats. These threats include poor air and water quality, inequitable access to healthy food, and living in neighborhoods located in proximity to landfills and other hazardous sites.

To help meet the needs of the individuals and communities we serve, Goodwill organizations throughout North America are prioritizing sustainability — from maximizing the value of donated goods to forming innovative recycling partnerships and rethinking how we are powering our facilities.

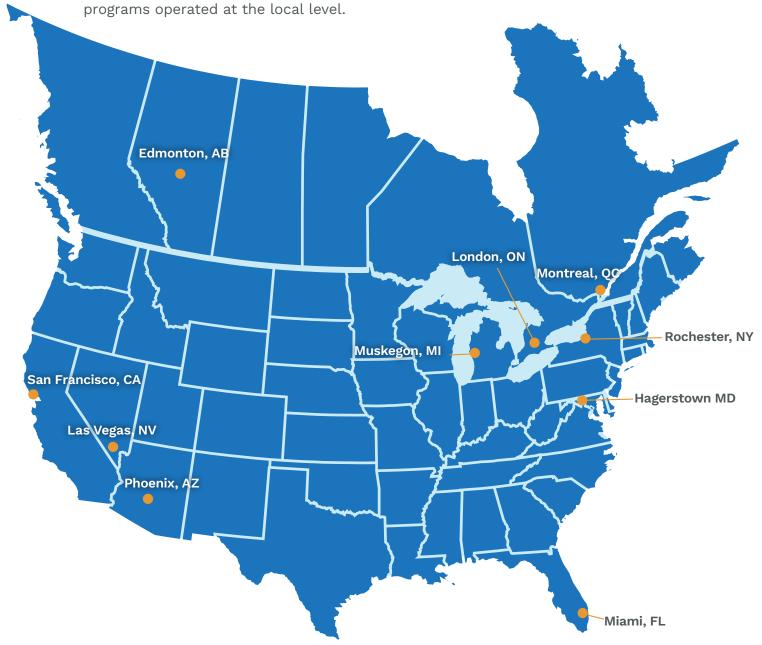
We take our three sustainability pillars of people, planet and prosperity seriously, and we are excited about the many ways in which individual Goodwill organizations are exploring, testing and implementing innovative practices that will protect the environment for future generations while creating positive opportunities for people in our communities.

In 2021, Goodwill recovered the value of more than 3.8 billion pounds of used goods.



Local Goodwill Organizations Innovate for a More Sustainable Future

Goodwill is an environmental pioneer and social innovator of the "reduce, reuse, repurpose" practice. From its founding in 1902 in Boston, MA, Goodwill has grown to become a leader in the reuse of secondhand items in North America. GII works to identify, support, refine and scale sustainability solutions from local Goodwill organizations. Following are just a few examples of innovative sustainability programs operated at the local level



GOING SOLAR

Horizon Goodwill Industries (Hagerstown, MD) recently marked five years since setting up a solar generation array at its regional corporate headquarters. Built in partnership with RER Energy Group, New Energy Equity, Pfister Energy and



WGL Energy, the system has consistently exceeded its estimated annual generating capacity of 1.2 million kWh, producing a total of 6.8 million kWh of clean electricity during its first five years in operation. According to calculations provided by Locus Energy, this equates to just over 2.1 million pounds of coal saved. So far, the system has generated enough electricity to power three stores, one donation center and more than 145,000 square feet of office and warehouse space, meaning that almost all Horizon Goodwill facilities in Maryland are operating on sustainably generated energy.

"Our efforts in this space are a continuous journey. It started with solar, followed by LED light fixture conversion, and now we are working on the efficiency of our heating and cooling systems and building envelopes."

- David Shuster, President and CEO, Horizon Goodwill Industries



SCALING UP CIRCULARITY

Goodwill Industries Ontario Great Lakes

(London/Toronto) continues to build on the success of Worth, its collection of upcycled clothing and accessories created in the spirit of assigning worth to textiles even after they are discarded. In 2021, this partnership with

Fanshawe College and Western University sought more opportunities to repurpose unsold goods at larger scales and through new social enterprises. They forged new relationships with recyclers and upcyclers, and promoted Goodwill's role as a circularity entrepreneur. Now the partners are identifying ways to establish recovery and recycling facilities and deliver funds to local communities — including rural and remote indigenous communities — within Canada and throughout North America. They are also in the early stages of tracking the environmental impacts of these efforts, including waste reduction, carbon footprint and other metrics, to support their zero-waste, fully circular approach to keeping clothing, household products and other items out of the waste stream.

