2023 Annual Report

Toward
Digital Innovation
& Social Impact

DDD
Changing How
the World Works.

Jeremy Hockenstein

Co-founder & Chair

By making key investments in our people and in Tech, DDD has increased revenues by 23% and improved margins from 19% FY2022 to 29% FY2023. In turn, we can expand our programs and services to reach even more economically disadvantaged communities.

Dear friends and family,

It brings me great joy and satisfaction to reflect on the remarkable business achievements and profound social impact that our organization has accomplished in 2023. I am incredibly grateful for the collective efforts of our dedicated team and I continue to be inspired by the innovation of our services and programs, all of which have been instrumental in driving DDD's successes.

Most significantly, we have been able to make a substantial difference in the lives of individuals and communities in the past year. Our Impact Sourcing Model has empowered 11,272 young people to date, providing them with essential skills training and employment opportunities. The job prospects and skills enhancement have not only increased their earning potential in the first year post DDD to an average of 3.5 times, higher than their pre-DDD salaries, but also instilled in them the confidence and determination to thrive in their future endeavors.

As we move toward growing our business and expanding our social impact, we prioritize the development and well-being of our team members. We believe that a positive work environment is fundamental to both their personal growth and the overall success of our organization. By investing in our people, we foster a sense of belonging and create pathways for continual growth and professional development.

We have ramped up efforts in improving data quality and client service in 2023, using human-in-the-loop processes alongside top-notch data security measures. We continue to invest in the training and development of our team members, ensuring their ability to deliver outstanding data preparation services. By making key investments in our people and in Tech, DDD has increased revenues by 23% and improved margins from 19% FY2022 to 29% FY2023. In turn, we can expand our programs and services to reach even more economically disadvantaged communities.

2023 has been a year of meaningful impact and profound discoveries, giving us a glimpse of what the world will shape up to be, with steady efforts to changing how it works. Since DDD started 22 years ago, I have had the great privilege and honor of leading this extraordinary organization toward long-term digital innovation and transformative change in the lives of young individuals. In 2024, Sameer Raina will take over steering DDD toward a bigger, brighter future and ensure that we stay the course with our mission to make the world a better place for all. We are fortunate to have Sameer leading the way.

Together, we are making a tangible difference and building a more inclusive and equitable society.

Dear DDD Stakeholders,

In this report, we celebrate DDD's achievements and highlight future transformations that will increase profitability, expand our service offering, and enable us to do an even better job for our clients, employees, and supporters. Only with your continual help are we able to innovate and grow, and tackle the global problem of unemployment and underemployment through our Impact Sourcing model. We are deeply grateful for your partnership.

Our business has evolved over the past three years. While we will still offer data conversion services, our growth will come from focusing on Machine Learning (ML) and Artificial Intelligence (AI), providing data labeling and annotation services. AI is becoming more influential in our daily lives, so our expertise in this area will be of greater value in the future.

In the past year, DDD addressed challenges in scaling and delivering ML as we transitioned the business model from content conversion to data labeling; organizational redesign has demanded more effort as we experienced attrition. We are managing challenges to the growth and impact of DDD by developing more robust future plans.

Our strategy for growth and impact is twofold: investing in our people and harnessing the power of Tech. Our people are our greatest asset, so we are committed to nurturing our diverse workforce and have initiated a strategic alignment between our Operations and Impact departments. The synergy will enhance our ability to create sustainable social impact and provide lifelong opportunities for our trainees and Associates.

Because technological proficiency is paramount, we are investing in comprehensive data labeling training for our team, ensuring they remain at the cutting edge of digital advancements.

Our mission to empower marginalized communities and open up access to education and employment opportunities is at the heart of everything we do. As we broaden our influence through innovative data solutions, we will be launching even more sustainable social impact models. DDD will expand the Alumni Community platform to connect our training graduates and recruitment partners, creating even more opportunities for mentorship, job placement, and career development. We are moving toward exponentially increasing our social impact, enabling Associates to create better lives for themselves, their families, and their communities.

