

Kickstarter began with a simple but potent mission: to help bring creative projects to life. And our first ten years have proven that our platform is a powerful tool for doing just that.

We've seen 16 million backers fund 160,000 creative projects. In 2018, we surpassed \$4 billion in total pledges, and our Games category broke its own records, with more than \$200 million pledged. We saw unprecedented and far-reaching projects like For Freedoms and Knock Down the House change the way people think about civic engagement.

But even with the help from tools like Kickstarter, creative work still faces enormous challenges, from pervasive funding cuts by governments and institutions, to the sense across industries and fields that profit matters above all else. We have so much more to do, both as a company and as a society. We know we need creative work in the world.

Creators come to Kickstarter to protect their creative independence—because raising funds on Kickstarter means nobody else gets to tell you how to make your work. Together our creators have proven that creative work is essential. Not because it might turn a profit, not because it can sell a product, and certainly not because it happens to align with any other traditional metric of return on investment.



A world that optimizes for profit will optimize away from chance, beauty, dissent, free expression, and diversity. We need those things to survive.

As a Public Benefit Corporation (PBC), we're free to make the right choices for the creators and backers we serve—regardless of the potential impact on our profits. That, in turn, protects our ability to focus on our mission: to help bring creative projects to life. It's part of the reason we've been able to remain so fiercely dedicated to that mission, and it's why we're able to look to the future with optimism.

I want to thank our founder and chairman, Perry Chen, for his dedication and work as CEO—both in the first five years of Kickstarter's history, and again from 2017 through early 2019. As Kickstarter PBC's new CEO, I am excited and proud to build on the great things that Perry and his cofounders Yancey Strickler and Charles Adler set in motion. Every moment moving forward presents an opportunity for us to put more action toward our mission and our service.

We're in this for the long haul because we believe the world will be better for it—and this is just the beginning.

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Aziz Hasan CEO Kickstarter PBC



Our

Charter

Kickstarter's mission is to help bring creative projects to life

- A Kickstarter will create tools and resources that help people bring their creative projects to life, and that connect people around creative projects and the creative process.
- **B** Kickstarter will care for the health of its ecosystem and integrity of its systems.
- C Kickstarter will engage beyond its walls with the greater issues and conversations affecting artists and creators.

Kickstarter's operations will reflect its values

A Kickstarter will never sell user data to third parties. It will zealously defend the privacy rights and personal data of the people who use its service, including in its dealings with government entities.

- B Kickstarter's terms of use and privacy policies will be clear, fair, and transparent.

 Kickstarter will not cover every possible future contingency, or claim rights and powers just because it can or because doing so is industry standard.
- C Kickstarter will not lobby or campaign for public policies unless they align with its mission and values, regardless of possible economic benefits to the company.
- P Kickstarter will not use loopholes or other esoteric but legal tax management strategies to reduce its tax burden. Kickstarter will be transparent in reporting the percentage of taxes it pays and explaining the many factors that affect its tax calculation.
- impact. It will invest in green infrastructure, support green commuting methods, and factor environmental impact when choosing vendors. Additionally, Kickstarter will provide recommendations and resources that help creators make environmentally conscious decisions on tasks, like shipping and packaging, that are common to the use of its services.

Kickstarter supports a more creative and equitable world

A Kickstarter will annually donate 5% of its after-tax profit towards arts and music education, and to organizations fighting to end systemic inequality as further defined in sections 4(c) and 5(c) below (the "5% pledge").

// Kickstarter is committed to the arts

- A Kickstarter will always support, serve, and champion artists and creators, especially those working in less commercial areas.
- B Kickstarter will foster a supportive environment for employees to work on their own creative projects, including time off to pursue them.
- devoted to arts and music programs for children and young adults, with a primary focus on underserved communities in New York City. Funds will be distributed to 501(c)(3) organizations, public schools, or via programs developed by Kickstarter.

Kickstarter is committed to fighting inequality

- A Kickstarter will provide opportunities and paid time off for employees to provide professional mentorship and skills training to people from groups underrepresented in the worlds of art, business, or technology.
- B Kickstarter will report on team and leadership demographics, executive and CEO pay ratios, and programs and strategies employed to build a diverse, inclusive, and equitable organization.
- devoted to organizations addressing systemic inequality. Kickstarter will primarily focus such contributions on 501(c)(3) organizations fighting to end prejudices against and increase opportunities for people of color, women, and LGBTQ individuals.

