



Classy

Impact Report

2021



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Introduction

10 Years In and We're Just Getting Started



By Chris Himes
CEO, Classy

We at Classy have never been more grateful to be serving the social sector. In 2020, nonprofit organizations rose to the occasion with the integrity and grit they've undoubtedly developed from years of tackling our world's greatest humanitarian and environmental challenges.

At Classy, the pandemic tested our stakeholder model as it demanded our attention across various fronts. We asked ourselves: How can we best support our nonprofit customers through a pandemic? How do we empower healthy, happy, and connected employees in a remote setting? How do we maintain financial durability and protect jobs in a volatile world? How do we

prioritize our community needs and environmental commitments?

We put our heads down and focused on our customers. We found clarity in our core philosophy that great giving experiences can build communities of supporters which can drive more revenue for the nonprofit. We focused on helping our nonprofits continue to create those giving experiences through increased investments in our fundraising tools.

Technology can enable impact. And that impact was vital for so many programs, such as food banks and social justice organizations, in a year of increased need.

With the rise of subscription giving, nonprofits had more predictable revenue during uncertain times. The pivot to virtual events allowed nonprofits to engage with supporters online, and collect direct donations in a time when giving in-person was nearly impossible.

These investments supported our nonprofits in driving more revenue, which unlocked more resources to tackle the complex challenges they were trying to solve. Our nonprofit customers collectively raised over \$1 billion in one year on our platform—an incredible feat.

But, we won't stop there. Through our Series D funding round, we invested directly into our product and engineering teams to make our fundraising product better, faster, more reliable, and more productive.

We also invested in our staff. We created systems of support and crafted more robust wellness programs and benefits packages. We expanded our diversity, equity, and inclusion efforts, made market adjustments to ensure fair pay, and set higher benchmarks for hiring and promotion practices.

The stakeholder model asks us to balance all stakeholder needs, but it is an art and science. This past year called on us to make adjustments and shift the equilibrium for a period of time. We believe that our firm focus on our customers and team is creating the opportunity to continue supporting our financial partners and community, and that the equilibrium will return.

I am inspired by the work being done in this sector, and have never been more optimistic about the capacity of nonprofits in pursuit of their missions. We will stay the course and lean into the needs of our stakeholders as we grow and evolve together.



Chris Himes

About the Repport



Classy

Impact Report Approach



by Tori Callahan,
Chief of Staff; Head of
Sustainability + Stakeholder Impact

As a Certified B Corp and recently incorporated Public Benefit Corporation, Classy's business model prioritizes our four main stakeholders: our nonprofit customers, our team, our financial partners, and our community, including the environment.

While Classy has always been a values-driven company, obtaining our B Corp Certification and reincorporating as a Public Benefit Corporation this year solidified our north star and the goals and metrics that matter most. The B Corp assessment measured what we felt was important, and then validated that it was actually the right thing to do. As such, you will find that our Impact Report—from its structure to the content—**references our B Corp**

assessment often, to give a necessary nod to the industry-leading certification for businesses committed to a better world.



This is our inaugural Impact Report. The data will dive into our measured impact of the last three quarters of 2020 and first quarter of 2021. This year also marks an important milestone, Classy's 10-year anniversary as a software company. We recognize this milestone throughout the report by telling the stories and celebrating the work of our incredible nonprofit customers who have stood beside us throughout the years.

Thank you for participating in our first Impact Report and supporting our community. We believe in the power of transparency and partnership, and invite you to ask questions, challenge us, and converse with us in our collective drive to build a better world.

Tori Callahan

About the Data

The reporting period is May 1, 2020, to April 30, 2021.

Customer Data

The customer insights in this report are garnered from Classy's platform data. This reflects 4,798 customers, including subscription and Pay-As-You-Go customers, that were transacting on the Classy platform during the reporting period. In some instances, the data is reflective of a smaller, more specific customer cohort. If this is the case, a note will be included next to the data.

Employee Data

The employee insights in this report are collected from internal systems, including Paylocity, Greenhouse, and Sequoia. This reflects the 240 Classy employees during the reporting period.

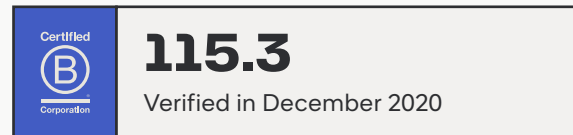
Financial Data

The financial insights in this report are collected from internal systems, including Salesforce. Beginning in fiscal year 2016, we engaged Ernst & Young LLP (EY), an independent third-party, to complete full financial statement audits.

Community and Environment Data

The community and environmental insights in this report are collected from internal systems, including marketing data collected through HubSpot and Salesforce, and volunteering data from Paylocity. Environment data is self-reported by Classy employees using the California Air Resources Board carbon footprint calculator, and corporate environmental data was collected using the Pachama free carbon calculator.

B Corp Certification



Best in Classy

The Best In Classy is a celebration of 50 organizations within the Classy community that show excellence across five key fundraising categories. Organizations are featured throughout the report.

About Us



Classy

Classy is a giving experience platform that enables nonprofits to connect supporters with the causes they care about. We believe that giving to nonprofits should be effortless and satisfying for everyone. We enable nonprofits to create supporter-centric giving experiences through technology, and our platform provides the formats and flexibility to activate donors when and how they need to by creating more relevant connections to their causes. The platform allows nonprofits to reinforce those connections over time through powerful data and purposeful tools. When supporters are met with stories that matter to them and effortless paths to involvement, giving becomes significantly more expansive. With Classy, supporters are more than just the people who donate - they are engaged givers, enthusiastic fans, and even fundraisers themselves.

Purpose

To mobilize and empower the world for good.

Promise

Mobilize people to connect with the causes they care about through engaging and intuitive giving experiences.

Empower nonprofits to be more relevant to supporters over time by providing technology and insights.

Vision

Generosity unlocked.

The Classy Credo

A living, breathing statement that will continue to evolve as the needs of our customers do.

To mobilize and empower the world for good.

A world where anyone, anywhere, can support the causes they care about;

A world where nonprofits receive the long-term support they need to maximize their impact;

And a world where corporations use both profit and purpose to help solve our greatest challenges.

Classy exists to turn this vision into reality. To make giving easy and accessible. To drive sustainable support to the nonprofit community. And to break down barriers in the name of social and environmental progress.

But nothing worth fighting for ever comes easy; which is why we ask you to join us. Together, we can shape a world that future generations will be proud of.



The Salvation Army

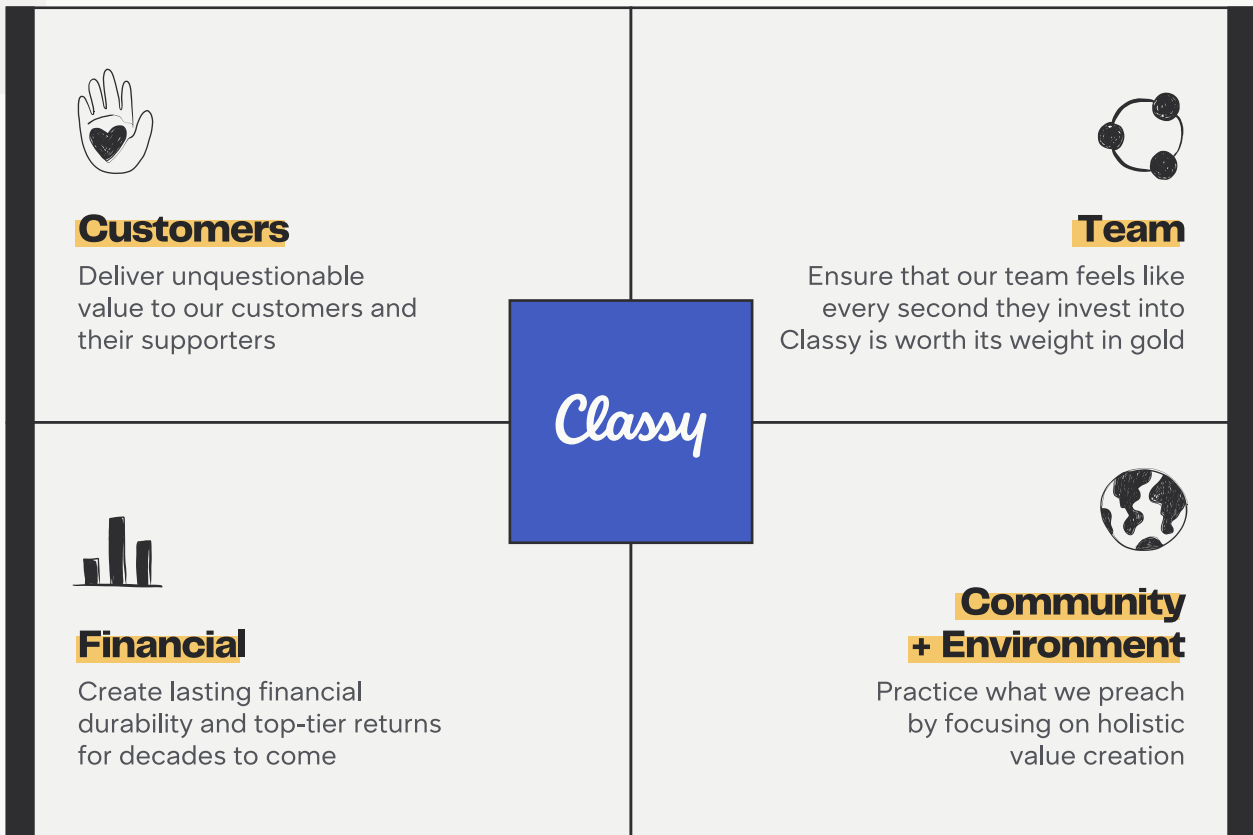
Our Impact Model



Classy

On a Path to Good

Doing good is not just an outcome of our products, it's what we aim to achieve across all stakeholders. We believe in accelerating change through nonprofits and contributing to a more inclusive and sustainable world for all.