I am excited and honored to lead DDD in the years ahead, with Jeremy providing invaluable advice and support as we embark on a journey toward rapid growth, inclusivity, and equality. Thank you for being part of our mission, and we look forward to honing more skills, fulfilling greater dreams, and shaping brighter futures in the years ahead.

Let's bridge the digital divide and create a world of equal opportunities.

I am excited and honored to lead DDD in the years ahead, with Jeremy providing invaluable advice and support as we embark on a journey toward rapid growth, inclusivity, and equality. //

Sameer Raina

(**Chief Executive Officer**)

Driving Digital Innovations, Transforming Lives

Digital Divide Data transforms lives around the world by creating opportunities for education, training, and employment. We are on a mission to provide underserved youth with a path toward successful careers and a higher quality of life, while providing first-class Tech services to organizations across the globe.

For over 20 years, DDD has served nearly 11,272 young men and women from Cambodia, Kenya, and Laos by giving them access to skills and work experiences that break the cycle of poverty. We established the Impact Sourcing model to deliver high-quality data preparation services while empowering future professionals and leaders in the digital economy.

WHAT WE DO

IMPACT SOURCING

A global movement that began with DDD, Impact Sourcing encourages businesses to procure products and avail of services from organizations that create positive economic and social impact.

Work-Study Program

Young Professional Employment

Career Connect

DDD'S SOLUTIONS FOR KEY INDUSTRIES

As a trusted digital transformation partner, DDD is committed to supporting businesses through better solutions and a wide range of technological services. Our continued investment in groundbreaking technologies such as AI and ML underscores our dedication to empowering our partner organizations worldwide.

Generative AI

Computer Vision

OCR

Data & Content Services

Natural Language Processing

BUILDING AI-DRIVEN FUTURES

DDD is dedicated to improving the future of underserved youth by providing opportunities in high-growth industries such as Artificial Intelligence and Machine Learning.

Our up-to-date training programs equip youth with skills that are in demand for future careers. Kenyan, Cambodian, and Laotian graduates from our Work-Study Program program have already utilized these skills to augment their experience in Tech, resulting in a 767% growth in annual income from before joining DDD.
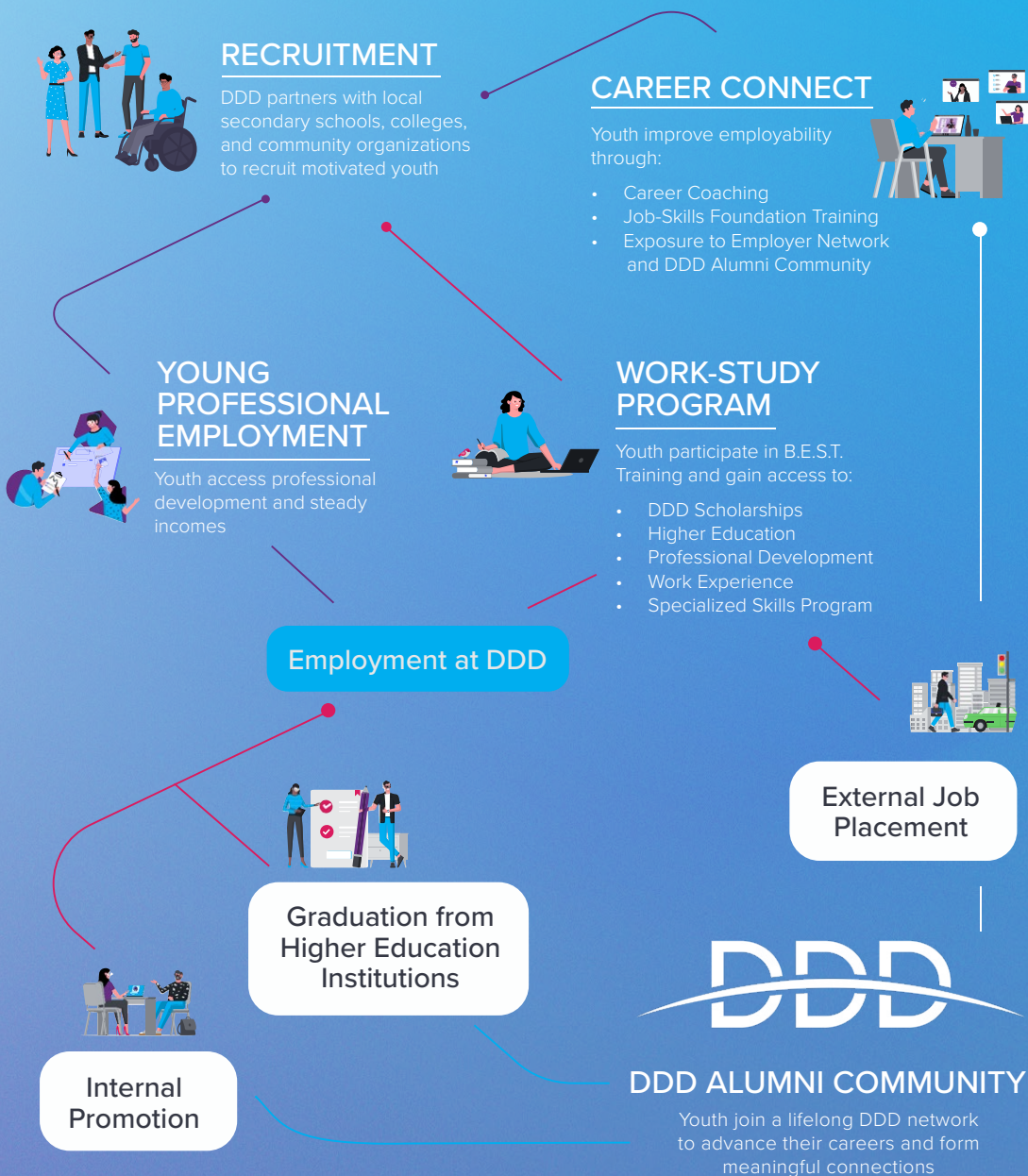
As part of DDD's investment in these groundbreaking technologies, we have expanded our services to adapt AI and ML to support partner organizations with better solutions.

