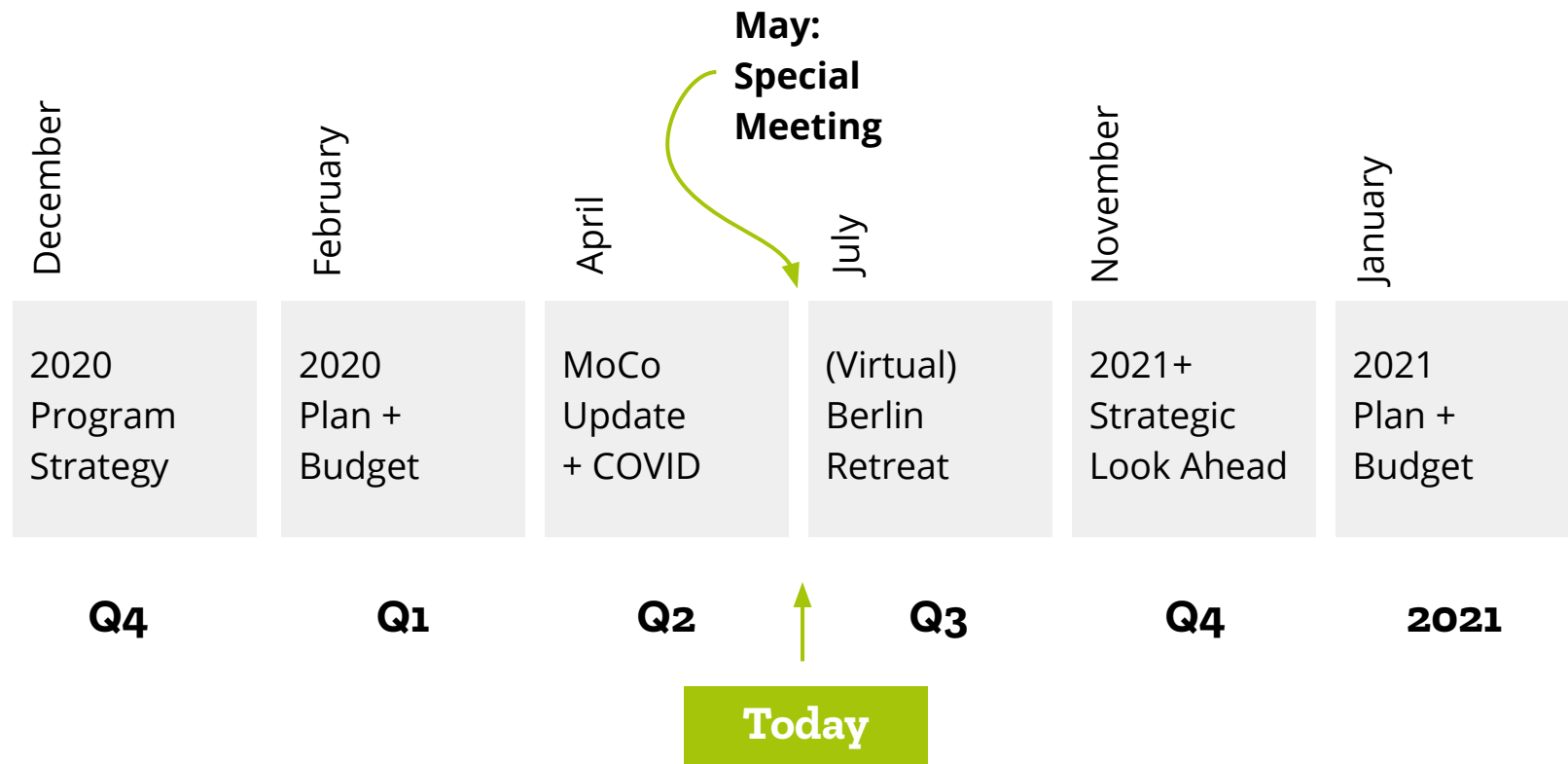


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Mozilla Foundation Board Meeting

May 29, 2020

2020 board workflow



Agenda

*regular
business*

1. COVID update
2. July virtual 'retreat' update
3. Trademark update and approval
4. NetGain and Europe AI Fund grants
5. Executive Director goals and comp



Agenda

*annual
meeting*

1. Reflections from MoCo board
2. MoCo board member election
3. Report out on Navrina town hall
4. MoFo Board member election
(including Navrina)



update

COVID Update

including finances

COVID High Level Summary

First month was **focused on stabilizing teams while keeping our AI focus**. Staff survey said 95% of staff have confidence in MoFo's response to the COVID-19 pandemic.