"Much of our circularity work is an early state of evolution but this important path forward has begun."

— Michelle Quintyn, President and CEO, Goodwill Industries, Ontario Great Lakes







During 2021, **Goodwill Industries of South Florida** (Miami) expanded its role as a partner for circular textile solutions through two partnerships. First, it continued its long-standing relationship with the U.S. Army to recycle and repurpose legacy Army uniforms and equipment. Thanks to a \$242



million contract for this work, Goodwill South Florida diverted more than 270,000 pounds of ballistic panel waste from landfills in 2021 and projects to divert more than one million pounds in 2022 and 2023. Goodwill South Florida also formed a partnership with Accelerating Circularity, a nonprofit pursuing a mission to create new supply chains and business models that turn textile waste into mainstream raw materials. Through this partnership, Goodwill South Florida began participating in a series of trials with industry stakeholders to prepare unsold donations to become textile recycling feedstock through sorting, pre-processing and laundering. This process prepares the feedstock for the circular textile supply chain. This effort is creating sustainable job opportunities for the local community.

"This is a great opportunity to positively impact the community by reducing the amount of textiles that end up in landfills while also creating well-paying local jobs."

Mark Marchioli, Vice President of Business Development,
 Goodwill Industries of South Florida



RECYCLING HARD PLASTICS

Goodwill Industries of West Michigan

(Muskegon) established a partnership with HydroBlox Technologies to recycle unsold plastic donations. HydroBlox Technologies manufactures 100% recycled plastic structures used in road and trail projects, retaining

walls, hydroponic farms, solar fields, green roofs and other applications to direct water flow. Together, the organizations will open a production facility in Michigan to convert unwanted donated plastic products into HydroBlox stormwater drainage infrastructure. In addition to plastics, the Goodwill is also in the research and development phase to innovate solutions for other hard-to-recycle materials such as wood and glass.

"Recycling unwanted plastic into useful, environmentally friendly stormwater products will reduce landfill fees and provide good jobs while generating revenue to support Goodwill employment and training programs."

Nick Carlson, Business Development Director,
 Goodwill Industries of West Michigan





DIVERTING WASTE

Goodwill Industries of Alberta (Edmonton) continued to divert waste from landfills by repurposing, upcycling and recycling donated products through its Impact Centre, which opened in 2017. During 2021, this commitment to sustainability resulted in the



diversion of 86% of all donated items — equivalent to 43,272,073 pounds — from local landfills. This goal was largely achieved through training and employment opportunities for people with disabilities who:

- Refurbish discarded furniture that is destined for landfills into unique pieces for the home through the Repair For Good program.
- Upcycle unsold t-shirts and towels, including those donated by the Alberta Hotel and Lodging Association, into new signature products that are sold at Goodwill retail stores and other locations through the Cleaning Cloth Initiative.
- Learn how to repair bikes in order to find meaningful employment in the community through the You Can Ride 2 program.

"The more we recycle and the more we divert from landfills, Goodwill can provide more training and more employment opportunities for people with disabilities."

— Mortimer Capriles, Director of Sustainability,
Goodwill Industries of Alberta

UPCYCLING TEXTILES

Goodwill Industries of San Francisco, San Mateo and Marin Counties

(CA) partnered with the California Product Stewardship Council on a garment repair and reuse project. Funded by the City and County of San Francisco's Department of the Environment, the project utilizes existing Goodwill infrastructure to collect and sort textiles, and team members are trained in separating out salvageable materials that might be candidates for upcycling or repair. During the third quarter of 2021, this partnership made it possible to increase the value of more than 176 garments to be sold in Goodwill stores, contributing to a total of 34,909,695 pounds of goods diverted from landfill in 2021.