AMPLIFYING OUR IMPACT

DDD has cultivated partnerships with various organizations, international NGOs, and global and local businesses to create employment opportunities and scale our impact through growing our business.

Our work with our impact partners provides underserved youth with essential workplace skills and access to good quality education, positioning them for future success.

Social Impact Model

RECRUITMENT

DDD partners with local secondary schools, colleges, and community organizations to recruit motivated youth

CAREER CONNECT

Youth improve employability through:

- Career Coaching
- Job-Skills Foundation Training
- Exposure to Employer Network and DDD Alumni Community

YOUNG PROFESSIONAL EMPLOYMENT

Youth access professional development and steady incomes

WORK-STUDY PROGRAM

Youth participate in B.E.S.T. Training and gain access to:

- DDD Scholarships
- Higher Education
- Professional Development
- Work Experience
- Specialized Skills Program

Employment at DDD

External Job Placement

Graduation from Higher Education Institutions

Internal Promotion

DDD ALUMNI COMMUNITY

Youth join a lifelong DDD network to advance their careers and form meaningful connections

---

OUR ALIGNMENT WITH SUSTAINABLE DEVELOPMENT GOALS

1 / NO POVERTY
DDD's social impact model is recognized for being one of the best in creating opportunities for skills development, sustainable income, and long-term career growth for underserved youths.

5 / GENDER EQUALITY
Our goal is to provide Tech skills and adequate income to men and women in underserved communities. We strive for gender equality in the workplace and are proud that over 50% of the DDD workforce are women.

4 / QUALITY EDUCATION
Our Work-Study program equips students and trainees with sought-after skills within the Tech space. We also offer scholarships and loans to employees, enabling them to pursue higher levels of education.

8 / DECENT WORK & ECONOMIC GROWTH
As part of our commitment to providing sustainable employability, DDD offers English Language, time management, and life skills programs that impart trainees with building blocks for success in their chosen careers.