When you back a project on Kickstarter, you support someone's creative vision—and that support can have profound ripple effects. As we celebrate the first 10 years of Kickstarter, we're taking a look back at a few standout projects that went on to change the world around them.

Cards Against Humanity, 2010

The "party game for horrible people" takes aim at inequality and consumer culture.



758 backers pledged

\$15,570 and also helped bring

17,442 other projects to life

In 2008, Max Temkin sees his Obama campaign colleague fund the book "Designing Obama" on Kickstarter, and starts thinking about a project of his own.

In 2010 he raises almost 400% of his modest funding goal for a "party game for horrible people."

<u>Seth Rogen, Craig Robinson, Nicole Richie, Ellen</u>
<u>Degeneres</u>, and the <u>cast of *Downton Abbey*</u> have all played, helping make it a household name.

As the company grows, it rejects traditional marketing, opting instead for political, anticapitalist promotional stunts, including a land purchase to block border wall construction, and a Super Bowl ad of a potato with the word "advertisement" written on it.

The popularity of *Cards Against Humanity* opens the door to a whole wave of new party games — including Kickstarterfunded favorites like *Exploding Kittens* and *Spaceteam*.



The whole success of Cards Against Humanity feels very random and absurd to me. Personally, I'm very comfortable spending money on funny gags. We give a ton away to charity and the causes we like. We never felt like it was our money to begin with.

The Misadventures of Awkward Black Girl, 2011

A web-series wallflower blooms into an HBO hit.



1,960 backers pledged

\$56,259 and also helped bring

5,678 other projects to life

After making a name for herself with a web series about student life at Stanford, Issa Rae launches "The Misadventures of Awkward Black Girl" on YouTube in 2011.

She funds the first six episodes herself, then turns to a <u>Kickstarter campaign</u> for the rest. Though she was originally hesitant to ask for even \$5,000, she raises more than 10 times that.

The campaign attracts talented volunteers and voluminous press coverage—and catches the attention of Pharrell Williams, who helps distribute the second season in 2012.

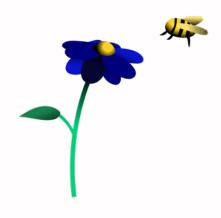
The May 2015 cover of Essence magazine calls her—and Shonda Rhimes and Ava DuVernay—a "game changer."

The series <u>inspires</u> Rae's HBO hit Insecure, which has been nominated for two Golden Globes and two Emmys.

Her production company ColorCreative, committed to guiding underrepresented creatives through the pilot process, <u>signs a multi-picture production deal</u> with Columbia Pictures in 2018.



There's no limit to what blackness can be. It's like I'm black and if you try to tell me any different, like, fuck you, what do you know?



Bringing creative projects to life in

2018

Since Kickstarter's launch in 2009, our platform has become a key piece of the internet's creative infrastructure. The first project funded on Kickstarter, "Drawing for Dollars," raised \$35 from three people. Since then, 16 million people have supported projects across the creative spectrum—from public art, immersive theater, and documentaries to tabletop games, graphic design, and music festivals.

Backers on Kickstarter get to collectively decide what kind of culture they want to see in the world. This allows creators to bypass the usual corporate gatekeepers and push back against creeping homogenization. And that leads to a more diverse creative culture.

In the 10 years since Kickstarter's launch, more than 160,000 creative projects have come to life. And total pledges to creative projects crossed the \$4 billion mark last year.

In 2018, 3,020,498 people pledged a total of \$607,548,952 to independent creators on Kickstarter. Together, they funded 19,005 creative projects.

Here's a look at Art: 2,036 (11%) successful projects Comics: 1,457 (8%) by category in 2018: Crafts: 332 (2%) Dance: 146 (1%) Design: 2,286 (12%) Fashion: 1,386 (7%) Film & Video: 1,805 (9%) Food: 679 (4%) Games: 3,301 (17%) Journalism: 121 (1%) Music: 2,000 (11%) Photography: 305 (2%) Publishing: 1,805 (9%) Technology: 948 (5%) Theater: 398 (2%)

BRINGING CREATIVE PROJECTS TO LIFE IN 2018

ESSENCES

Our platform is the most important way that we help bring creative projects to life. But in recent years we haven't focused on improving that platform in a systematic way. To fix this, we carried out a major reorganization of the company in mid-2018, rolling out what we call the Essences operating system. It's designed to help us define our work and orient us around the core aspects of our service. Here are the seven new cross-disciplinary teams we created, along with their mandates:

System Integrity: Ensure that the services we offer are fair and functioning for backers, creators, and Kickstarter PBC.