Our Customers



Bridges to Prosperity

Classy

Delivering Unquestionable Value To Our Customers and Their Supporters

Classy enables supporter-centric giving experiences. Our technology provides nonprofits with the formats and flexibility to activate donors when and how they need to by creating more relevant connections to their causes. And finally, it reinforces those connections over time through powerful data and purposeful tools.

Classy's suite of fundraising tools offers frictionless and flexible ways to donate, transforming supporters' intent into impact. Through recurring giving and engagement strategies, organizations can engender long-term loyalty and ongoing support.

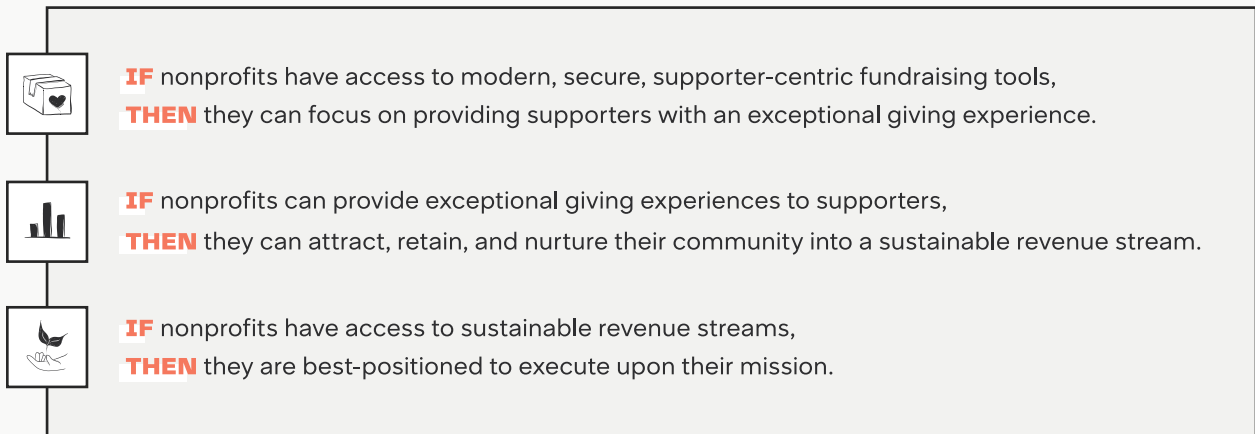


Feeding San Diego

Classy Theory of Change Summary



Classy's Theory of Change



What's a Theory of Change?

A theory of change explains a company's intended impact by first **identifying its objective or mission, its planned inputs and/or activities, and the results it expects from those activities**. Results should be organized by output (short term), outcomes (long-term), and impact (the ultimate result).

	We build Inputs	This creates Outputs	Which turns into Outcomes	Ultimately resulting in Impact
Customers	<ul style="list-style-type: none"> → Supporter-centric fundraising tools → Secure and reliable platform → Critical integrations → Robust, open API 	<ul style="list-style-type: none"> → Customer volume → Customer sentiment → Customer conversion rates → Product adoption 	<ul style="list-style-type: none"> → Gross Donation Volume → Recurring Gross Donation Volume 	<ul style="list-style-type: none"> → Sustainable revenue



This Creates Outputs

Nonprofits leverage Classy to unlock the generosity of supporters, inspiring them to build ongoing loyalty and become connected partners in their cause. On Classy, nonprofits are able to manage and run their website donation pages, peer-to-peer campaigns, crowdfunding campaigns, and ticketed and registration with fundraising events.

4,789

Transacting Nonprofit Customers during reporting period



Heifer International

Inputs

Outputs

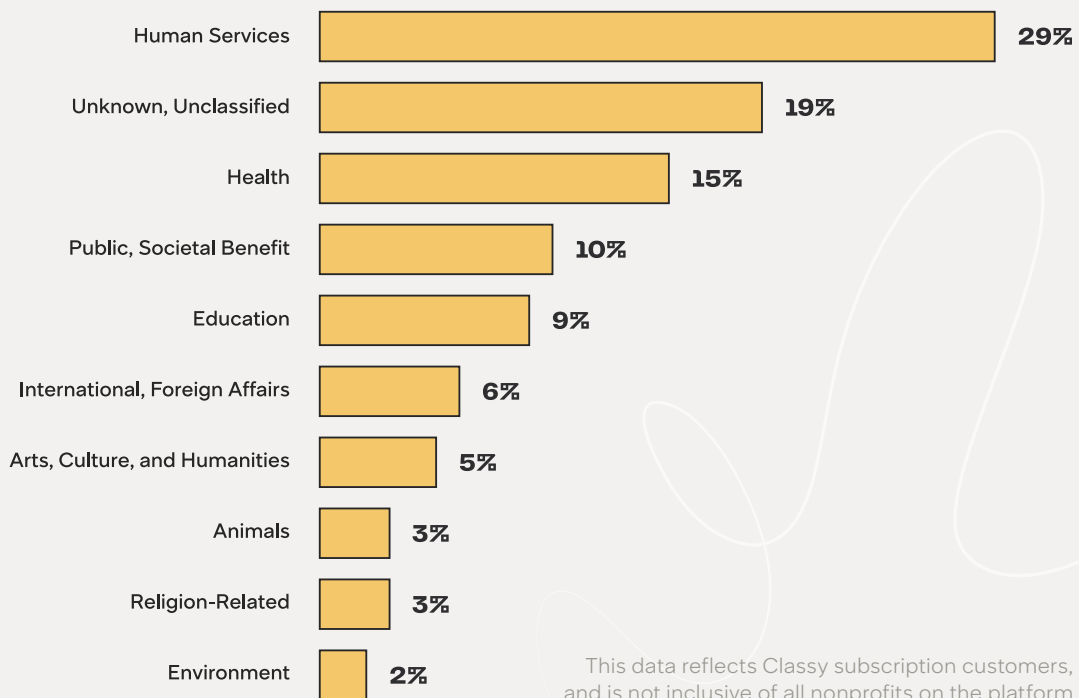
Outcomes

Impact

Customer Demographics

Customers by Cause Category

Classy is proud to support organizations of all causes and sizes.





Customers by Organizational Revenue

Annual Revenue*	Customer Count (percent of total)
Less than \$500K	19%
\$500K to \$5M	42%
\$5M to \$50M	17%
Greater than \$50M	13%

Total New Customers Onboarded*	
FY19	1,251
FY20	2,659
FY21	1,597

*This data reflects Classy subscription customers, and is not inclusive of all nonprofits on the platform

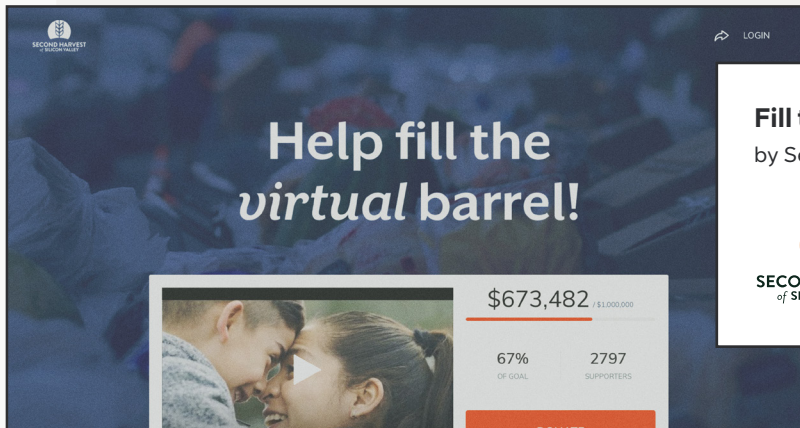
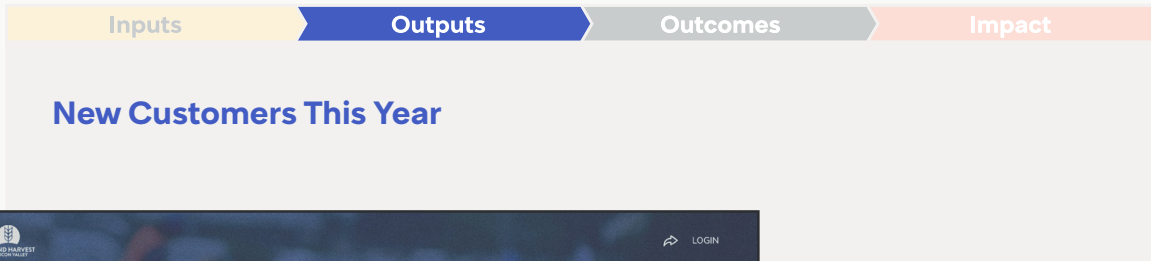
New Customers Onboarded Less Than \$500K**	
FY19	272
FY20	617
FY21	357

New Customers Onboarded \$500K to \$5M**	
FY19	556
FY20	563
FY21	445

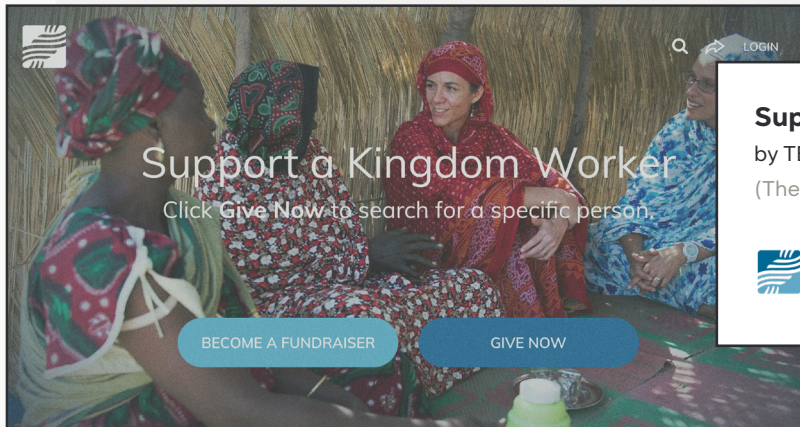
New Customers Onboarded \$5M to \$50M**	
FY19	195
FY20	181
FY21	177

