Message

From: Laura Chambers [redacted]
Sent: 6/1/2024 12:37:17 AM
To: steering_committee [redacted]
BCC: emuhlheim[redacted]
Subject: Fwd: Pre-reads for Berlin

Hi all!!

See below for email/docs to the Board. Apologies, I meant to cc you all then promptly forgot (it has been a long week!)

Huuuge thanks to everyone - we have all been simultaneously prepping 5 docs for next week which is no joke :)

Laura

Sent from my iPhone

Begin forwarded message:

From: Laura Chambers [redacted]
Date: May 31, 2024 at 4:31:01 PM PDT
To: MoCo Board of Directors <[redacted]
Subject: Pre-reads for Berlin

Ex. No.
PXR0254
1:20-cv-03010-APM
1:20-cv-03715-APM

Hi all, we are looking forward to seeing you all in Berlin!! This note is to help orient you around the pre-reads coming your way.

In the 'main MoCo meeting' session on Day 1 (Tuesday), we will review **Corporate Strategy** (deck attached) and **Project Artemis** (team is still working hard on this, aim to get it to you by Monday morning).
You have also received the documents for **Audit Committee** and **Comp Committee** from Eric and Dani earlier today. No pre-read for NomGov.

For Day 2 (Wednesday), Mark has sent out a set of pre-reads, so check his email from earlier today for those.
I will also be shortly sending out a deck for the MoCo update to MoFo (as part of the AGM). It's attached here for your reference, but *no need to pre-read it* ... it's all stuff you've seen in other decks.

Some quick notes/context on **Corp Strategy** (huge credit to Suba & her Corp Strat team for their thinking and hard work here):

- **Details:** There's some really good detail and nuance in the Backup/Appendix pages - please do read those in advance as they are important context for the 'summary' view
- **Status:** While the strategy is pretty close to done (we plan to start rolling it out to the company in mid-June), we're really looking forward to hearing thoughts & feedback at the meeting ... potential discussion questions are highlighted in the deck.

Thanks, and safe travels!
Laura

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To view this discussion on the web visit
[redacted]

MoCo Corporate Strategy

Mozilla

May 2024

Our Context, in a page

External

Market / Customer insights

GenAI moving fast but costs are high, with emerging concerns about leading genAI players / solutions

Competitive browser landscape: Won today by distribution vs. features; search revenue under potential threat from AI; DOJ impact uncertain

Ongoing desire for **privacy-preserving ad solutions** (with high utility)

GenZ emerging as values-aligned choosers

Internal

Strengths

[redacted]

Challenges

[redacted]

- It's increasingly urgent to **diversify revenue,** but it's progressing slowly

[redacted]

- **Firefox decline** leading to reduced compatibility and relevance
- **Ads business** is high-potential, but is underperforming