Project Storytelling: Help creators unlock the storytelling potential within their project.

Project Community: Help creators reach, gather, and build a backer community around their project.

Rewards & Fulfillment: Help creators reward backers for their support.

Backer Development: Make people aware of and excited about backing projects on Kickstarter.

Creator Development: Make people aware of and excited about using Kickstarter to fund their projects.

Identity Development: Build greater awareness and affinity for Kickstarter.

Essences is meant to ensure that we are working toward the long-term sustainability of Kickstarter PBC, in the best way possible, and within our means. Since the rollout we've seen indications that this approach is speeding up our product development work, leading to better tools and experiences for creators and backers. We continue to refine and evolve the system by, for example, looking at how teams should collaborate.

OUTREACH & INTERNATIONAL

Our Outreach & International team is dedicated to nurturing relationships with creators who are doing the most unique, exciting, compelling, and innovative work in their fields. They seek out such creators and provide one-on-one support as their projects take shape on our platform. Below is a sampling of the projects our team helped creators bring to life in 2018:

A historic partnership with <u>For Freedoms</u>, an unprecedented creative collaboration, which brought art to every single state in the U.S. to inspire cultural and civic action (and graced the cover of Time magazine).

Knock Down the House, a documentary following four extraordinary ordinary women's campaigns for U.S. Congress, battling powerful political machines in very different American landscapes. Knock Down the House went on to win the Festival Favorite Award at the 2019 Sundance Film Festival and score a record-breaking deal with Netflix.

A 24-hour <u>Tele-Gala-a-Thon</u> at Kickstarter headquarters with Creator-in-Residence Raja Feather Kelly and his New York City based dance-theater-media company company, the feath3r theory.

Black Flags over Brooklyn, a two-day anti-fascist, anti-racist metal festival that took place in Brooklyn in early 2019. The festival featured more than a dozen of the heavy metal underground's most important bands, who came together to proclaim that metal is for everyone (except Nazis) and to loudly reject fascism, racism, and bigotry.

The launch of <u>Singapore's Queer Zinefest</u>, the first and only platform in Singapore for queer creators to showcase their work, and an unprecedented opportunity to bring both the LGBTQA+ and zine circles closer together in a country where the queer community is still criminalized and faces legal discrimination.

BRINGING CREATIVE PROJECTS TO LIFE IN 2018

Our Outreach & International team also hosted more than 100 events and activities for creators during the year and attended more than 300 events related to their fields. These have included organizing and hosting creator networking dinners, educational workshops, creator summits, film screenings, exhibits, conference sponsorships, and expert discussions, as well as providing childcare services at events. Below are a few examples of the events and gatherings we hosted for creators in 2018:

Kickstarter Games sponsored gamesweekberlin 2018, including Womenize!, a program dedicated to putting inspiring personalities onstage and supporting more gender diversity in the industry.

For three days at the emergent indie music festival HOCO Fest, Kickstarter Music joined Ojala Systems—a group of youth activists, community organizers, and multimedia artists from Tucson, Arizona—to host a free series of talks about music, art, activism, and organizing.

Kickstarter Film supported a childcare initiative at the 2018 <u>True/False Film Festival</u> for directors who were primary caregivers and had a film that was showcased at the festival.

Kickstarter Comics sponsored <u>Flame Con</u> 2018, the largest queer comics convention in the world, inviting independent creators to join our table and offering free headshots.

THE CREATIVE INDEPENDENT

The Creative Independent (TCI) is a Kickstarter-published resource of emotional and practical guidance to help artists of all types bring creative ideas to life. In 2018, TCI published 237 interviews and essays on the trials and tribulations of living a creative life, featuring diverse perspectives and wisdom from people such as writers Maggie Nelson, Ashley C. Ford, and Ottessa Moshfegh; musicians Rosanne Cash, Fat Tony, and Nikki Sixx; and visual artists Marilyn Minter, Ryan McNamara, and Pedro Reyes. TCI also published 23 detailed how-to guides in 2018, offering in-depth, practical advice on challenges creators face, such as starting a business, managing personal finances, and balancing full-time work with creative projects.