New Customers Onboarded Greater Than \$50M**	
FY19	138
FY20	145
FY21	125

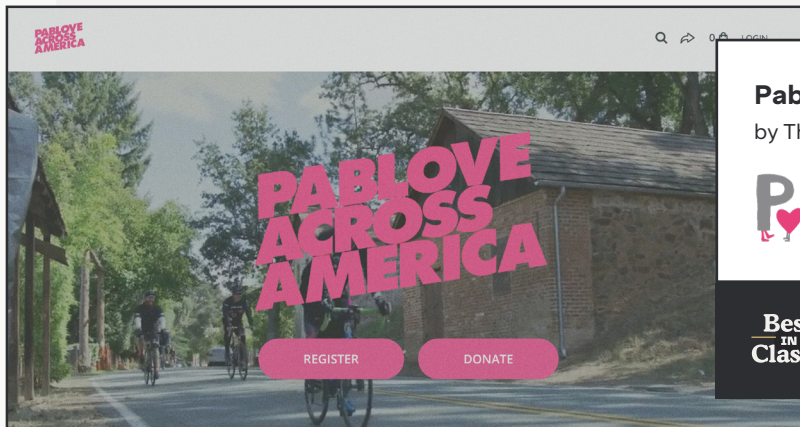

**Includes active, churned, and transacting non-subscription customers.




Fill the Virtual Barrel
by Second Harvest of Silicon Valley



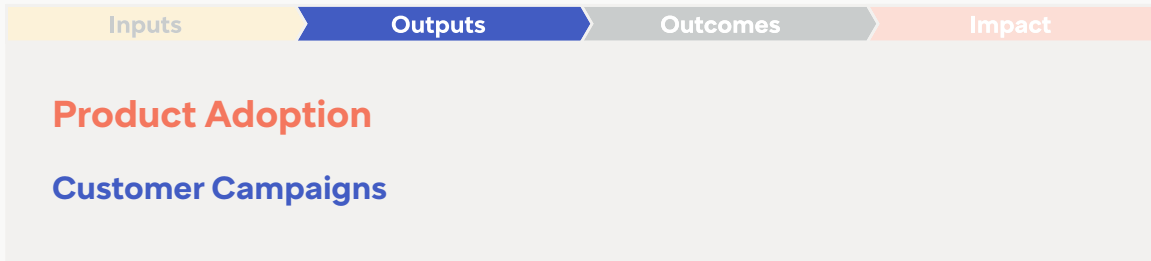
Support a Kingdom Worker
by TEAM
(The Evangelical Alliance Mission)



Pablove Across America
by The Pablove Foundation




Best IN Classy Recognized as #4 for Best Donor Experience in the Best in Classy list



Product Adoption

Customer Campaigns

Quarter	Campaign Count	YoY %
Q2 2020	4,057	104.8%
Q3 2020	6,016	120.8%
Q4 2020	5,481	104%
Q1 2021	4,198	-12.7%



Nonprofits run larger fall and winter campaigns to collect support before the tax year closes.

Displayed above are fundraising campaigns created during the quarter with over \$500 raised. This represents all campaigns on Classy, including donation pages, peer-to-peer campaigns, registration with fundraising campaigns, crowdfunding campaigns, and ticketed events.

2.98

Average Number of Campaign Types Per Customer

We encourage our customers to **diversify their fundraising campaigns in order to ensure a healthy stream of income** that taps into their supporters' vast array of giving preferences.

Customer spotlight

Taken from the top three organizations in Best in Classy's **Most Options to Give** category.



1



2



3



Inputs

Outputs

Outcomes

Impact

Campaign Types

Donation Pages

Classy enables nonprofits to create high-performing donation websites that help supporters feel more connected to the cause. An intuitive checkout experience and flexible payment options make giving easy and boosts conversions.

Quarter	Count	YoY%
Q2 2020	1,385	121.9%
Q3 2020	1,964	135.9%
Q4 2020	2,255	138.6%
Q1 2021	1,822	-28.9%

Crowdfunding Campaigns

Classy's crowdfunding campaigns enable nonprofits to tell compelling stories about their impact and establish strong relationships with their supporters.

Quarter	Count	YoY%
Q2 2020	844	151.5%
Q3 2020	1,565	158.9%
Q4 2020	1,375	132.6%
Q1 2021	801	-36%



Peer-to-Peer & Registration with Fundraising Pages

Peer-to-peer fundraising enables organizations to mobilize their supporters to fundraise on their behalf. In doing so, supporters spread awareness of their mission and build an expanded community for the nonprofit. Registration with fundraising events activate event participants to fundraise as well, which creates more opportunities for people to get involved.


Quarter	Count	YoY%
Q2 2020	961	-12.7
Q3 2020	1,464	110.2%
Q4 2020	1,052	-24.6%
Q1 2021	968	-9.2%

As the pandemic halted all in-person events in the spring and summer, nonprofits quickly **shifted to virtual experiences by the fall.**

Ticketed Events

Nonprofits can create customized in-person, virtual, and hybrid event experiences to fund their missions and bring their communities together.

Quarter	Count	YoY%
Q2 2020	867	-12.7%
Q3 2020	1,023	110.2%
Q4 2020	799	-24.6%
Q1 2021	1,134	169.3%



Virtual and hybrid events picked up steam in 2021 as nonprofits responded to a variety of state and federal restrictions.

Inputs

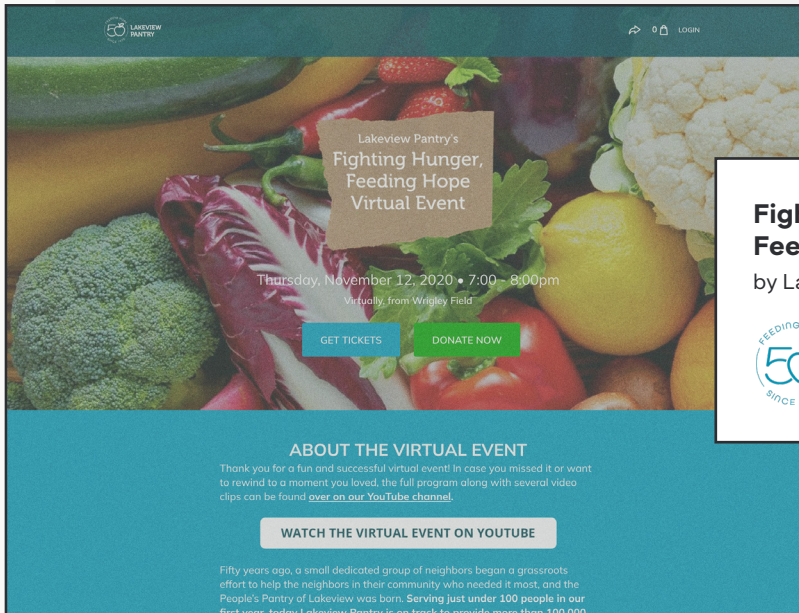
Outputs

Outcomes

Impact

Customer Virtual Events

These amazing nonprofits relied on in-person events, then made the switch to virtual during the pandemic.



Fighting Hunger, Feeding Hope Virtual Event by Lakeview Pantry



35th Anniversary Gala by LA Opera



Inputs

Outputs

Outcomes

Impact

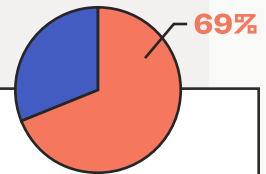
Customer Output Performance

Giving should be effortless and fulfilling. We enable our customers to create exceptional giving experiences for their supporters so people can be more connected with the causes they care about and easily contribute to move them forward.

23%

Average Checkout Conversion Rate

Checkout conversion rate is the percentage of visitors who land on a donation page or initiate the checkout process and complete a donation or ticket purchase.



Donor-Covered Fees

The percentage of donors who choose to cover their transaction fees at checkout. When a donor covers fees, it saves the nonprofit funds.

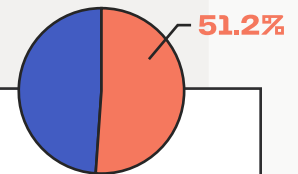
The metrics that matter to our customers, matter to us.

Customer Care and Satisfaction

36

Customer Satisfaction (Average NPS)

NPS stands for Net Promoter Score. It measures the loyalty of customers and is the gold standard customer experience metric.



Customer Time to Value

The percentage of paying customers with annual contracts who reach 40 transactions within their first 90 days on the platform. The quicker we can support our customers to realize this marker, the more likely they are to be successful.

Data is representative of Q1 2021 only.