// CHANGING HOW THE WORLD WORKS

2023

BY THE NUMBERS

Nearly
11,272 youth
served since inception

1,368 youth
employed

47% women
in the workplace
across all offices

767% growth
in salary of DDD
graduates

**Average Annual Income
of DDD Graduates
across all locations**
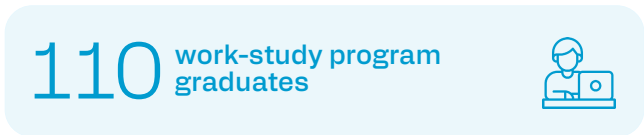(Before, 1 year and current Salary)

$2,862
Year 1 after DDD
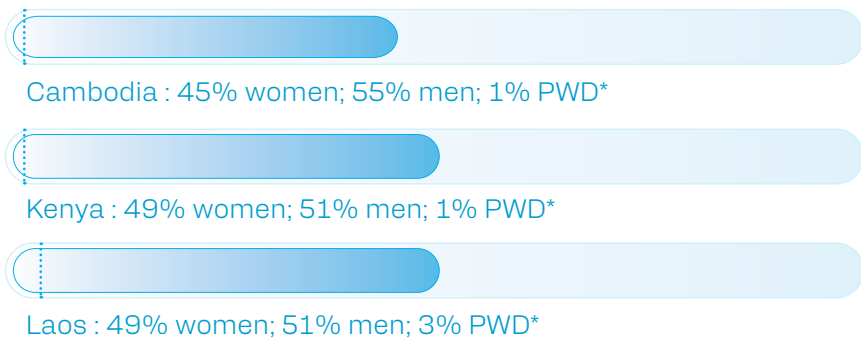
$806
Before DDD

$6,991
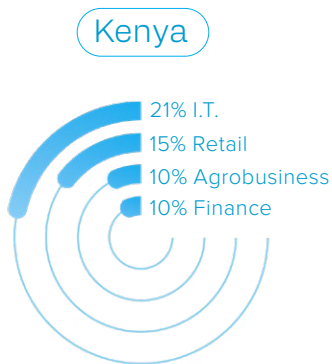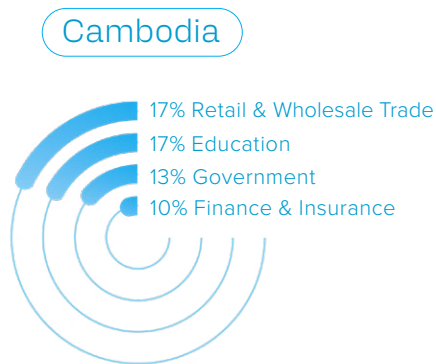Current Salary

DDD IMPACT DATA SUMMARY

110 work-study program graduates

785 youth in education

978 students trained in B.E.S.T. and other employability training

Inclusivity in the Workplace

women   men   PWD*

* % of total employees per country

Cambodia : 45% women; 55% men; 1% PWD*

Kenya : 49% women; 51% men; 1% PWD*

Laos : 49% women; 51% men; 3% PWD*

Top Employment Industries for 2023 DDD Graduates

Cambodia

17% Retail & Wholesale Trade
17% Education
13% Government
10% Finance & Insurance

Kenya

21% I.T.
15% Retail
10% Agrobusiness
10% Finance

Laos

21% Service
16% I.T.
11% Government
8% Entrepreneur

Big Dreams, Big Future:

Stories of Success

The courage to dream a better life can be ambitious if not impossible when resources are few and far between. DDD recognizes how the situation can prevent young, talented individuals from realizing their full potential and their own success. With opportunities that lead to possibilities, they will transform their own lives. Discover the journeys of Selae, Theany, Fredrick, and Navin, and how they went from dreaming to living the life they envisioned.
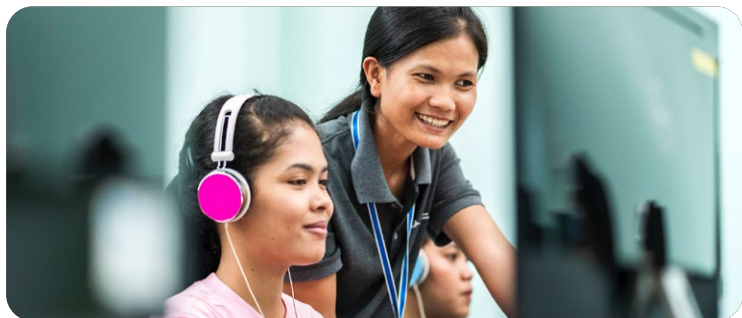
// *Working at DDD has many opportunities to grow as long as you try your best and* **show your capabilities.**