In 2018, nearly 750,000 people read *TCI*—about 50% more than the previous year—and the site was visited 1.7 million times. Over the course of the year, more than 60 freelance writers, illustrators, and producers worked as paid contributors and enthusiastically helped grow the *TCI* community. *TCI* organized 14 events, each of which explored the nuanced process of bringing creative ideas to life, and produced three print publications, focused on making a living as an artist, dealing with creative anxiety, and using the internet mindfully.

CREATORS AT OUR HEADQUARTERS

Kickstarter welcomed 15 creators to our Brooklyn headquarters for the third edition of our **Creators-in-Residence** program. These talented creators launched and fulfilled Kickstarter projects ranging from enamel pins and sketches to books and TV shows. They used our office in creative ways, took risks, and learned from each other as friends and collaborators. During the three-month residency, they received mentorship from our Outreach team, participated in professional development workshops, and made use of the resources in our building, including our theater, podcast studio, and kitchen. "Through the residency, I learned how I was going to make this kind of creative life happen," **Food creator Jenn de la Vega** told us. "I went in not knowing what my day to day would be like after leaving a cushy tech job. Now I'm excited to have ongoing projects that will propel me forward."

In 2018 we expanded on the Creators-in-Residence idea with our new **Creator Coworking** program, allowing creators to reserve spaces in our office for limited periods of time so they could work on and share projects with their audiences. These creators recorded podcast episodes, playtested tabletop games, packed and shipped rewards, rehearsed and performed choreography, hosted meetings with collaborators, and more. Last year we hosted over 20 creators and creator groups.

For our second annual **Rough Cut** screening series, we opened the doors of our 72-seat theater and allowed filmmaking teams to host free private screenings of their nearly completed films. Sixteen teams took advantage of this program in 2018. For many, it was the first time they had the chance to see their work on a big screen. This series also gives filmmakers an opportunity to have creative discussions with their investors, executive producers, consultants, and test

audiences. Five of these film projects went on to premiere at notable film festivals including Sundance, Hot Docs, Berlinale, and the Boston International Film Festival.

HARDWARE STUDIO

We've seen that hardware creators often run into unforeseen challenges when manufacturing physical products. To give creators more tools and insight into this complex process, we teamed up with two experts in this field, Avnet and Dragon Innovation, to launch Hardware Studio in 2017. Since then this program has provided free resources, rich editorial stories from seasoned creators, and personalized advice to hardware creators so they can plan for manufacturing before they launch Kickstarter campaigns. In 2018, eight creators launched hardware projects after participating in a dedicated support program from our partners that included free consultations with hardware experts. Creators who went through this program launched well-planned projects, including a set of building blocks that enable young children to learn music, an augmentedreality tabletop experience, and a coffee maker that uses vacuum extraction. We are working with our partners to revamp the Hardware Studio platform so it can help a greater number of creators and have more impact on the independent hardware ecosystem.

DRIP

In 2017 we launched an invitation-only version of Drip, a tool for people to fund their creative work on an ongoing basis. We saw this as another way to fulfill our mission outside of the project-based funding we pioneered with Kickstarter. Subscription-based funding has proven to be a viable source of support for podcasters and other serial digital-content creators. However, when it comes to artists whose work is less episodic and less frequent—which is common among Kickstarter creators—a subscription model has not yet been proven, and it was unclear that Drip could make this work. So in 2018 we began supporting our friends at XOXO as they developed a new project that would replace Drip. Unfortunately, XOXO announced in 2019 that the project would not be moving forward, as it was proving to be financially unsustainable. Our respective teams have been working with the roughly 125 remaining creators on the platform to help them transition to another funding service if they wish.

Blaze (now Beryl), 2012, 2015, and 2018

A bright-idea university project illuminates cyclists across continents.



4,122 backers pledged

\$413,560 and also helped bring

23,068 other projects to life

Emily Brooke drops her Oxford physics program to pursue product design. The outcome? Blaze, a bike light laser that makes cyclists more visible at night.

She takes it to Kickstarter, and "it was on every cycling blog in two days."

She ships Kickstarter rewards to more than 50 countries.

In 2017 the Queen of England recognizes Emily's entrepreneurship with an MBE.

Now the Blaze light, since renamed Beryl, is on all London's public bikes, and on some in NYC, Montreal, and Glasgow.



A big part of the joy of Kickstarter is bringing many people along for the ride, updating them on the journey's inevitable ups and downs, challenges, and successes.



Bellingcat, 2014 and 2017

An armchair journalist builds an investigative powerhouse and scoops major news outlets.