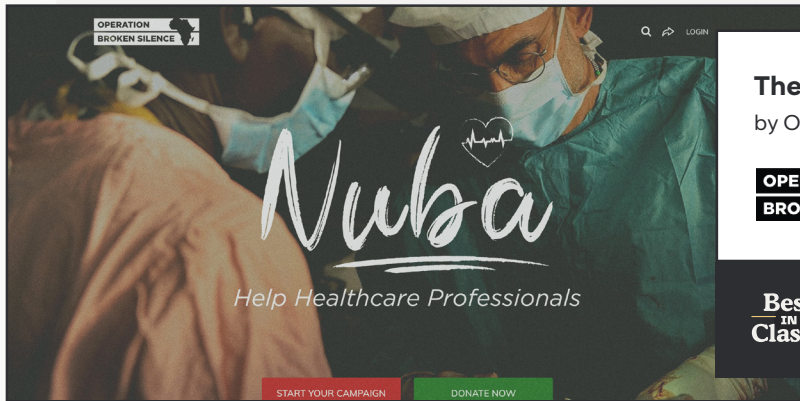
Inputs

Outputs

Outcomes

Impact

Customer Campaigns Spotlight



The Heart of Nuba

by Operation Broken Silence



**Best
IN
Classy**

Recognized as **#1 for Best Donor Experience** in the Best in Classy list



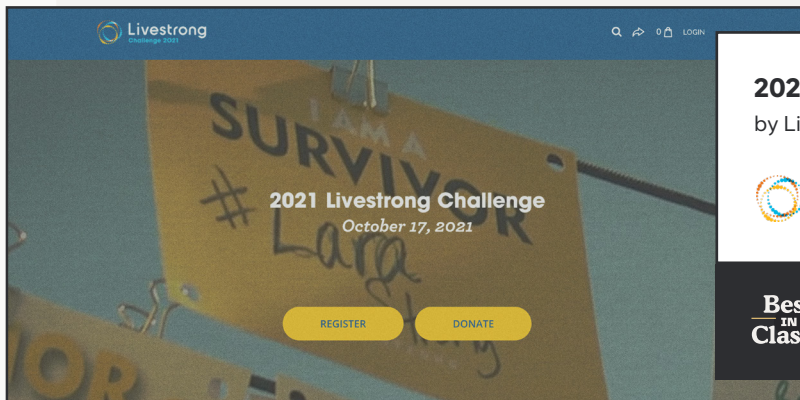
Changemakers

by Legacy Youth Leadership



**Best
IN
Classy**

Recognized as **#2 for Best Donor Experience** in the Best in Classy list



2021 Livestrong Challenge

by Livestrong



**Best
IN
Classy**

Recognized as **#3 for Best Donor Experience** in the Best in Classy list



Which Turns Into Outcomes

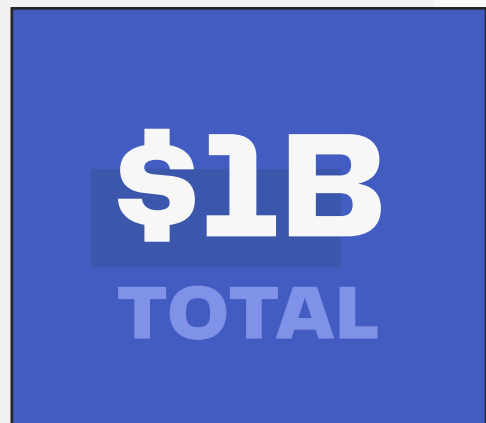
Focusing on outputs should result in positive outcomes. This relates back to our theory of change: if nonprofits can provide exceptional giving experiences to supporters, then they can attract, retain, and nurture their community into a sustainable revenue stream.

Customer Outcome Performance

Gross Donation Volume (GDV) is the biggest indicator of success for our customers. If they are able to raise more money, more efficiently on Classy, our fundraising tools are doing their job.

Quarter	GDV
Q2 2020	\$205.7M
Q3 2020	\$188.8M
Q4 2020	\$424.9M
Q1 2021	\$193.4M

=



\$10,310,839

Customer GDV on Giving Tuesday Now 2020

Giving Tuesday Now took place on May 5, 2020, as a global giving day created by the team at Giving Tuesday in response to the COVID-19 pandemic.



\$37,911,122

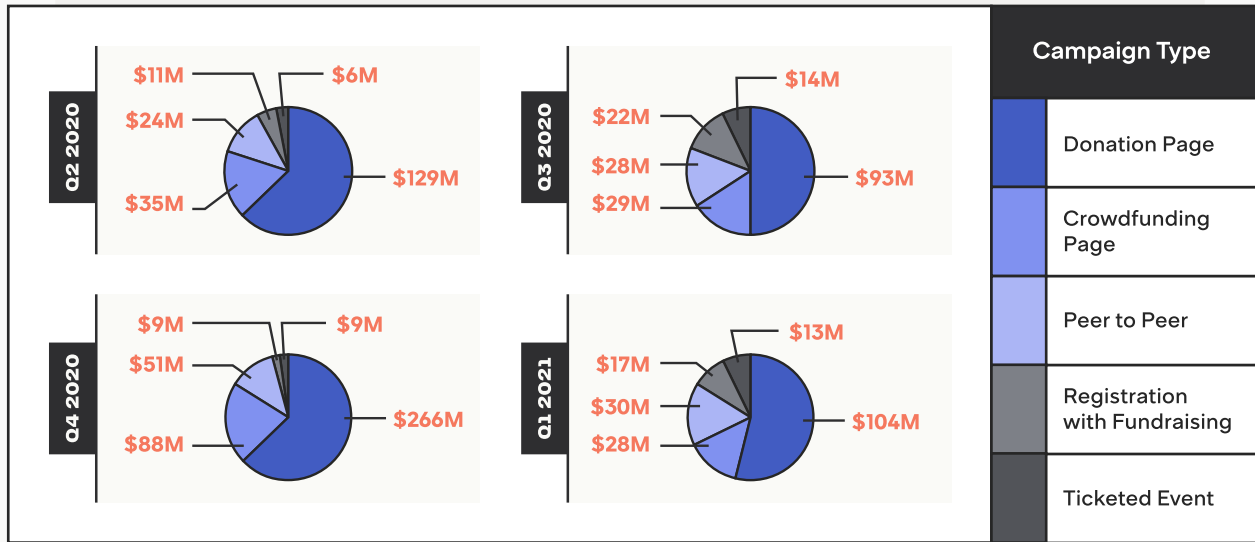
Customer GDV on Giving Tuesday 2020

Giving Tuesday was December 1, 2020. Classy processed \$37,911,122 from 261,609 donors. This was largely due to donors giving more on average, with the average gift size growing from \$112 to \$130 year over year.



Donation Volume by Campaign Type

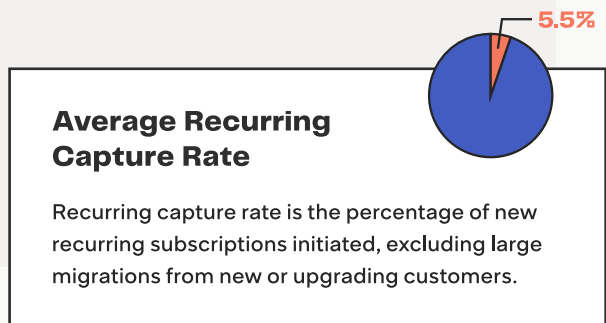
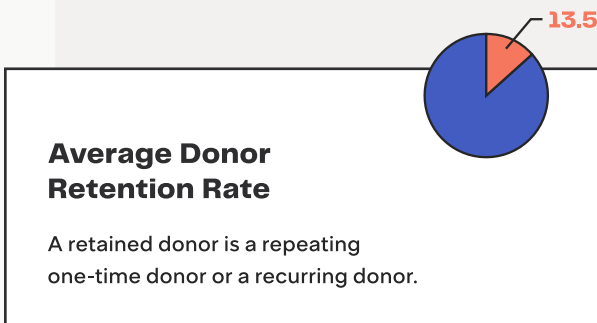
Launching a campaign is step one, but raising sufficient funds is the goal. Classy partners with our customers to ensure they're raising what they need.



Retention and Recurring

Nonprofits leverage Classy to build strong supporter bases, which means both acquiring new donors and deploying strong supporter retention tactics.

Recurring donors are over five times more valuable than one-time donors, as previously found in Classy's *State of Modern Philanthropy* report. The steady income that recurring and repeat donors provide is the lifeblood of nonprofits.



Inputs

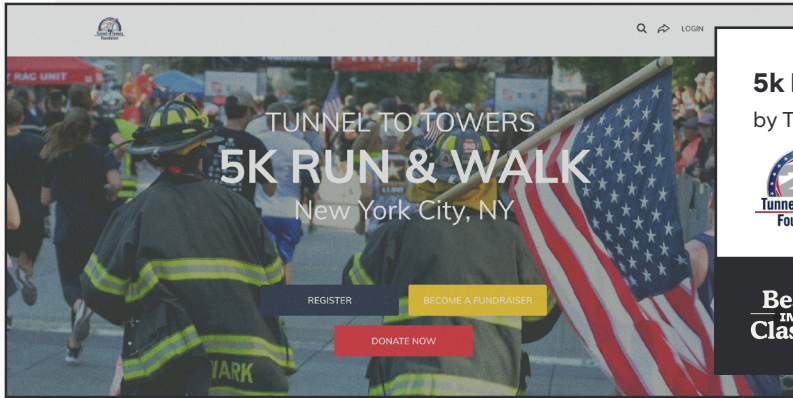
Outputs

Outcomes

Impact

Customer Spotlight

These organizations were recognized for their high donor retention rates in our Best in Classy list.



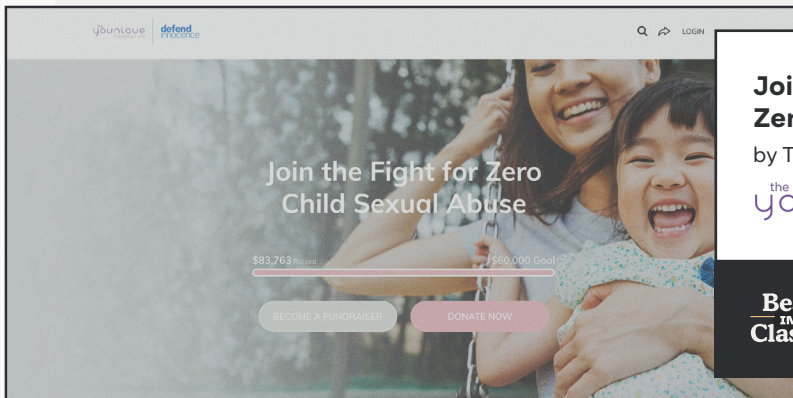
5k Run & Walk

by Tunnel to Towers Foundation



**Best
IN
Classy**

Recognized as **#1 for Most Loyal Supporters** in the Best in Classy list



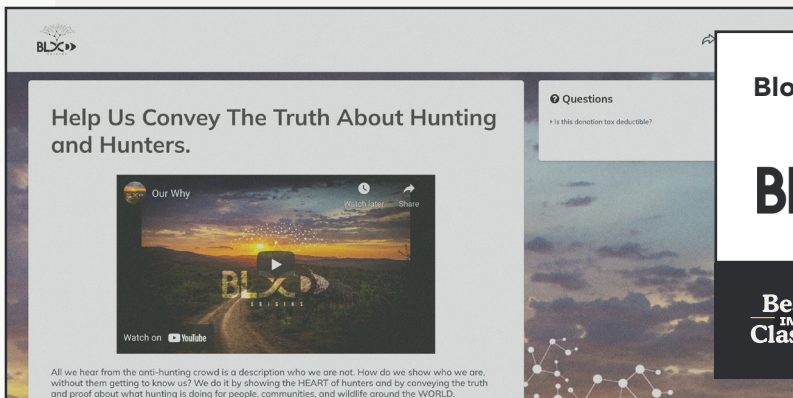
Join the Fight for Zero Child Sexual Abuse

by The Younique Foundation



**Best
IN
Classy**

Recognized as **#2 for Most Loyal Supporters** in the Best in Classy list



Blood Origins Inc.