"Thrift stores have become the stewards for presorting unwanted items, and are basically left to function as waste managers. But they don't have much support for repair and upcycling damaged goods to ensure they are kept out of the landfill. We are trying to get the textiles out of landfills and back into circulation."

— Joanne Brasch, PhD, Special Projects Manager, California Product Stewardship Council







Goodwill Industries of Southern Nevada

(Las Vegas) has formed relationships with local businesses to adopt their unsold merchandise and keep those new goods from ending up in landfill. In 2021, TJX Companies, Inc. became the latest in a line of business partners to donate their excess inventory to Goodwill. In the first year of their partnership, TJX donations included more than 3,000 items of brand-new clothing, shoes, furniture, housewares, toys and more. The items went directly from truck to sales floor,



resulting in immediate revenue to fund the Goodwill mission in Las Vegas and surrounding areas. Goodwill of Southern Nevada works with nearly 25 other business partners in the area, including organizations such as Mountains Edge Master Association, Freeman Group, Caesars Casinos, MGM Casinos and Henderson Libraries. Some of these partnerships provide items from lost-and-found drop-offs, employee donation drives and tradeshow inventory, among other donations. These partnerships demonstrate how Goodwill plays a critical role in creating a circular economy, allowing partners to extend the life of goods they no longer need. In part due to these efforts, Goodwill of Southern Nevada diverted 38 million pounds from local landfills in 2021.

"Goodwill's expertise in repositioning surplus products for renewed use inspires partners to donate rather than discard. As a result, both the volume and higher quality of items donated by partners motivate new and repeat customers to shop with us, buy more, and feel a sense of pride in both reducing waste and supporting our mission."

- Rick Neal, President and CEO, Goodwill of Southern Nevada



EXPANDING HORIZONS

Goodwill of Central and Northern Arizona

(Phoenix) recently examined recycling practices and other methods of becoming more ingrained in a circular economy that aims to keep plastics, textiles and as many other materials as possible out of the waste stream. In 2021, that effort paid off after the organization saved 43,906,880



pounds from ending up in the landfill — 21,194,689 in textiles alone, thanks, in part, to creating and investing in automated equipment to process certain items in lieu of being fully staffed. The organization also made an effort to interact with industry peers at the annual Plastics Recycling Conference and Trade Show, and represented Goodwill on the Arizona Recycling Coalition, the Arizona Forward Waste and Circular Economy Committee and the Arizona Department of Environmental Quality.

"By connecting with others who are already doing so many forward-thinking and impactful things in the circular economy industry, I learned about avenues for commodities that I never knew about. It's all about exploring opportunities and educating ourselves and others in order to do better in the future."

— Karyn Resendiz, Senior ROC Manager, Goodwill of Central and Northern Arizona

CLOSING THE LOOP ON CIRCULARITY

With support from the City of Montreal's economic innovation and circularity initiatives program, **Renaissance Goodwill of Montreal** (Quebec) partnered with Vestechpro, a nonprofit apparel research and innovation organization based in Quebec, on a two-year pilot project



to build and test the first post-consumption textile defibering operation in the province. The partners are finalizing the acquisition of machinery required for converting end-of-life textiles into fibers that can be reused for making threads, insulation padding, stuffing and other materials. Together, they are seeking partners interested in using the post-consumption fibers for new products once the initiative transitions to an industrial-scale processing operation. This work will divert more post-consumer textiles from landfill while introducing a new area of business that creates new local jobs.

"Our Goodwill has close to 60 drop-off/store locations in the Greater Montreal and eastern townships of Quebec province and is processing over 24K tons of used goods each year through public donations. Being a major actor of change in the environment through recycling and reuse of a substantial amount of clothing in the community, we have been concerned about textile circularity for a number of years."