Selae Vilaipheng has always wanted to be an English teacher in Laos ever since he can remember. Driven not only by the desire to use his talent to lift his community, he also wanted so deeply to help his siblings find their path to a better future. However, Selae could not see the fruition of his dream because he did not have the resources, having grown up in a family that did not have the means. He could not pursue a degree in Education without outside assistance, and although he knew seeking sponsorship would be an uphill battle, he did not abandon the idea.

Then an opportunity presented itself in DDD. Selae discovered DDD's Work-Study Program for young people in Laos, where he could work and continue his studies at the same time. Encouraged by this prospect, he joined the program on February 10, 2020 as a trainee. In DDD's supportive environment, his motivation and hard work has led to his development as a young professional carving out a career in Tech.

Today, Selae Vilaipheng works as an Associate for the Machine Learning project, while going to college on a scholarship from DDD. Selae's commitment to realizing his vision runs deep that he has also joined DDD's English program to further his skills and knowledge. In the not-so distant future and with DDD's continued guidance, this young man intends to use what he's learned to help the youth in his hometown and to seek even bigger opportunities for himself.

Selae Vilaipheng

Position: **Associate**
Location: **Laos**
Years with DDD: **3 Years**

Theany Chim

Position: **Team Leader**
Location: **Cambodia**
Years with DDD: **4 Years**

Theany Chim's journey is a testament to the power of dreaming big. This young woman has the drive and raw talent to keep her aspirations alive, but it was not until she discovered DDD Cambodia's Business, English, Soft Skills and Technology (B.E.S.T.) Program that Theany saw her future taking shape.

When she joined DDD on March 18, 2019, as a DDD Associate, Theany cultivated her knowledge and skills and excelled in her studies. Through hard work and dedication, she proved herself capable as an Associate. In June 2022, Theany's efforts paid off as she was promoted to Team Leader in an Autonomous Driving project at DDD. She embraced new responsibilities and learned to manage her team, tackling challenges head-on.

Through DDD's guidance and resources she developed strong time management and project management skills, successfully leading her team through complex tasks. Beyond technical skills, Theany also nurtured strong interpersonal skills and empathy, which enabled her to create a supportive work environment and collaborative atmosphere within her team.

Today, Theany Chim pursues higher learning at the Paññāsāstra University of Cambodia, working toward yet another dream: to manage a private company or run her own business. Her remarkable journey exemplifies that with faith in one's dreams and the right opportunity to nurture them, nothing is beyond reach.

*If you want to work and learn soft skills, and hard skills, and **develop yourself,** you can come to DDD.* //

I learned about soft skills, such as developing a good attitude in the workplace, improving verbal communication, ... and especially self-confidence, being responsible, and **always having hope.**

Navin Choem's parents always told her that education was the key to a better future. They wanted her to graduate college, get a good job, and help support the family. But Navin was temporarily held back by her economic circumstances; her siblings all had families of their own to look after, and she could not continue studying without getting a job. When DDD employees came to her university to talk about Career Connect, Navin knew she had to join the program.

Through DDD's Career Connect program, Navin acquired various computer skills, learned English language terminology in the banking industry, and developed essential employability skills, including CV and email composition. Navin learned to cultivate a positive attitude at work and developed time management skills. With DDD's encouraging and empowering approach to training, she learned to be self-confident and become hopeful about her future. Navin is so appreciative of the program that she encourages her fellow students to seize the opportunity just as she did.