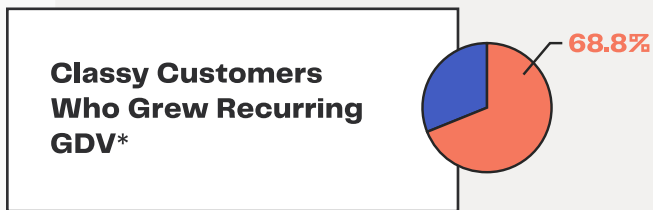
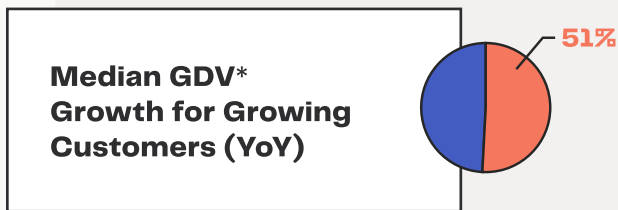
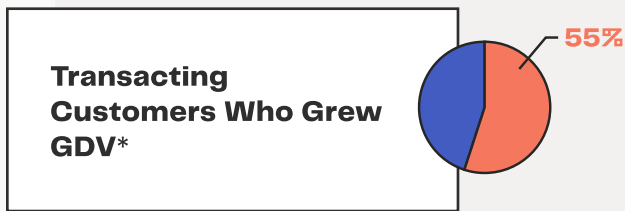
**Best
IN
Classy**

Recognized as **#3 for Most Loyal Supporters** in the Best in Classy list



Ultimately Resulting In Impact

Classy customers gain incremental funds that enable them to deliver on their vision for growth and the strategic goals of their organization. Our suite of fundraising tools and community resources keep them top of mind with supporters and at the forefront of philanthropy.



*Gross Donation Volume

Growth

Gross Donation Volume (GDV) is the biggest indicator of success for our customers. If they are able to raise more money, more efficiently on Classy, our fundraising tools are doing their job.

Reliable Revenue

Recurring Donations and Growth

A nonprofit can only truly grow when it generates a steady, reliable income. Classy encourages this behavior by offering our customers a way to allow supporters to give effortlessly over time.



Recurring Donations

183% YoY Growth in **Recurring Donations**, measured at the end of the reporting period*

New Recurring Subscriptions Initiated

314% YoY Growth in **New Recurring Subscriptions Initiated**, measured at the end of the reporting period*

Recurring Gross Donation Volume Growth by Quarter

	Q2 YoY%	Q3 YoY%	Q4 YoY%	Q1 YoY%
Recurring GDV*	139.6%	150.6%	156.4%	174%

*The data includes recurring donations from migrations of new and upgraded customers, bringing their recurring donor programs over to Classy.



Trevor Project

Inputs

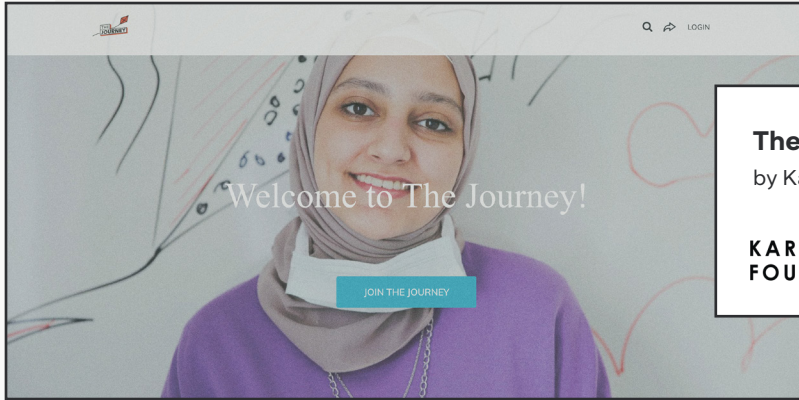
Outputs

Outcomes

Impact

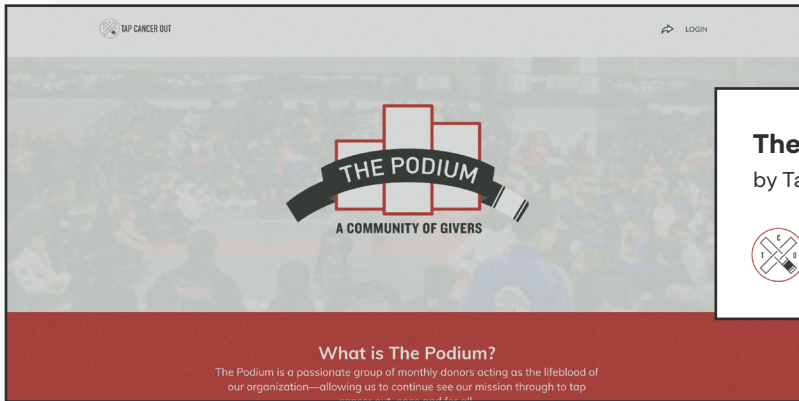
Customer Spotlight

Incredible recurring giving campaigns run by our customers.



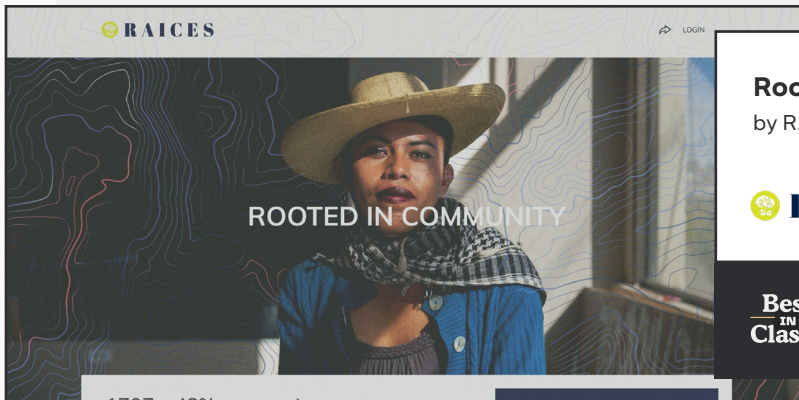
The Journey

by Karam Foundation



The Podium

by Tap Cancer Out



Rooted in Community

by RAICES





**Best
IN
Classy**


Recognized as **#2 for Most Streamlined Donation Process** in the Best in Classy list


Best **IN** Classy


The Best In Classy is a celebration of 50 organizations within the Classy community who show excellence across five key fundraising categories. Below is a glimpse at the top organizations within each category.

1.  **University of Nebraska Foundation**
#1 for Most Streamlined Donation Process

2.  **Tunnel to Towers Foundation**
#1 for Most Loyal Supporters

3.  **Baptist Health Foundation Jacksonville**
#1 for Most Options to Give

4.  **Jacob's Heart Children's Cancer Support Services**
#1 for Highest Annual Growth

5.  **Operation Broken Silence**
#1 for Best Donor Experience

Meet the Best in Classy

10 Years of Fundraising

2021 marks 10 years of partnering with mission-driven nonprofits to build technology that powers social good.

\$3,034,196,757

**Gross Donation
Volume All Time**

12,512,266

**Donors
All Time**

32,206,055

**Donations
All Time**

THANK YOU!

We are grateful for the Classy customers who believed in us early on, and have stayed with us throughout the decade. We're honored and inspired by all that you do, and will continue to build for you and your missions.



Pencils of Promise

Photographer: Xeng Yang
Courtesy Pencils of Promise

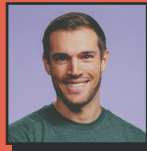
Our Team



Sarah Barton (She/Her/Hers)
Commercial Account Executive II

#girlsinsales

“I thrive on working alongside nonprofits—helping them discover untapped fundraising opportunities and using the power of Classy to help them grow.”



Taylor Luebke (He/Him/His)
Product Manager II

#CustomerObsessed

“I love having the opportunity to solve important problems for nonprofits and working alongside talented, passionate people.”



Ayumi Gillespie (She/Her/Hers)
Senior Technical Program Manager

#workingmom

#rescuedogmom

“I love being able to do work that contributes positively to this world.”

Ensuring That Our Team Feels Like Every Second They Invest Into Classy Is Worth Its Weight in Gold

2020 was filled with unprecedented workplace experiences including a shift to remote work, participation in and growth through a social justice movement, and the reality of many dealing with health and mental health challenges. We took the opportunity to listen to our employees, invest in building their capacity, and ensure their lives were as enriching as their work.