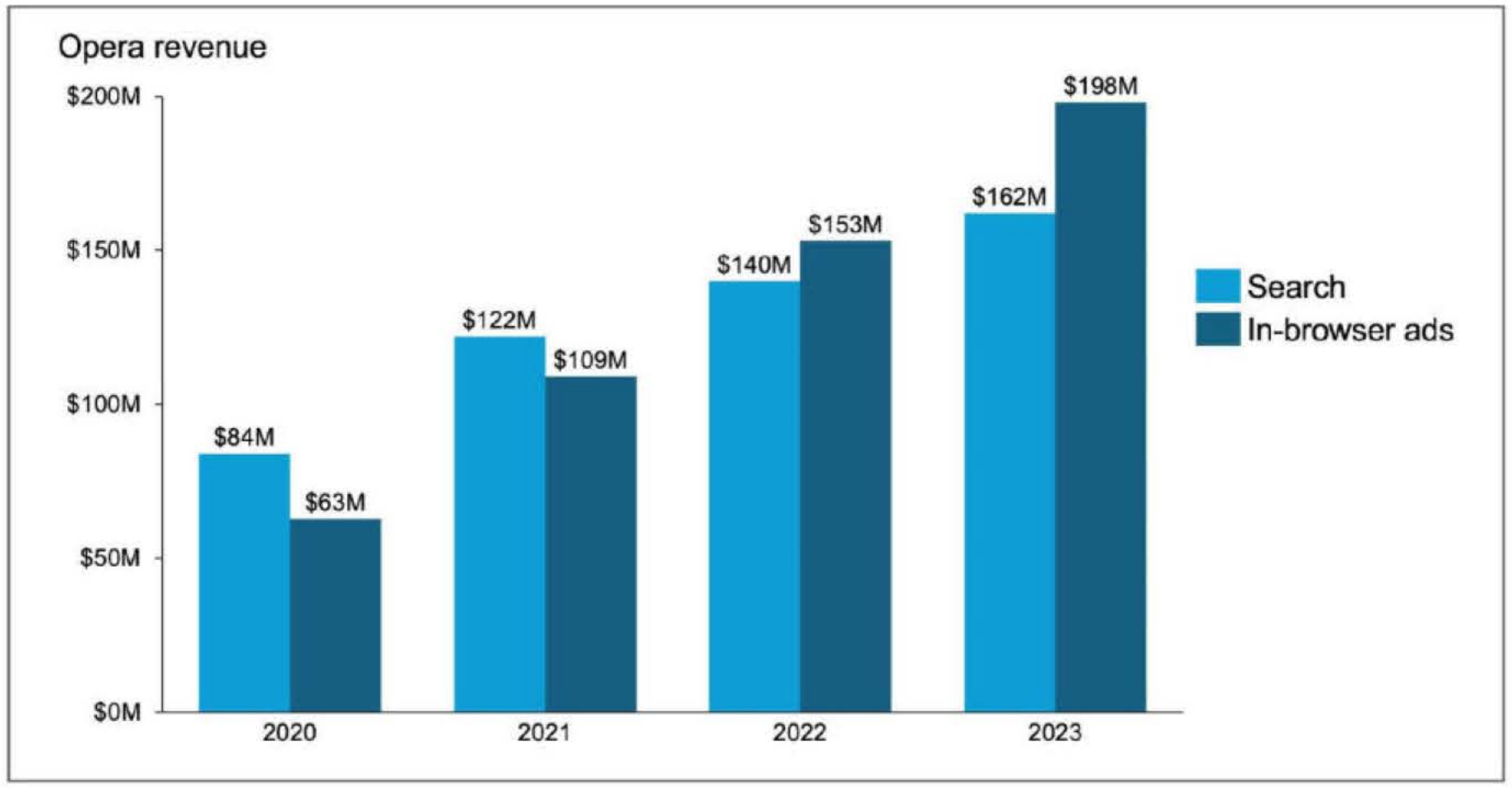
Our Manifesto

The internet is a global public resource that must remain open, accessible, secure, and empowering for all users

[redacted]

Ads

Opera: Generates ~$200M in browser ads revenue, which is greater than search partnerships revenue



- Opera has successfully monetized Ads with 2023 revenue of ~$200M, which is greater than their search partnership revenue of $162M
- Opera's news revenue is ~4x that for Firefox
- Note that Opera drives this revenue with significantly lower desktop MAU (80M vs. Firefox's 180M), though they have much higher smartphone MAU (186M)
- Opera also earns revenue through affiliate links to ecommerce websites like Amazon, eBay, Aliexpress, and Booking.com
- Additionally, note that Opera does have some concerns about data privacy and this analysis does not suggest following everything Opera does, however Opera's approach does provide a potential pathway for us to increase our ads revenue

Source: Opera form 20-F for fiscal year 2023
Note: The in-browser ads revenue for Opera was calculated as follows: multiply the total ads revenue by the % of MAU that see news in the Opera browsers and not the Opera News app

[redacted]

SWOT summary: Internal reflections and external market forces inform MoCo's corporate strategy

Our corporate strategy...

Builds on...	Our core strengths	[redacted]
	Market opportunities	[redacted]
Mitigates...	Our weaknesses	[redacted]
	Our external threats	• Potential existential threat to search revenue due to declining market share, DOJ case, and AI disrupting Google's revenue • Market share continues declining, which reduces our influence and affects web compatibility [redacted]

...and is aligned with our mission

[redacted]