We also **moved quickly to 'meet the moment' with our comms and programs**, including:

- Engaging public on 'COVID + topics' e.g. special edition of Privacy Not Included focused on video conferencing. Helped generate donations at a time when we were not soliciting.
- Rapidly evolving projects like the Data Futures Lab and European AI Fund to work on the mid-term implications of the pandemic on data and AI norms.
- Working with MoCo on special COVID + MOSS open source grants call.

Financially, focused on no-regret cost cutting. Revenue and expenses both down roughly 10%.

We are still forecasting a roughly break even budget, minus the additional \$1M for Africa.



What we discussed last time ...

depth and duration of the decline ↓

<i>Missing 2020 Plan</i>	
<ul style="list-style-type: none">- Modest online fundraising decline (20%)- Foundation income relatively stable- MoCo mild (e.g. 5%) revenue decline- Manageable impact on productivity	<ul style="list-style-type: none">- No regret cost cutting- Stabilize teams, keep growing our AI focus- Push for multi year foundation funding- Deploy cash reserve if needed to bridge
<i>Severe Short Term Downturn</i>	
<ul style="list-style-type: none">- Online and major gift nose dive (50%+)- MoCo significant (e.g. 20%) revenue decline- 2021 money from foundations declines- Severe impact on productivity	<ul style="list-style-type: none">- Delay or cut program costs- Deepen AI partnerships w/ funders- Focus on longer game of foundation funding- Deploy cash reserve where it unlocks funding
<i>Long Term Viability, Liquidity Crisis</i>	
<ul style="list-style-type: none">- Bottom drops out of online fundraising- Foundations freeze 2021+ commitments- Severe drop in MoCo revenue- MoCo search deal negative outcome	<ul style="list-style-type: none">- Aggressive cost restructuring- Drop full programs / workstreams- Continue focus on long term funding partnerships- Balance with strong focus on capital preservation

... and where we are now

depth and duration of the decline

Missing 2020 Plan	
<ul style="list-style-type: none">- Modest online fundraising decline (20%)- Foundation income relatively stable- MoCo mild (e.g. 5%) revenue decline- Manageable impact on productivity	<ul style="list-style-type: none">- No regret cost cutting (\$1.7M)- Stabilize teams, keep growing our AI focus- Push for multi year foundation funding- Deploy cash reserve if needed to bridge
Severe Short Term Downturn	
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What next?

Over the coming months, we will **continue to look for ways to 'meet the moment' with our programs**, especially in relation to the Data Futures Lab and public engagement work.

On the fundraising side, we will start direct email solicitations again in June. This will give us better information about what the current fundraising market looks like.

Also, as planned, we are **starting to model expenses for the next three years**. This will feed into a multi-year plan which we will share at the July board meeting.

We may lean on Mitchell's '5 investment principles' (see appendix) as we develop this plan, especially if we need to consider program cuts or capital spending.

Board Business

decisions

Board business

1. Approve minutes from April 2020 board meeting.
2. Approve updated trademark royalty approach.
3. Discuss and approve NetGain and Europe AI Fund grants.
4. July virtual 'retreat' update.
5. MoFo executive director goals and comp.



NetGain annual grant approval

Context: NetGain is a partnership between Mozilla and big US foundations working on tech issues. The current focus is on accountability for the big tech platforms.

Motivation: participating in NetGain a) results in good work on our issues and b) gives us a chance to shape philanthropic spending on topics we care about. Also, outside of the NetGain Partnership, partner foundations have provided Mozilla with \$20.5M in funding.



EU AI fund grant approval

Context: Mozilla has been working since last fall to get European foundations (plus US foundations w/ a big EU presence) to focus on trustworthy AI.

Motivation: we currently have \$2M/year pledged from foundations in the EU, giving us a significant platform from which to shape the AI debate in Europe. Also, brings in more mainstream funders we haven't worked with before.



July board 'retreat' update

We're planning to **make our July board 'retreat' virtual** -- we still want a retreat-like set of goals.

Proposal: two hours on each day, with the following **agenda focus**:

1. 3 year view of trustworthy AI plan plus MoFo finances.
2. COVID related finance check-in, options for structure changes if needed.
3. 1 hour 'learning day' related to our strategic focus (w/ outside partners)
4. Or, 1+ hours as joint meeting w/ MoCo on strategic topics

We're also proposing that we **move the June finance and program committee meetings** to early July so we can do in depth pre-work right before the board meeting.