240

**Full-Time
Employees**

3

**Part-Time
Employees**

7

**Temp
Employees**

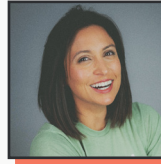


Executive Team

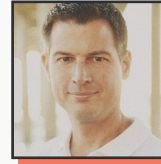
7



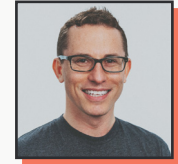
Chris Himes
CEO



Soraya Alexander
COO



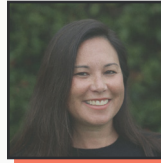
Eric Pannese
SVP, Product and Design



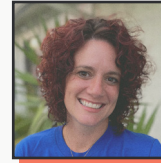
Jason Mitchell
General Counsel



Shantanu Bose
SVP, Engineering



Chris Silver
VP, Product Marketing



Lauren Crowe
Sr. Director, Finance & Accounting

Board Members

5



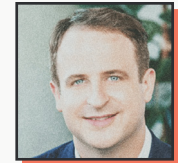
Scot Chisholm
Executive Chairman & Co-founder



Depelsha McGruder
Ford Foundation, Independent Director



Jon Kossow
Managing Partner, Norwest Venture Partners



Paul Leggett
Managing Director, Mithril Capital

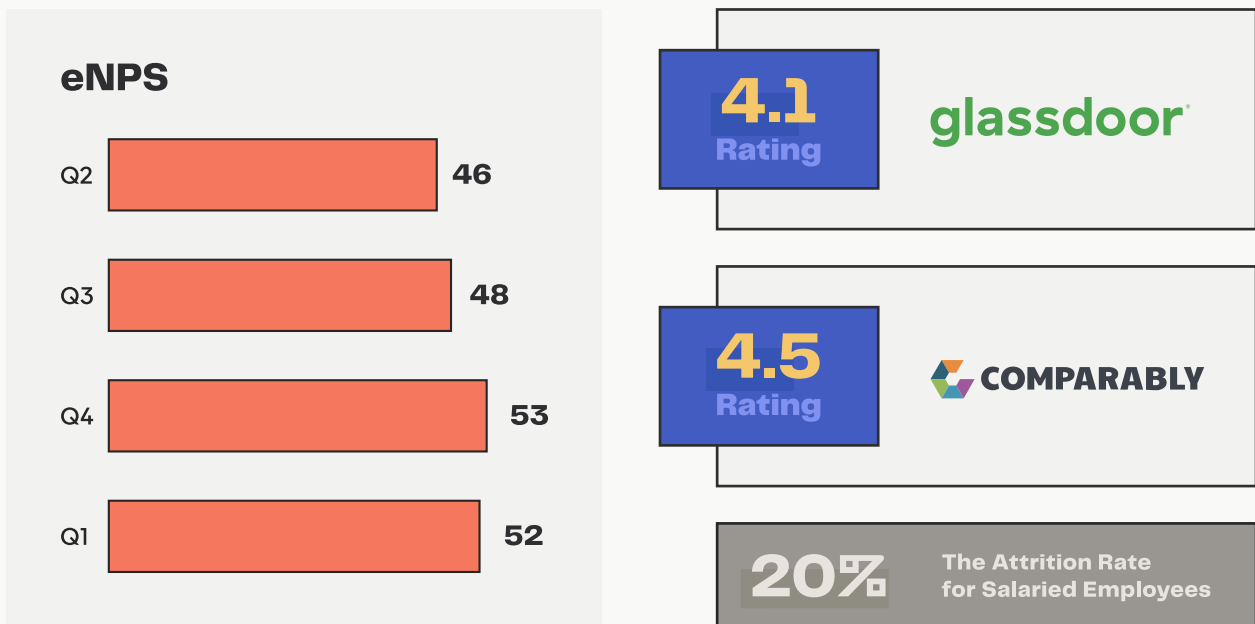


Chris Himes
CEO



Engagement and Satisfaction

We use eNPS to measure employee sentiment, which stands for employee net promoter score. eNPS is calculated by subtracting the percentage of detractors (6s and below) from the percentage of promoters (9s and 10s). Generally, a score within the bracket of 10 to 49 is considered good and a score of 50 and above is excellent.





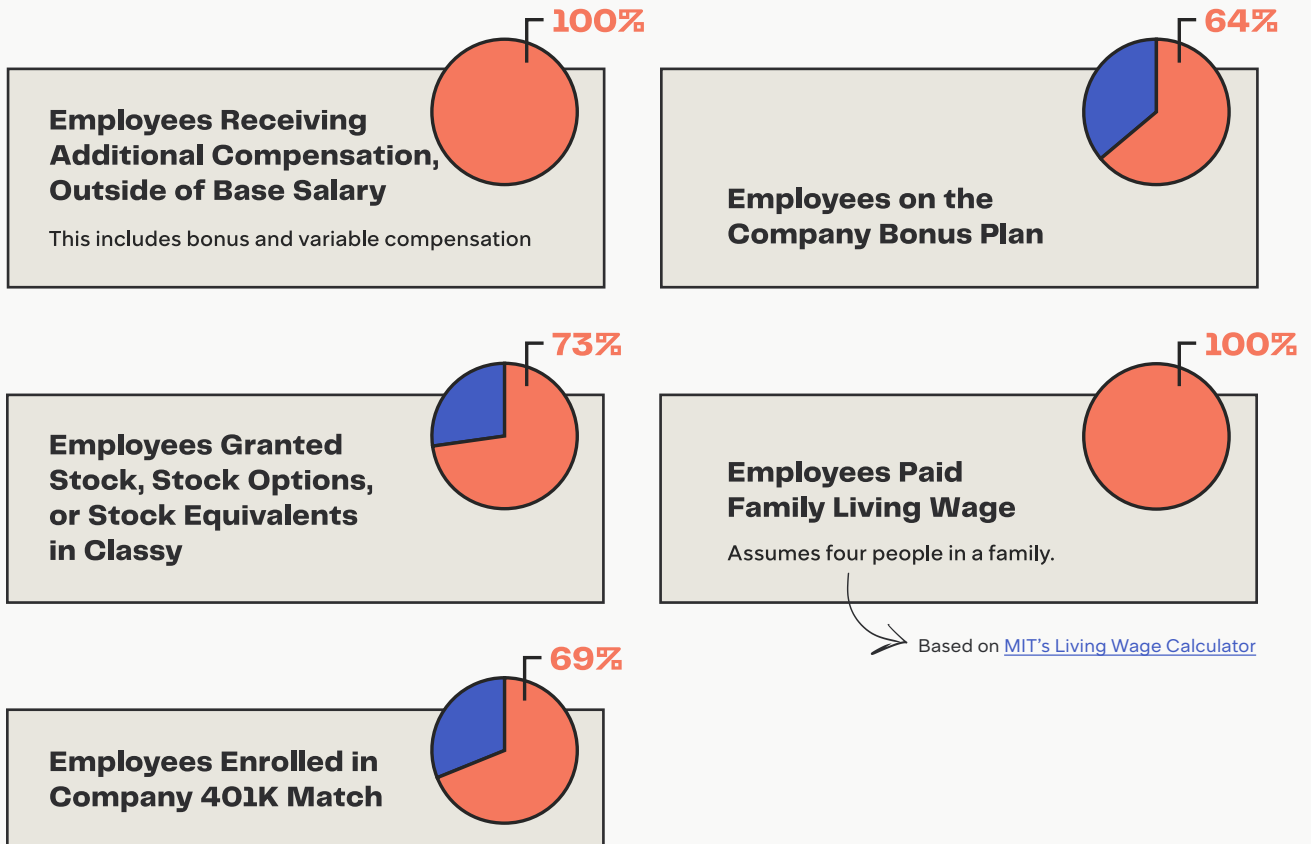
Financial Security

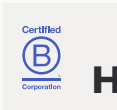
We want employees to feel enriched and invested in during their time at Classy, however long that may be. At the start of 2021, we gave ourselves a goal of getting 75% of employees to participate in our compensation and benefits offerings.

Compensation Policies and Practices

Classy is working towards a +/- 15% pay parity between gender and racial groups. We emphasize financial benefits for all staff:

- Cost of living adjustments that match inflation rates of the country
- Bonuses
- Employee ownership opportunities





Health, Wellness, and Safety

Supplemental Health Benefits Offered to All Employees

- Dental insurance
- Short-term and long-term disability
- Structure account mechanism for qualified medical expenses
- Domestic partner or civil union spousal benefits
- Life insurance
- EAP
- Pet insurance
- Supplemental insurance
- Legal



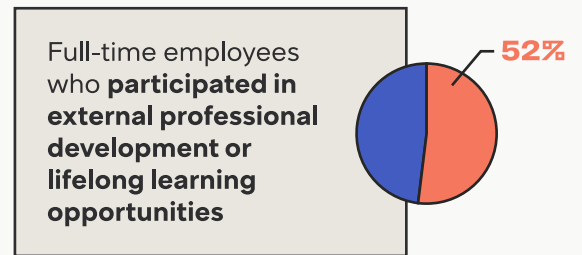
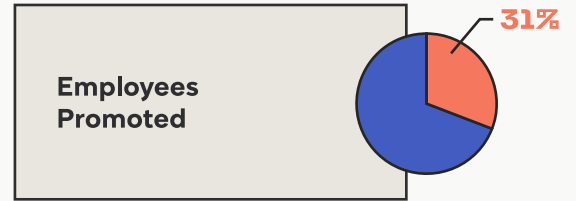


Career Development

Professional Development Policies and Practices

Classy provides the following training opportunities for professional development:

- A formal onboarding process for new employees
- A policy to encourage internal promotions and hiring for advanced positions (e.g. posting job openings internally first)
- Cross-skills training for career advancements or transitions
- Non-career-specific life-skill training
- An allocated budget for external professional development opportunities





Leave Support

We create programs and policies that look at leave more holistically, and we encourage employees to take time off to take care of themselves, their families, and other commitments.

1. Compensation Policy

In addition to any state wage supplementation that is available to an employee based on their location, Classy also supplements an additional 40% to ensure that employees maintain an income.