Since graduating from Career Connect in January 2023, Navin has become an employee in the Credit Control Department

Navin Choem

Position: **Alumni**
Location: **Cambodia**
Career Connect Program: **2 Months**

of a microfinance institute. She has acquired additional skills specific to her role, enhanced her customer communication abilities, and maintained a positive work attitude. Navin continues to pursue her childhood dream of working in the financial industry, with aspirations of becoming a bank branch manager one day. Throughout this journey, Navin remains steadfast in her commitment to her family and hopes to elevate their quality of life and bring happiness to her parents.

In the short time Navin has so far spent in DDD, she has gained so much more than new knowledge and skills. She has acquired the key to a better future.

*Working in DDD has **opened many doors** for me both personally and professionally, giving me opportunities to grow my career and achieve my dreams. My goal is to continue to grow as a project manager.* //

The value of family is a powerful motivator to pursue your dreams, but in Kenya, hard work can only get you so far without significant support. Fredrick Soo, dedicated husband and father, had the right kind of support from DDD, which paved the way for his ability to provide for his wife and children.

Fredrick joined DDD Kenya's Work-Study Program in April 2011 while in his final semester towards a Diploma in Law. He started as an associate in the Work-Study Program, and by 2014, DDD promoted him to production manager, which led to even greater opportunities. In 2017, he took an even bigger role as a project manager where he honed his skills in people and project management, gaining valuable experience along the way. DDD recognized Fredrick's potential and presented him with a once-in-a-lifetime opportunity: setting up satellite offices in Tanzania and Nigeria. He embraced the challenge, understanding that this

would be a career-defining moment. With his project management expertise and commitment to delivering the best work possible, Fredrick was the perfect fit for this new task.

Although he has been with DDD Kenya for a little over a decade, Fredrick wants to continue growing in and out of DDD. He has gone back to school to complete an MBA program, specializing in Strategic Management. Through DDD, Fredrick has set his sights on bigger dreams: advancing his career as a project manager and becoming a successful entrepreneur who, much like DDD, will provide employment opportunities for Kenya's youth.

Fredrick Soo is inspired every day by his family and a desire to provide them with opportunities he never had while growing up in Kenya. With DDD laying the foundation for his success, the Soo family's future is paved with possibilities.

Fredrick Soo

Position: **Project Manager**
Location: **Kenya**
Years with DDD: **12 Years**

2023 was a landmark year for DDD as we experienced remarkable growth in Artificial Intelligence and Machine Learning. Our breakthroughs in these fields were made possible by the excellence of DDD staff across our offices. Fueled by their passion and dedication, DDD continues to be an industry leader in innovation while providing education and employment opportunities to underserved youth in Cambodia, Kenya, and Laos.

Office Highlights:

Data-driven Growth

Cambodia

634 employees / **126%** increased annual income / **508** youth in education

 DDD Cambodia focused on supporting clients to accelerate their most complex business priorities, including Autonomous Driving and AgTech.

Revenue Updates

Overall revenue increased by 130% from FY2022, with ML services jumping to over 700%. DDD Cambodia's focus on growth with high-value client projects within our ML business and targeted automation within our Content Service (CS) business led to a 17% growth in profitability over the past year.

Trainee Highlights

DDD Cambodia's onboarding process has been initiated with the goal of making new trainees feel comfortable from their first day.

Staff Highlights

DDD Cambodia's offices were modernized, providing a more engaging workspace for employees. An interdepartmental football tournament was also organized to build team camaraderie and keep staff energized.

Recognitions

On top of maintaining our ISO 27001:2013 and SOC2 Type 2 certifications, DDD Cambodia also completed the initial phase of securing the Trusted Information Security Assessment Exchange (TISAX) certification.

Kenya

281 employees / **55%** increased annual income / **36** youth in education

Positioned as our central growth location for the most complex ML challenges, the DDD Kenya team rose to the occasion as their unique skill sets enabled them to meet our client's rapidly changing needs.

Revenue Updates

DDD Kenya continues to push boundaries with their work on the most advanced Tech in the world, including language and translation solutions, AgTech, and Autonomous Driving. Their success is reflected in a 16% increase in client Service-Level Agreement (SLA) performance from the prior year.