Annual meeting

decisions

Annual meeting

Every year, one of our board meetings must be designated the 'annual meeting'.

This is the meeting at which the **members of both the MoFo and MoCo boards are up for re-election.**

At today's meeting, we will be hearing reflections from MoCo board members, followed by an election. MoFo elections will follow.

Annual meeting agenda

1. Reflections from MoCo board.
2. MoCo board member election.
3. Report out on Navrina town hall.
4. MoFo Board member election (including Navrina).



Appendix

2020 OKR Update

OKR 1: thought leadership

Test out our theory of change in ways that both give momentum to other orgs taking concrete action on trustworthy AI and establish Mozilla as a credible thought leader.

KEY RESULT	BASELINE	PROGRESS	TARGET
Publish a white paper theory of change	0	Launched request for comment (RFC) on v0.9 of the white paper	1
250 people and organizations participate in mapping to show who is working on key elements of trustworthy AI and offer feedback on the white paper	0	Identifying next steps and how to tie to work across teams	250
25 collaborations with partners working on concrete projects that align with short term outcomes in the theory of change	TBD	Analyzing MoFo staff survey results re: existing collaborations	25

OKR 2: data stewardship

Increase the number of data stewardship innovations that can accelerate the growth of trustworthy AI.

KEY RESULT	BASELINE	PROGRESS	TARGET
\$3 million raised to support bold, multi-year, cross movement initiatives on data stewardship as an indicator of growing philanthropic support in this area.	0	Close to securing \$1.5M from Luminate	\$3M
10 awards or fellowships for prototypes or other concrete exploration re: data stewardship.	5	7 awards or fellowships confirmed	10
4 concentric “networks of practice” utilize Mozilla-housed Data x Lab.	0	Kicked off landscape analysis, recruiting research support	4

OKR 3: consumer power

Mobilize an influential consumer audience using pivotal moments to pressure companies to make 'consumer AI' more trustworthy.

KEY RESULT	BASELINE	PROGRESS	TARGET
3m visits to 'trustworthy AI' content on Mozilla channels (website, social media, YouTube, etc.).	2M	~1.2M page views <i>(Jan 1 - May 12, 2020)</i>	3M
50k new subscribers drawn from sources (partnerships, contextual advertising, etc.) oriented towards people ages 18-35.	263k	271k total followers <i>(7k growth in 2020)</i>	313k
25k people share information with us (stories, browsing data, etc.) in order to gather evidence about how AI currently works and what changes are needed.	YouTube Regrets = 1.5k for useable stories	YouTube Regrets extension moved to staff testing; additional data & story collection projects identified.	25k

OKR 4: movement building

Partner with diverse movements to deepen intersections between their primary issues and internet health, including trustworthy AI, so that we increase shared purpose.

KEY RESULT	BASELINE	PROGRESS	TARGET
30% increase in partners with whom we (have both) published, launched, or hosted something that includes shared approaches to their issues and internet health (e.g. language, methodologies, resources, or events).	332	Set baseline based on all teams' interactions last year	432
75% of partners from these diverse movements report deepening intersection between their issues and internet health/AI.	0%	19% of partners	75%
4 new partnerships in the Global South report deepened intersection between their work and ours.	0	Survey questions have been revised	4

OKR 5: organizational effectiveness

Update our organizational models and capabilities so that our strategy and people can succeed, and our ambition can grow over multiple years.

KEY RESULT	BASELINE	PROGRESS	TARGET
70% overall favorable score for staff perception of organizational effectiveness.	New factor	Evaluating engagement survey and developing org effectiveness factor	70%
A long-term funding model that matches our ambitions exists.	0	Work with financial consultants is in progress	1
100% of staff strengthen skills (through PD) needed to accomplish our objectives.	55%	17%	100%

Appendix C

Mitchell's 5 Principles For Investment

Mission Principle

We have a responsibility to use the resources we are lucky enough to have for long term mission impact.

Ancillary Principles

Business Principle: We are an organization that has to ship products and have forward momentum on a tight timeline to survive over the long run.

People Principle: We want employees to feel supported and welcomed at Mozilla, to respect their humanity and to retain talent over the long run.

Citizenship Principle: We aspire to be good citizens and to make contributions to the well being of our employees and our community.

Simplicity Principle: We are only 1K people and we want to keep it as simple as possible for employees, managers and administration.

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May 29, 2020