Carl Turgeon, Business Development,
 Renaissance Goodwill of Montreal





RENOVATING FOR IMPROVED HEALTH

In 2021, **Goodwill of the Finger Lakes** (Rochester, NY) advanced its mission of "elevating people, community and planet for a good today and a better tomorrow" in two significant ways. First, it formally opened its newly renovated 7,000-square-foot contact center, which provides support to people struggling with substance abuse, suicidal thoughts and other issues. The contact center offers rewarding



career opportunities for people who are blind or visually impaired. It is outfitted with LED energy efficient lights and fixtures, a break room and a calming room where operators can take time to decompress and relax in between calls. In addition, the organization removed its fountain soda machine and installed new water bottle filling stations across its campus to encourage team members to use reusable water bottles and drink more water for their health. Within weeks, the stations filled thousands of water bottles, reducing waste while accommodating visually impaired employees who might have difficulty drinking from a water fountain.

"Goodwill of the Finger Lakes recently signed a local Climate Action Pledge. As we continue to understand our impact on the planet and take steps to reduce that impact, we are excited to bring our employees along with conscientious efforts that change our work environment and our personal behaviors in the right direction."

Jennifer Lake President and CEO,
 Goodwill of the Finger Lakes



Finding a Place to Thrive

David Alender lost sight in one eye and there is a 50/50 chance he might wake up completely blind on any given day. He has experienced much discrimination due to his visual impairment in the past, so he was doubtful that he'd find employment. He didn't have high hopes when he applied to be a store associate at Goodwill of Central Oklahoma, even though the job description said that they hire individuals with disabilities. He is grateful he was wrong.



Watch David's story.

Today, more than two years later, David is thriving in his job at Goodwill. Every day he goes to a workplace with his service dog Lizzie, where he feels fully supported. During his employment, David has grown as a person, formed friendships, and become excited about opportunities to explore new paths and advance in his career — all things he never thought were possible.

"The reason that we are here is to serve our community. We help people overcome challenges to employment, whether that's a disability, whether that was incarceration or if they have something on their record," said Ted Wellendorf, store manager. "That's our mission and it's why we do what we do."



"I've had difficulties in my life and I've had employees here — even management wise — just kind of pick me up and brush me off, so to speak, and kind of help me get a voice. I wouldn't be the person or the employee that I am today outside of Goodwill."

WORKING TOGETHER TO HELP MORE PEOPLE THRIVE

Rising Together™ jump-starts a vision for a future where there is a pathway to opportunity that is accessible by all. Our network of Goodwill organizations cannot achieve this goal alone. Thanks to the support of our partners, we have an opportunity to help more people access opportunities to thrive.



PARTNERSHIP IN ACTION: Rising Together™

Launched in May 2021, GII created Rising Together, a first-of-its-kind coalition of Fortune 50 companies and global philanthropic and business leaders that is working to empower one million people to access stable, well-paying careers with potential for growth by 2025.

Specifically, the Rising Together coalition is building and expanding upon programs that address inequities and systemic barriers facing workers who need additional skills and resources to close widening skills gaps. These barriers are affecting certain populations more than others, including Black and Hispanic men, those who do not have a post-high school education, and women who left the workforce in the millions during the global pandemic.

Rising Together has already helped people in 33 states and Canada access job training and placement programs, transportation services, and other supports that provide the skills and other services people need to both enter and stay in the workforce.







"Everyone deserves the opportunity to thrive in life, but, today, too many people are left out of that opportunity. We must ensure that people can equip themselves with the skills they need to compete for jobs in a changing economy. We feel fortunate to have our Rising Together partners join us in providing training and other support for people looking to invest in better futures for themselves, their families and their communities."

Steven C. Preston, President and CEO,
 Goodwill Industries International

2021 Rising Together Partners

These powerhouse brands joined Rising Together in 2021 and are using their combined hiring strength to support the needs of job seekers — from providing transportation and broadband access to offering training opportunities and job search skills.

Coursera is providing 2,000 scholarships to those hard-hit by courserd the economic turndown, including people impacted by the justice system, veterans and youth. These scholarships include free access to courses to learn job-relevant skills in business, technology and data science.



Elevance Health Foundation is expanding a training program that Foundation will build healthcare career pipelines for thousands of current and future workers over the course of two years. The training will ultimately lead to credentials, job placements, wage increases and benefits.