Trainee Highlights

An improved version of our B.E.S.T. Training was successfully introduced with the new B.E.S.T. Level 1 (BL1) and B.E.S.T. Level 2 (BL2) in FY24.

Staff Highlights

DDD Kenya was the first of our offices to implement a new state-of-the-art HR system, setting an example for other offices to follow. They also led the way in enacting a new global job architecture, helping to ensure that employees are at the right job levels and job titles.

Recognitions

On top of maintaining their ISO 27001:2013 and SOC2 Type 2 certifications, DDD Kenya successfully completed the Kenya Data Privacy Act (KDPA) certification.

Laos

283 employees / **143%** increased annual income / **241** youth in education

DDD Laos celebrated growth in our ML services, allowing staff to expand their skills and preparing them for long-term success using advanced Tech.

Revenue Updates

DDD Laos celebrated a 13% growth in ML compared to the previous year. As the primary growth location for our developing CS business, staff have proven their skills and innovativeness as they drive continuous improvement in this part of the business.

Trainee Highlights

2023 was a great year for DDD Laos trainees as we focused on improving team knowledge and proficiency in technical and soft skills. This was done through courses and refresher sessions, including a refresher training on Information Security Management System awareness.

Staff Highlights

DDD Laos implemented the Machine Learning Foundational Training which introduces ML projects with hands-on experience, preparing staff for future client projects.

Recognitions

DDD Laos honored exceptional work as 7 of our top-performing Associates received a 6-month scholarship grant from The Asha Foundation. Our staff also got to cool down as we gave out ice cream boxes to the best-performing team, while the year's best-performer got treated to a dinner coupon.

Sustained Trajectory:

Two Consecutive Years of Growth Post COVID-19

DDD has further accelerated our revenues in FY2023, marking back-to-back years of growth since FY2021. The strong performance in FY2023 is expected to reach $7.7 million, surpassing the budget of $6.1 million and higher by 23% compared to the previous year (see graph below). The primary driver of growth is Asia, attributed to the expansion of complex Tech businesses in the region, particularly in Machine Learning (ML). Energized by these developments, DDD hired and upskilled more youth this year, bringing the total youth served to 11,272 since inception. As of 2023, 1,368 youth were employed through DDD, growing by 16% from last year.

With the Tech industry's total recovery from COVID-19, business volume increased significantly in FY2023, propelled by the expanded ML service lines. The Autonomous Driving segment is a notable contributor, poised to reach year-end revenues of $2.5 million through efforts largely attributed to our Cambodia and Kenya teams.

With DDD's commitment to expanding our ML capabilities and tuning up Associate learning and development, we are able to sustain revenues from existing partnerships and acquire new clients who are in search of ML services. Despite the investments on new business line expansions, our bottom line remains positive, with a consolidated net income expected to reach $300,000 by year-end. Additionally, total donations stand at $1.6 million for the year, exceeding the projected $1.5 million. DDD's net cash position continues to be healthy with no outstanding debt as of May 2023.

By enhancing productivity, improving client relationships, and embracing innovation as a driving force, DDD sustains our growth despite greater competition in the Tech industry. Revenue increase from clients, coupled with significant philanthropic support, were crucial to this year's strong financial performance and its impact on youth employment. DDD remains committed to extending essential programs and initiatives into FY2024 and beyond, staying steadfast in our mission of leveraging Tech to create opportunities for underserved youth.

DDD'S EARNED REVENUES FOR FY 2022-23 IN US$1000S

FY 2022	US$6,250,000
FY 2023	US$7,709,000 (+23%)

A Clear Path to Growth and Impact

The path forward for DDD covers growth as a social enterprise and innovation in our programs, the two areas that will continue to propel our organization as a business in the years ahead. We are maximizing opportunities in attracting and retaining more talent, securing long-term employability and greater earning capacity for underserved youth, and laying the groundwork to serve the growing demands of a digital economy as we expand our Tech to new and adjacent markets.