2. Leave Policy

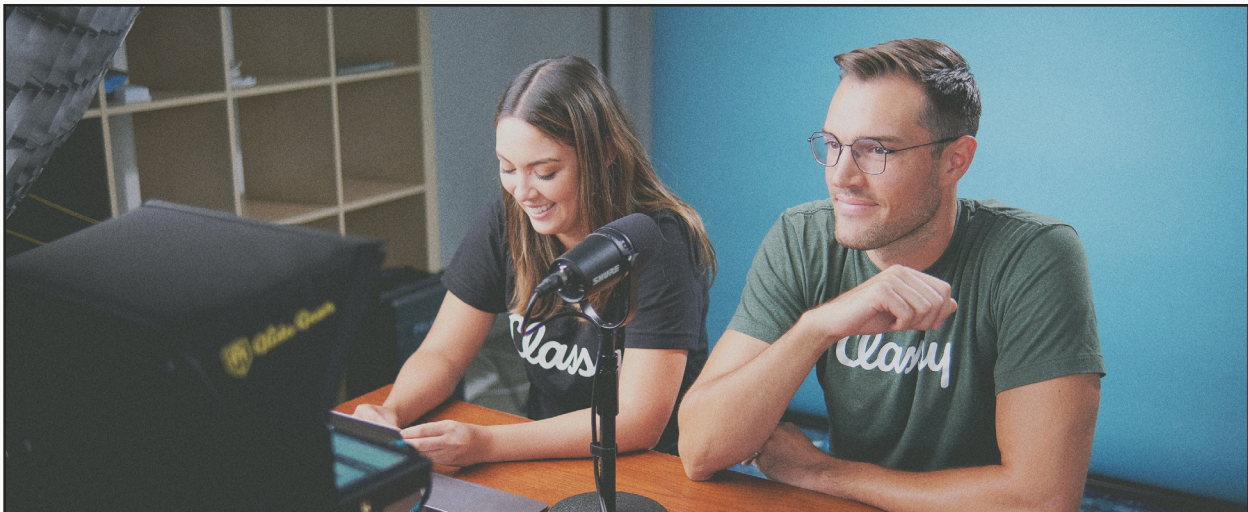
Classy employees get 12 weeks of leave, in addition to the option to add on 3 additional PTO weeks, meaning they can take up to 15 paid leave weeks.

3. Flexible Transition Month

As employees transition back to work, they are given an optional month of flexible hours in which they are only required to work 80% of work hours.

4. Paid Sabbatical

Full-time Classy employees are offered a paid six-week sabbatical after four years of employment with the company. Employees are encouraged to unplug and spend a week volunteering with a nonprofit of their choice.





Mobilize and Empower Each Other: DEI at Classy

We strive to create a space where people can bring their authentic selves to work. In 2020, Classy assembled a DEI Committee and created a diversity dimension hiring checkpoint.

Classy Communities



Classy Pride



DEI



9 to Thrive



Project Green



AM-ASIAN



Stay Toasty
(Toast Masters)

DEI Committee



Chance Patterson



Lidia Martinez



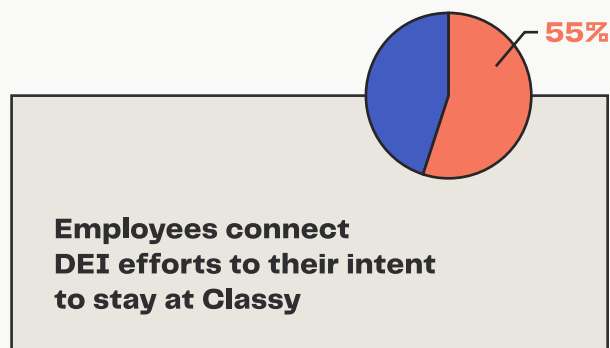
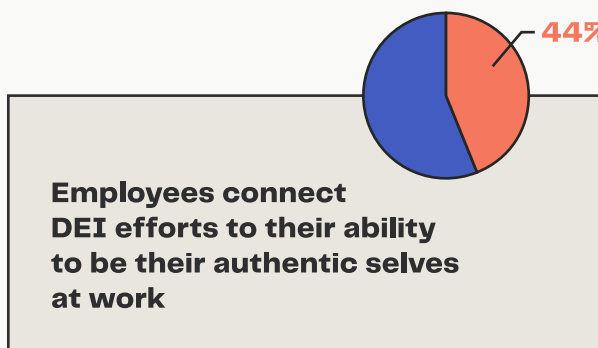
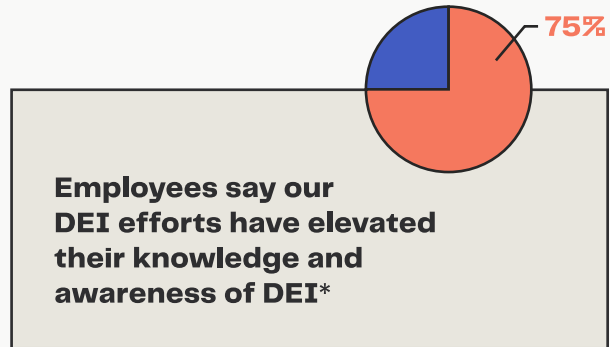
Pat Walsh



Chelsea Bentley-Scott



Paul Lee



*Employees that participated in the annual engagement survey

Inclusive Hiring Practices

We are actively working on creating a more inclusive recruiting and hiring process

- We include a statement in all job postings with a commitment to diversity, equity, and inclusion
- We actively recruit and invest in organizations or services that serve individuals from underrepresented populations
- We conduct analyses of our job description language and requirements to ensure they are inclusive and equitable
- We clarify pronouns and pronunciation at time of application
- We conduct interview and unconscious-bias training
- We implement interventions and checkpoints in the hiring process (diversity dimension checkpoint, structured interviews, competency based interview questions, skills assessments)



Inclusive Promotion Practices

We must continue to invest in a more diverse workforce by promoting, investing, and retaining leadership. We created the Diversity Progress Score in Q1 2021 to help keep us accountable. The Diversity Progress Score is defined as career advancement relative to demographic makeup at Classy.

113%

Diversity Progress Score

For a more comprehensive look at our DEI initiatives, you can find our [2021 DEI Report here](#).



Our Community



Arbor Day Foundation



Our **community** is central to our efforts to make giving easier and help advance the social sector. As a purpose-driven company ourselves, we must practice what we preach. This is illustrated through the Classy Awards, the Collaborative, and ClassyGives, as well as our environmental commitments towards a more sustainable future.

Scot Chisholm

Executive Chairman & Co-founder,
Classy

If we believe in holistic value creation,
then **we must practice what we preach.**

Uniting Through Impact

The Collaborative is the premier conference for nonprofit professionals and the broader impact community alike. Over the years, thousands of people have come together to gain insights, strategies, and inspiration to accelerate their social impact. In 2020, we pivoted the conference to online, dubbed the Collaborative: Virtual Sessions.

10,133

Collaborative
Registrants in 2020

COLLABORATIVE

In addition to the Collaborative, we further invested in intimate nonprofit events where we share best practices, data, and thought leadership with those who are working to change the world every day.

6



**Virtual Events
Hosted for Nonprofits**

22

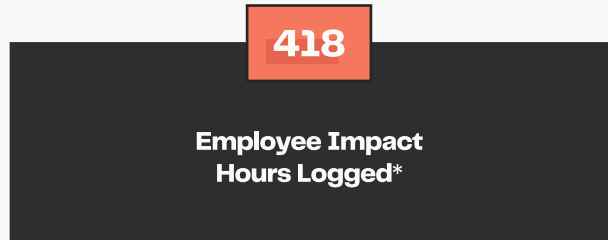


**Webinars
Hosted for Nonprofits**



Beyond Traditional CSR

ClassyGives is an employee-customer connection program that enables our team members to find nonprofits they're passionate about and add meaningful value through volunteering, innovation workshops, fundraising, and more.



What's an Impact Hour?

Impact Hours constitute time that Classy employees spend serving or engaging with a customer, nonprofit, or their community, outside of their typical work responsibilities.

*Logged officially in Paylocity.

Idea Jam 2020

In 2020, our team dedicated one work day (eight hours) to volunteering with our customers to support mission-critical projects.

75

Employee Volunteers
in Idea Jam

600

Impact Hours Logged in 1 Day
for Idea Jam*



Most volunteer days I've participated in were usually a photo op; **this actually delivered value.** You knocked it out of the park and way over-delivered.



Every Kid Sports

*Numbers recorded unofficially based on the number of employees who participated.

Giving Tuesday Now

Giving Tuesday Now was a global giving day launched by the Giving Tuesday team on May 5, 2020 as an emergency response to the COVID-19 pandemic. To participate, Classy worked with PayPal Giving Fund to launch two funds, the National Relief Fund and the San Diego Relief Fund. Classy waived its platform fees for all money donated in an effort to increase the total amount received by each nonprofit beneficiary.



\$60,664.89

Raised for the San Diego Relief Fund

The San Diego Relief Fund was in the form of a peer-to-peer fundraising campaign that benefited six local nonprofits. We committed to helping those nonprofits raise \$60,000 in support of some of the most vulnerable populations in our local community. The beneficiaries were:



\$12,264.66

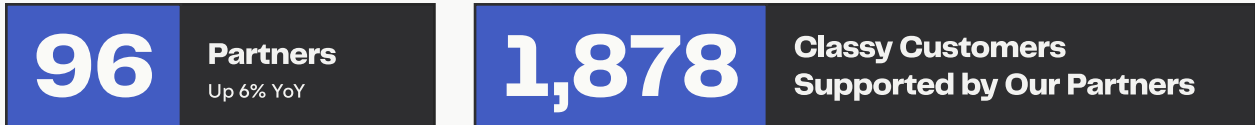
Raised for the National Relief Fund

The National Relief Fund consisted of select national nonprofits tackling the relief and recovery efforts from different, but complementary, angles across the United States. The list included:



Partners

We're proud to work with other leading platforms supporting nonprofit fundraising efficiency and effectiveness, and know our customers thrive from the collaborative efforts.



The partnership between Classy and Facebook has enabled us to deliver powerful tools to nonprofits who, more than anything, deserve best-in-class technology in order to achieve their important missions.