3,147 backers pledged

£119,448 and also helped bring

18,490 other projects to life

Eliot Higgins works in refugee resettlement, lingerie factory administration, and stay-at-home fatherhood before discovering "open source" investigative blogging, cross-referencing social media posts and public data.

He turns to Kickstarter twice to fund his investigative journalism outlet Bellingcat.

Bellingcat scoops major news outlets on stories including the 2014 downing of Malaysian Airlines Flight 17 in Ukraine and the poisoning of a former Russian spy in Britain.

Higgins's team of researchers starts running workshops training human rights organizers, lawyers, and journalists from publications like Der Spiegel and a radio station in ISIS-occupied Mosul.

Bellingcat has won several awards, including "Digital Journalist of the Year" for 2018 from the London Press Club.



You have to rewire how people think about images, so they become really aware of how the world is constructed.



Governance and citizenship in

2018

As a Public Benefit Corporation, Kickstarter is committed to ensuring that our operations as a company reflect our values. Those values are rooted in a belief that we have a responsibility to create a platform that is safe and fair for all who use it, and that we must be responsible and engaged citizens in the communities in which we work and in society as a whole.

We consider the impact of our decisions on society, not only on our shareholders, even if that approach could reduce our profits. This means:

We will never sell user data to third parties, and we zealously defend the privacy rights of people who use our service.

We will have fair, clear, and transparent privacy policies.

We will only lobby or campaign for public policy that aligns with our mission and values—regardless of the economic impact on the company.

We will pay our fair share in taxes without using loopholes or other strategies to skirt our tax responsibilities.

We will limit our and our creators' impact on the environment.

Everyone at Kickstarter shares the responsibility of ensuring the health and good governance of the platform for the long term. We are stewards of a system that we hope will long outlive us.

Here's how we kept true to these commitments in 2018.

Platform governance

SYSTEM INTEGRITY

In 2018, when we introduced the Essences operating system and reorganized the company, our Integrity team was renamed Trust & Safety. And we set up a new product and engineering team called System Integrity, which works to ensure that the services we offer are fair and functioning for creators, backers, and our company.

The Trust and Safety team suspended 354 projects and 509,487 accounts, and banned 5,397 users for violating our rules and guidelines. The violations included sending spam, pledging with stolen credit cards, or making misrepresentations on a project page. The team suspended eight times as many accounts as in 2017, largely in response to mass account creation by spammers, and because of increased staffing.

Recently the System Integrity team has largely focused on designing ways to proactively improve the health of our system—whether through our product, our model, or changes to our guidelines and policies. It has also been creating and refining internal tools and harnessing the power of machine learning to improve its detection of and response to systemic issues.

The team also conducted user-based and data science research to better understand backer sentiment and motivations for pledging to projects on our platform. It also tackled a couple of long-standing internal tooling requests to better support the efforts of the Trust and Safety team, including refactoring how backers can report projects to us and building out internal tools to surface potentially problematic elements of campaigns before they're permitted to launch.

POLICY UPDATES

The introduction of new data privacy laws, most notably the General Data Protection Regulation in the European Union, gave us an opportunity to reevaluate and update our Privacy Policy, Cookie Policy, and Terms of Use. We added details to our Privacy Policy about how users can manage the information they share with us

and the new tools we created to help in that management. We made these tools available to all users, regardless of location.

In line with our commitment to having policies that are clear, fair, and transparent, we updated our Cookie Policy to expand the descriptions of the cookies we use and to explain how users can opt out of Google Analytics tracking and behavioral advertising. We also clarified how we respond to browser "do not track" features.

Further, we added language to our Terms of Use to remind creators not to ask for personal information that is not necessary to provide rewards to backers. We also made explicit that requests for sensitive personal information from backers, such as Social Security numbers or payment information, are prohibited.

DATA SHARING

In our 2017 report we said we would continue to be open about how we make use of personal data to target advertising. In 2018, the only advertising we bought was a small number of Facebook ads to help spread the word about specific initiatives, like a promotion for typography projects. We did not use any Kickstarter user data to improve the targeting of those ads on Facebook.

LEGAL CLAIMS AND REQUESTS

Here are some details on how we handled various kinds of legal requests in 2018.

Copyright claims

In 2018, Kickstarter processed 208 total copyright claims involving 199 distinct projects. We rejected 76 of these claims. We may reject claims when they are incomplete, when they involve material that can't be protected under copyright, when they are not submitted by the rights holder, or when they target fair use.