ACCELERATING BUSINESS GROWTH

In 2023, we took stock of our organization with the intention of envisioning DDD's future. We determined what growth and progress would mean for us, our associates, clients, and employees. We came up with DDD's vision for our future in 3 stages:

- Extend and bolster the core business
- Build emerging businesses
- Create viable options for profitable growth

The Machine Learning and Artificial Intelligence industry is an exciting space that continues to add exponential value to consumers across the globe, including our clients, their customers, and their stakeholders. Our clients' desire to innovate and create ML solutions with the goal of improving the world aligns perfectly with DDD's mission to Change How the World Works. As such, DDD is expanding solutions in the ML industry and investing in developing our capabilities. We project, in 3 to 5 years, that ML solutions will yield the greatest earnings.

While building ML solutions, we will maintain targeted growth in Content Services and position DDD toward developing 1 to 2 new service lines in the next 3 years.

EXPANDING SOCIAL IMPACT

DDD has been addressing youth unemployment and underemployment in different parts of the world, helping underserved youth improve their capacities to meet the demands of a growing digital economy. In the coming year, we will continue to focus on creating positive social and economic impact through intentional hiring and career development opportunities for individuals from marginalized communities.

We aim to recruit over 400 underserved youth by partnering with secondary schools and other non-government organizations to identify motivated yet disadvantaged high school graduates. Fifty-five percent of our recruits will be women as we continue to work toward maintaining a 50:50 ratio of men and women in the Tech sector.

We will increase our investment and accelerate our social impact by serving our clients exceptionally well and continually advancing our employee learning and skill sets that position them for longer term career success. Additionally, our impact social model will include training, development and job placement programs for individuals besides DDD employees.

To support our business and social impact goals, we are investing in amplifying our capabilities. We are expanding our Sales leadership and looking for Solutions Architects to add to the team. We are including the Marketing, Fundraising, L&D, and Client Account Management teams in this expansion.

PROFITABILITY GOALS

DDD is well-positioned to take advantage of the growing data labeling and annotation market for AI solutions. Our goal over the next 3-5 years is to grow our revenue and earnings by improving the quality of our existing client list, new customer acquisitions, and by using technology to drive cost efficiencies across our operations.

FUNDRAISING STRATEGY

We will nurture relationships with individual donors we have cultivated over the past years. Concurrently, we will actively seek institutional impact partners who can support us on a larger scale to invest and expand our programs, specifically Career Connect in Cambodia and in other locations. To further solidify DDD's advantage as a philanthropic investment,

we are advancing curated learning journeys, credentialing programs, and future-ready skill sets in AI-empowered job markets for trainees and associates helping thousands more youth into first-time employment outside DDD.

CREATE OPPORTUNITIES

In our efforts to accelerate business growth into new and adjacent markets and expand our social impact, we will explore small ventures that would yield profitable growth for DDD. We will look into undertaking research projects and running pilot programs. The creation of viable options is still in its development phase, so details about this aspect of our growth and impact plan will be forthcoming.

Executive Leadership

Jeremy Hockenstein - Co-founder & Chair
Sameer Raina - Chief Executive Officer
James Vanreusel - Chief Financial Officer

Steve Larson - Chief Operations Officer
Sopheap Im - Chief People Officer

Board of Directors

Jeremy Hockenstein - Chairman of the Board
Divyata Ashiya - Board Member
Alex Jaimes - Board Member
Stefan Kappeler - Board Member
Jaeson Rosenfeld - Board Member

Kay Lot - Board Member
Anne Njuki - Board Member
Robert Shultz - Board Member
Sameer Raina - Board Member
Jan-Maarten Mulder - Board Member

Impact Partners

We want to express our heartfelt gratitude to the partners who have helped fuel DDD's mission of transforming lives through sustainable training programs. Their passion and commitment to our cause has been crucial to amplifying our impact over the years.

Work with DDD today

- For Impact or Donations:
  development@digitaldividedata.com

- For Sales inquiries:
  sales@digitaldividedata.com

- For Marketing, PR, or Investor Relations:
  ddd@digitaldividedata.com

- For Careers or Work-Study program:
  careers@digitaldividedata.com

🌐 digitaldividedata.com

in /digital-divide-data

f /digitaldividedata

𝕏 /digdivdata

DDD
Changing How the World Works.