Google is delivering digital skills training through programs such as Google Career Certificates, which help job seekers prepare for in-demand jobs in less than six months without the need for a college degree or prior experience.



indeed Indeed is helping job seekers who face challenges to finding work with skills-based assessments, hiring events and other support. As part of Indeed's Environmental, Social and Governance commitments, they are also pledging with Goodwill to help 30 million people facing challenges secure employment by 2030.



Lyft is providing individuals with access to transportation to interviews, job training and/or the first weeks of work through its LyftUp Jobs Access program, which to date has supported job seekers with access to tens of thousands of rides.

"The brand power of our Rising Together partners and their nearly billion-dollar commitment to this national initiative allows us to immediately communicate to job seekers, in a variety of ways, about reputable programs that provide a path to success and meaningful employment."

> - Rick Neal, President and CEO, Goodwill Industries of Southern Nevada (Las Vegas)

National Strategic Partners

GII's National Strategic Partners provide multi-year support — such as financial support, pro-bono skills training, in-kind contributions, hiring initiatives, and more — that is accessible to more than 150 local Goodwill organizations across the U.S. and Canada.

















Impact Partners

GII's Impact Partners provide support through targeted initiatives and investments aimed to impact specific communities where Goodwill organizations are located.















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Marion B. Herrschaft Trust
Estate of Phillip Neumann
RTL Trust
Estate of Paul G. Slater
Estate of Virginia A. Smith







"I make financial contributions to Goodwill because I know exactly how my gift is being used. I personally knew someone who benefited from Goodwill's veteran's program and saw how it transformed his life. I genuinely believe in Goodwill's mission and can say with absolute certainty that there is no better nonprofit organization I'd give my donation."

— Tommy Moore, financial donor to Goodwill Industries International

OUR FINANCIALS

Goodwill Industries International, Inc. and Related Entities December 31, 2021 and 2020

Consolidated Statements of Financial Position

| | | 2021 | 2020 |
|----------------------------|--|---------------|---------------|
| | Cash and cash equivalents | \$ 35,808,905 | 30,244,336 |
| | Investments | 19,224,518 | 15,863,204 |
| v | Accounts receivable, net | 1,777,286 | 1,078,709 |
| ASSETS | Grants receivable | 5,154,157 | 4,097,889 |
| AS | Promises to give, net | 320,113 | - |
| | Prepaid expenses and other assets | 1,024,096 | 666,322 |
| | Property and equipment, net | 5,239,531 | 5,895,883 |
| | TOTAL ASSETS | \$ 68,548,606 | \$ 57,846,343 |
| | LIABILITIES | | |
| | Accounts payable | \$ 5,793,764 | \$ 5,863,928 |
| ဟု | Accrued expenses | 3,453,799 | 2,244,119 |
| SET | Deferred revenue | 668,286 | 447,003 |
| L AS | Paycheck Protection Program (PPP) loan | | 1,908,300 |
| Z H | TOTAL LIABILITIES | \$ 9,915,849 | \$ 10,463,350 |
| AND | NET ASSETS | | |
| ES / | Without donor restrictions | \$ 43,708,013 | \$ 38,203,244 |
| E | With donor restrictions | 14,924,744 | 9,179,749 |
| LIABILITIES AND NET ASSETS | TOTAL NET ASSETS | 58,632,757 | 47,382,993 |
| | TOTAL LIABILITIES & NET ASSETS | \$ 68,548,606 | \$ 57,846,343 |