We removed 73 projects from public view in response to copyright claims. We returned 58 of those projects to public view after the creators filed challenges to the claims, or after we helped the creators make modifications to address the claims.

Trademark claims

In 2018, Kickstarter processed 112 total trademark claims involving 107 distinct projects. We rejected 35 of these claims. We reject claims when they are incomplete, when they involve material that can't be addressed under applicable copyright and trademark laws, or when they target fair use.

We removed 33 projects from public view in response to trademark claims, and 26 remain hidden. We avoided removing 12 projects from public view by encouraging those making the claims to resolve the dispute directly with the project creator, or by helping the creators make a modification to their projects.

Government and law enforcement requests for information

Kickstarter is a community of millions of people who are represented by hundreds of local and federal governments. In instances where a government or law enforcement agency requests private information about one of our users, we're committed to protecting that person's information, complying with the law, and acting transparently. For more on how we handle law enforcement requests, see our Law Enforcement Guidelines.

In 2018, Kickstarter fielded seven separate requests for user information from U.S. and international government and law enforcement agencies. One came in the form of a search warrant, to which we responded in full. Four came in the form of subpoenas. We declined to disclose any information in response to one of the subpoenas and for the other three we provided only publicly-viewable materials and the minimum basic subscriber information required by law. Two came as informal requests not pursuant to a subpoena, a court order, a search warrant, or any other recognized process. We declined to disclose any information in response to either of these requests.

Citizenship

TAXES

Kickstarter's estimated federal, state, and local income taxes for 2018 came out to a combined effective tax rate of 12%; our effective federal income tax rate was 11.2%. Our tax rate was reduced by the Federal Research and Development Tax Credit, a general business tax credit aimed at development costs incurred in the United States. Without the R&D tax credit, our effective tax rate would have been 21%.

ENVIRONMENTAL IMPACT

In 2018, we teamed up with the Environmental Defense Fund, bringing on a Climate Corps Fellow to develop two new features on our platform: a new way for Kickstarter creators to detail their commitments to reduce their environmental impact as they make and ship their projects, and a first-of-its-kind Environmental Resources Center for people and teams in the early stages of creating a new product. About 370 creators have used the Environmental Commitments feature on their project pages since its launch in November, and we are encouraging more creators to share this information with potential backers.

We've also continued to consider Kickstarter's own environmental footprint at our headquarters, implementing a composting program, switching to compostable cups and utensils, and using low-energy lighting fixtures throughout our Brooklyn space.

KNIGHT COMMISSION ON TRUST, MEDIA AND AMERICAN DEMOCRACY Our chairman and founder, Perry Chen, joined this commission in 2017; its primary charge is to examine the causes and consequences of the erosion of trust in our democratic institutions. Throughout 2018, the Commission worked on developing a <u>report</u>, ultimately released in early 2019, with recommendations for journalists, media distributors, government and business leaders, and average Americans to restore trust in media and democracy. The Commission specifically recommended that existing for-profit news organizations give serious consideration either to converting to PBCs or adopting "public benefit" commitments in their corporate charters.

POLICY ADVOCACY

Building on our efforts as one of the leaders among internet companies in advocating for net neutrality in the U.S., we were a founding member of the Coalition for Internet Openness, which filed a federal lawsuit against the Federal Communications Commission (FCC) in March 2018. At the time the lawsuit was filed, Candace Martin, our senior counsel, said: "The fight for net neutrality is the fight for civil liberties and a more vibrant culture. Without it, the free and equal exchange of ideas is at risk." The case has so far been briefed and argued before the DC Circuit Court of Appeals, and a decision is expected soon. Kickstarter has also supported parallel legislative efforts to restore the strong net neutrality protections and appropriate FCC oversight under Title II of the Communications Act. which were lost in the repeal of the 2015 Open Internet Order. These include the attempt to reverse the FCC pursuant to the Congressional Review Act, which passed the Senate but failed in the House (S.J.Res.52 / H.J.Res.131), and more recently, the "Save the Internet Act" proposals in the House and Senate (H.R. 1644 / S. 682).

Kickstarter also joined with a number of other platforms to oppose changes to the European Copyright Directive, specifically Article
13, which threatens online creative communities that have enabled musicians, writers, artists, developers, designers, and filmmakers throughout Europe to access a global online market. In an open letter sent to the Members of the European Parliament, we expressed our collective concern over the untenable burden Article 13 will put on small internet platforms forced to deploy expensive and error-prone content moderation tools, as well as the negative impact these technologies will have on creators who depend on these platforms to share their own creative work. Unfortunately, the European Parliament passed this harmful measure in 2019.

