In the last 2 years...

$2+ Billion

in new philanthropy through equity pledges
### CORPORATE EQUITY

<table>
<thead>
<tr>
<th>Summary of Trade-offs</th>
<th>1% Upfront Model</th>
<th>1% Distributed Model</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+ Lock in social impact legacy <em>(legally binding)</em></td>
<td>+ Spread out shareholder dilution <em>(Example: 0.1% a year for 10 years)</em></td>
</tr>
<tr>
<td></td>
<td>- 1% upfront shareholder dilution</td>
<td>- Potential for reduced social impact <em>(Risk increases if change in ownership and/or leadership is likely)</em></td>
</tr>
<tr>
<td>Directional Examples</td>
<td>PagerDuty, Crunchbase, Upwork, Puppet, Skilljar, Checkr</td>
<td>Twilio, SendGrid, Okta, Coinbase, Olo, Slack, Auth0, Unity</td>
</tr>
<tr>
<td>Typical Stage</td>
<td>Primarily early and growth stages <em>(&gt;12 months from exit or IPO)</em></td>
<td>Primarily growth and late stage <em>(&lt;12 months from exit or IPO)</em></td>
</tr>
</tbody>
</table>
SOURCE OF EQUITY

**Corporate Equity**
- Checkr
- coinbase
- DocuSign
- DigitalOcean
- okta
- olo
- PagerDuty
- skilljar
- slack
- twilio
- unity
- zuora

**Founder Equity**
- ATlassian
- CODE42
- Pluralsight

**Combination (Founder & Corporate)**
- Airbnb
- Auth0
- Lookout
**Equity Source**
Corporate: 1% Upfront Model

**Equity Model:** 1% Upfront Model

**Timing of Commitment**
Growth Stage. > 12 months pre IPO

**Vehicle**
Shares

**Funding schedule**
TBD

**Investor dilution**
Approved 1% upfront

**Pros/Cons of this Model**
Pros: Locks in Social impact legacy
Cons: 1% dilution all at one time
EQUITY CASE STUDY

Catalyst
Ron Conway

Equity Source
Corporate

Equity Model: 1% Distributed Model

Timing of Commitment
Late Stage: < 6 months pre IPO

Vehicle
Shares

Funding Schedule
0.1% shares transferred per year for 10 years; begins on 1 year anniversary of IPO

Investor Dilution
1% spread over 10 years post IPO

Pros/Cons of this Model
Pros: Spread out shareholder dilution
Cons: Risk to Social Impact Legacy
Catalyst
CEO

Equity Source
Corporate

**Equity Model:** 1% Upfront Model

**Timing of Commitment**
Late Stage (< 12 months from IPO)

**Vehicle**
Warrant

**Funding Schedule**
Warrants exercisable in full at time of IPO with scheduled sale to sell shares over 5 years

**Investor Dilution**
Dilution occurred when warrant executed

**Pros/Cons of this Model**
Pros: Social Impact legacy preserved
Cons: Investor Dilution Upfront
WE ARE HERE FOR YOU

➔ Formalize your equity commitment
  ◆ The CEO Equity Playbook
  ◆ The Companion Guide for CFOs/GCs
  ◆ Consultation (Pledge 1%)

➔ Support for time, product, profit pledges

➔ Employee activations
  ◆ Pledge 1% Blog

YOUR NEXT STEPS

DOWNLOAD THE EQUITY PLAYBOOK: P1.today/equity

JOIN THE PLEDGE 1% MOVEMENT: P1.today

Questions? Jan@Pledge1Percent.org  Amy@Pledge1Percent.org