Consolidated Statement of Activities

| | | 2021 | 2020 |
|------------------------------|---|---------------|----------------|
| | REVENUE AND SUPPORT | | |
| | Federal awards | \$ 26,309,177 | \$ 24,828,373 |
| | Membership dues | 21,269,926 | 20,477,059 |
| | PPP loan forgiveness | 2,908,300 | - |
| | Program service fees | 1,195,707 | 1,137,035 |
| | Legacies and bequests | 1,135,478 | 88,404 |
| | Contributions | 1,001,027 | 20,377,099 |
| | Rental | 291,133 | 303,578 |
| ட் | Net investment return—operations | 86,573 | 119,903 |
| 58 | Other income | 23,758 | 16,445 |
| ΞE | In-kind contributions | - | 150,000 |
| ES WIT | Net assets released from restriction | 6,494,855 | 9,236,247 |
| TIES WITHOUT RESTRICTIONS | TOTAL REVENUE AND SUPPORT | \$ 60,715,934 | \$ 76,734,143 |
| | EXPENSES | | |
| CTIVI | PROGRAM SERVICES | | |
| Ag | Sponsored programs and grants | \$ 32,629,187 | \$ 33,787,124 |
| | Direct services to membership | 16,492,698 | 13,600,020 |
| | Support services to membership | 1,224,052 | 1,190,052 |
| | TOTAL PROGRAM SERVICES | \$ 50,345,937 | \$ 48,577,196 |
| | MANAGEMENT AND GENERAL SERVICES | | |
| | General and administrative | \$ 4,196,607 | \$ 3,439,181 |
| | Resource development | 947,039 | 634,824 |
| | TOTAL MANAGEMENT AND GENERAL SERVICES | \$ 5,143,646 | \$ 4,074,005 |
| | TOTAL EXPENSES | \$ 55,489,583 | \$ 52,651,005 |
| | CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS FROM OPERATIONS | \$ 5,226,351 | \$ 24,082,942 |
| | Net Investment Return – Non-operating | 278,418 | 365,805 |
| | CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS | \$ 5,504,769 | \$ 24,448,747 |
| | Contributions | \$ 12,098,807 | \$ 9,511,605 |
| T SN | Net investment return—donor restricted | 141,043 | 193,737 |
| ĖĔ | Net assets released from restriction | (6,494,855) | (9,236,247) |
| S W | Cancellation of PSA campaign | - | (1,985,415) |
| VITIES WITH RESTRICTIO | CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS | \$ 5,744,995 | \$ (1,516,320) |
| ACTIV | CHANGE IN NET ASSETS | 11,249,764 | 22,932,427 |
| ONO | Beginning _ | 47,382,993 | 24,450,566 |
| ۵ | ENDING | \$ 58,632,757 | \$ 47,382,993 |

Mission

Goodwill® works to enhance the dignity and quality of life of individuals and families by strengthening communities, eliminating barriers to opportunity and helping people in need reach their full potential through learning and the power of work.

Vision

We at Goodwill Industries® believe that every person has the opportunity to achieve his or her fullest potential and participate in and contribute to all aspects of life.

Values

Passion

Impact

Respect

Well-being

Diversity, Equity and Inclusion

Agility

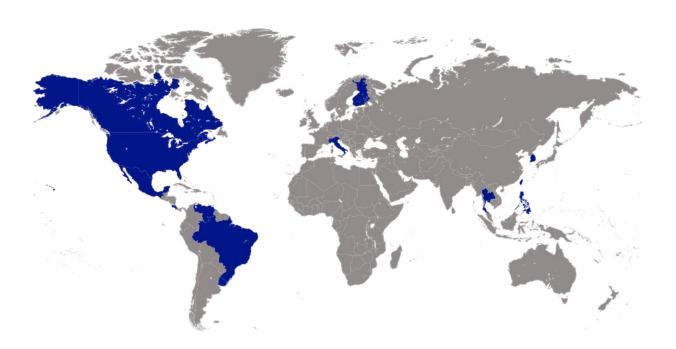
Structure

Goodwill was founded in 1902 to enhance people's dignity and quality of life by strengthening their communities, eliminating their barriers to opportunity and helping them reach their full potential through learning and the power of work. Goodwill Industries International supports a network of 155 community-based nonprofit organizations across the U.S. and Canada that sell donated goods to create job opportunities and fund training in local communities. Each local Goodwill is a separate 501(c)(3) organization that operates independently to meet the specific needs of the communities it serves, such as job placement services, skills training, employment training and other community-based services.

International Reach

Goodwill currently has a presence in 12 countries outside of the U.S. and Canada. In collaboration with Goodwill Industries International, our partner nonprofits generate revenue to expand their missions within their respective countries.

Each of our international nonprofit partners is an independent nonprofit organization governed by local leadership.



Brazil Canada Costa Rica Finland Italy Mexico Philippines South Korea Taiwan Thailand Trinidad Venezuela United States Uruguay

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