VOLUNTEER POLICY

Our volunteer policy gives employees 25 hours of paid time per year for volunteering. In 2018, Kickstarter staff volunteered at NYC organizations including <u>Sunnyside Community Services</u>, the <u>Chinese-American Planning Council</u>, and <u>Housing Works</u>.

INTERNSHIP PROGRAM

For a fifth consecutive year, our summer internship program focused on providing opportunities for students with diverse backgrounds and perspectives. In 2018, we worked with a number of New York-based organizations that create opportunities for people who represent the diversity of the city, including Ladders for Leaders, Code Nation, and Tech Talent Pipeline.

Our People

Kickstarter had a team of 142 people at the end of 2018, all working to build and improve its service and to help creators use it. The vast majority of our team is based at our headquarters in Greenpoint, Brooklyn, with other staff working remotely around the U.S., as well as around the globe in Canada, Mexico, and Europe.

Here's a breakdown of demographic data as reported by our team as of December 2018, based on an anonymous employee survey with a response rate of 72%*:

*Employees were able to select as many options as appropriate, so percentages will not add up to 100

Overall team demographics:

49% identified as female, 48% identified as male, and 3% identified as trans or gender nonconforming/nonbinary.
72% of Kickstarter identified as white/Caucasian, 18% as Asian/South Asian/Indian, 11% as Hispanic or Latina/Latino/Latinx, 6% as Black/African/Caribbean, 6% as two or more races, 1% as Native American/Alaskan Native, and 1% as Middle Eastern/North African.

Among our senior leadership, which includes staff at the vice president level and above:

- 6 identified as men and 2 identified as women.
- $-\,50\%$ identified as Asian, 50% as white/Caucasian, 25% as two or more races, and 12.5% prefer not to identify their race.

The following are comparisons between what our CEO and executives were paid in 2018 and the median compensation for all other employees at Kickstarter:

- The median salary of employees on our executive team in 2018 was 2.03x the median salary of non-executive employees.
- Our CEO's salary in 2018 was 3.86x the median salary of all non-CEO employees in 2018.
- Median compensation of executive employees, including both salary and equity, was 2.19x the median compensation of non-executive employees.
- Including both salary and equity, our CEO's total compensation equaled 3.76x the median total compensation of all non-CEO employees in 2018.

For context, a 2017 study by the <u>Economic Policy Institute</u> examining the executive pay gap found that the average CEO earns 312 times that of the median worker at the same company.

In 2018 we continued to offer staff education stipends, which many used to pursue creative endeavors and exploration—including cooking and pottery classes, music lessons, jewelry making workshops, museum memberships, language classes, and materials for woodworking.

Our 5% donation

Our charter requires us to run our company in ways that reflect our values; to champion the arts and artists, particularly those working in less commercial areas; and to support a more equitable and creative world, in particular by donating 5% of our after-tax profits to programs and organizations addressing systemic inequality.

This year, we made donations to 12 organizations committed to doing just that:

Organizations addressing inequality:

- -Make the Road New York
- -Hot Bread Kitchen
- -Urban Upbound
- -Hour Children
- -RAICES (Refugee and Immigrant Center for Education and Legal Services)
- -Bronx Freedom Fund
- -Qmunity

Organizations championing the arts:

- Global Action Project
- -Behind the Book
- -Sing for Hope
- -The Bushwick Starr
- -Publicolor

We also checked back in with the eight organizations that we supported as part of our 2017 donation to see how they were able to put those funds to work in support of their missions.

Film Society Kids is part of the Film in Education program of Film Society of Lincoln Center in New York City. Guided by experienced teaching artists, public school students watch and learn about classic and contemporary art cinema before working together in teams of five to create their own short films. Kickstarter's donation

helped Film Society Kids expand to work with one new school this year, serving a total of 700 youth. The program culminated in the annual Film Society Kids Film Festival, where the students' 140 short films were presented to 1,200 students, teachers, school administrators, and parents.

The LAMP was an organization dedicated to equipping youth, parents, and educators to live, learn, and thrive with media and technology. Kickstarter's donation contributed to their work, which focuses on at-risk and underserved populations that cannot typically afford media programming. Unfortunately, The LAMP closed its doors after more than 10 years of service at the beginning of 2019.

The Laundromat Project advances artists and neighbors as change agents in their own communities. Kickstarter's donation was essential in supporting five artist projects through the Create Change Residency, 14 artists fellowships, and community programs ranging from weekly public drop-in arts workshops to the Literary Freedom Project, a Bronx-based arts organization restoring the importance of social and cultural identity through reading.

Little Kids Rock transforms lives by restoring, expanding, and innovating music education in U.S. schools. Their network of thousands of K–12 teachers across 45 states leads a national movement that brings innovative and inclusive music education to students. Through this work, students see themselves reflected in their classes, which strengthens their connection to their school, their peers, and their community. With Kickstarter's help, Little Kids Rock was able to donate necessary instruments and curricula, meeting a key need of many school music programs.

NYC Books through Bars is a volunteer-run collective that sends free books to incarcerated people across the country. With Kickstarter's contribution, about 1,500 packages were shipped to incarcerated individuals. These books will enjoy wide circulation among those inside, as recipients report that the books are frequently shared and deeply cherished, and greatly improve their quality of life.

The Sylvia Rivera Law Project works to guarantee that all people are free to self-determine gender identity and expression, regardless of income or race and without facing harassment, discrimination, or

GOVERNANCE AND CITIZENSHIP IN 2018

violence. Kickstarter is proud to have supported their work providing legal services to transgender, gender nonconforming, and intersex individuals, advocating for positive policy change in New York State and New York City, and eliminating barriers to communication and political participation for those most affected by the prison industrial complex.

Black Girls Code is introducing programming and technology to a new generation of coders. These coders will become builders of technological innovation and of their own futures. Kickstarter's donation supports their community outreach programs, including workshops and after-school programs where Black Girls Code introduces underprivileged girls to basic programming skills.

The Bronx Freedom Fund works to restore the presumption of innocence by keeping clients with their families, at their jobs, and out of jail while they await trial. Kickstarter's donation alone helped post approximately 10 people's bail—meaning 10 people were able to avoid or be released from pretrial detention, be reunited with their families and communities, keep their jobs, continue school, and more.

BLACK and WHITE by Kwanza Osajyefo, 2016, 2017, and 2019

A champion of Black comics gains superpowers.



3,843 backers pledged

\$148,477 and also helped bring

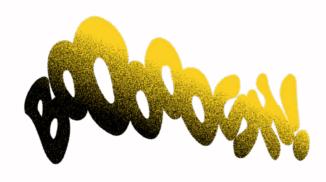
20,769 other projects to life

Frustrated by comic books' token diversity, Kwanza Osajyefo launches a 2016 Kickstarter campaign for Black, in which only Black people have superpowers.

Osajyefo's DMs blow up: he gets a movie offer on the campaign's first day, and within a week, he's signed on a manager, lawyer, and publisher.

Indie publisher Black Mask Studios releases the sixissue graphic novel in 2017 and a followup spinoff about a 15-year-old girl, Black [AF]: America's Sweetheart.

Studio 8 (backed by Sony) and filmmaker Seith Mann (credits include The Walking Dead, The Wire and Friday Night Lights) pick up both books for film adaptations.





It was important for me to create narratives that reflect this experience, this culture, this perspective. I'm not going to get it 100 percent right, but if I inspire a lot of people to be like, 'Let me go and write some Black AF comic books, and let me show you what's really good,' that will make my day.

We the People by Amplifier, 2017 and 2018

The artist behind an iconic political poster pivots to the people.



24,715 backers pledged

\$1,681,240 and also helped bring

21,387 other projects to life

Shepard Fairey's 2008 Hope posters make him a household name.

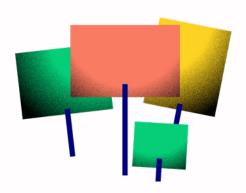
In 2017, the design lab Amplifier announces plans to flood Washington D.C. with political artwork on Trump's inauguration day. It raises \$1.3 million—making it the most successful Kickstarter arts project of all time.

SFMOMA acquires the work later that year, and Amplifier continues to offer a free download of the images on its website.

20,000 classrooms across the country display posters from a followup campaign. They feature young activists fighting for causes from gun control to environmentalism.



Things like this give people a platform to say, 'I resist fear and exclusion.' It makes it easier for people who are afraid to express their point of view because they think they are out of step with the dominant ideology.



KICKSTARTER

www.kickstarter.com/benefit-statement