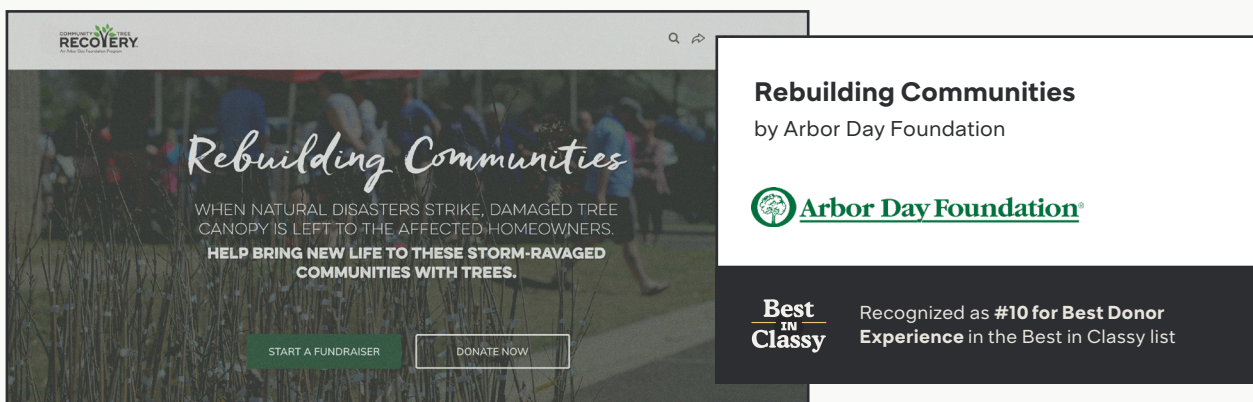
Community Guidelines

As part of our commitment to inclusivity, we empower a wide array of organizations and causes through the Classy platform. We believe in presenting a diverse set of perspectives and potential solutions to the world's social and environmental problems. We believe that with an inclusive approach, the best solutions will ultimately rise to the top. In 2020, we launched our formal [Community Guidelines](#).

Creating a More Sustainable Future

Classy is taking swift, calculated action to ensure our operations and impact are sustainable, responsible, and environmentally conscious. In partnership with Project Green, our community of Classy employees who are passionate about integrating sustainability into Classy's stakeholder groups, we have formalized company-wide environmental commitments because we understand that when we protect our planet, we protect the longevity of our social enterprise, our nonprofit customers, our community, and each other.

- Achieve carbon neutrality
- Achieve supply chain sustainability
- Enable a culture of environmentally conscious stakeholders



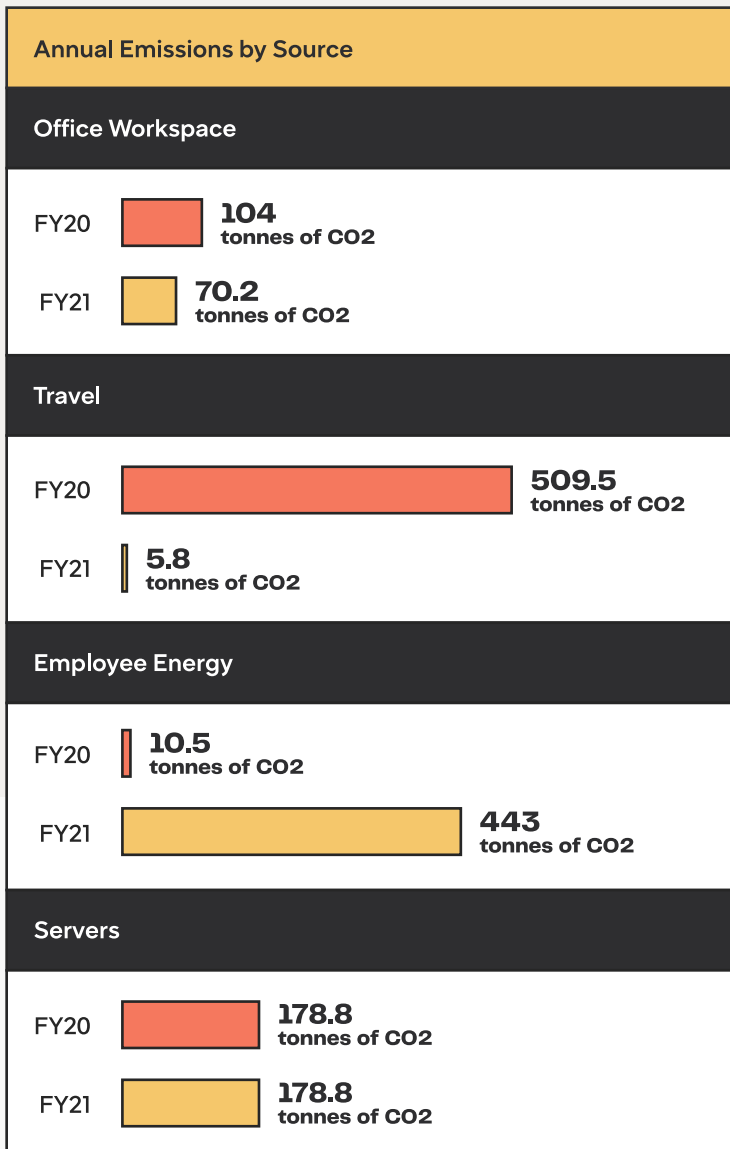
Rebuilding Communities
by Arbor Day Foundation

Best in Classy Recognized as #10 for Best Donor Experience in the Best in Classy list

Total Annual Emissions

Year	Carbon Emissions
FY20	803 tonnes of CO2e
FY21	698 tonnes of CO2e

1. Corporate Carbon Emissions



Employee energy is based on the average household energy for the state in which employees reside. **Classy increased our employees in the reporting period, which drove this number up.**

Classy used the free Pachama corporate carbon calculator. Emissions estimates are based on the GHG protocol, EPA data, and self-reported data.

2. Inspire a Culture of Environmentally-Conscious Staff

Classy community Project Green, which has representation from every department at Classy, focuses on employee engagement and education and has identified areas to greenify the office space. Project Green has grown to deliver value in many ways.

- Preferred vendor spreadsheet
- Green policy
- Composting Support Group
- Classy Roots Newsletter
- *All We Can Save* Book Club

7

Employee Events During April 2021

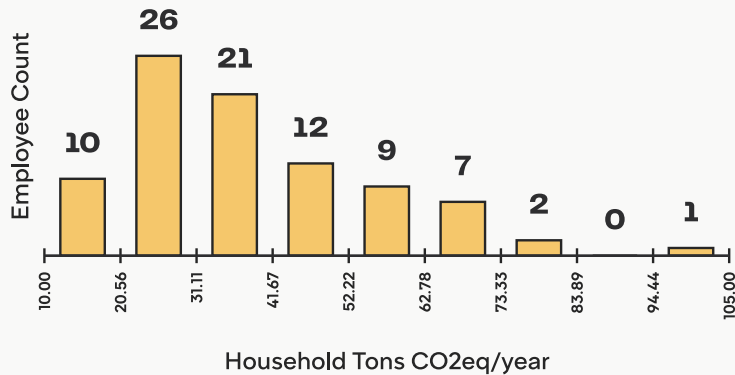
(Earth Month)


- 2 beach clean-ups
- 2 carbon footprint workshops
- 1 ToastMasters, environment edition
- 1 virtual fair at Earth Day initiative
- 1 film screening of Seeding Change
- 1 [blog post](#) about Project Green and our corporate commitments



Classy Employee Household Carbon Footprint

We kicked off annual carbon footprint workshops with employees to engage them in education and awareness of their own activities.



 Classy employee emissions were calculated using [CoolCalifornia.org Calculator](https://coolcalifornia.org/calculator/) for Households & Individuals. 92 employees participated in the survey.

3. Achieve Supply Chain Sustainability

Classy strives to partner with value-driven vendors who promote inclusivity and sustainability and align with our mission to mobilize and empower the world for good. We prioritize vendors who fit any of the following criteria:

- The vendor is a Certified B Corporation, a Public Benefit Corporation, or a nonprofit organization
- The vendor is a womxn-, minority- (AHN* or LGBTQ+), or veteran-owned business
- The vendor has a program to support nonprofits (via grants, fundraising, volunteering, or their core business model)
- The vendor has positive environmental practices that go above and beyond the legal requirements of the jurisdiction that they operate
- The vendor is local to San Diego county

*AHN is an anti-racist abbreviation that refers to African American/Black, Hispanic/Latinx, and Native Americans/Alaskan Natives

All new vendor and vendor renewal requests must complete Classy’s Vendor Impact and Security Survey before signing a contract. The survey adheres to Certified B Corp standards for sustainable supply chains.

All vendors are screened against our Community Guidelines, ensuring no present or apparent violations of any “Not Good” provisions.

Our Investors



Norwest Partners and Founders



During COVID-19, it has been even more important to understand the mission and culture of a company before we make an investment. In 2020, Classy became both B Corp Certified and was a recipient of the Deloitte Technology Fast 500. This was another demonstration that those who practice sustainable and ethical business practices can also be fast-growing companies that experience high ROI. Through Norwest's vast experience and expertise with growth equity investments and Classy's innovative fundraising platform, we're thrilled at the opportunity to scale the environmental and social impact work of Classy's nonprofit community and clients.

NORWEST VENTURE PARTNERS

Norwest Venture Partners

Norwest is a venture and growth equity investment firm that has backed several social enterprises focused on the double-bottom lines of both financial return and social impact. Norwest's Growth Equity team takes a long-term and flexible approach to our partnership, and we are grateful for their years of experience supporting successful organizations to not only grow, but provide sustainable value to society. In addition to Classy, Norwest has invested in other B Corps, including Grove Collaborative, a company that delivers eco-friendly home essentials, and Imperfect Foods, a company that delivers sustainable and affordable groceries, and has even supported portfolio companies that seek to become B Corp Certified.

The image shows a fundraising campaign banner for Houston Ballet. The main banner features a photograph of two dancers in a dramatic pose against a red background. Text on the banner includes the Houston Ballet logo, the title "This is Not Our Final Act", the subtitle "by Houston Ballet", and the tagline "KEEP OUR COMPANY DANCING MAKE A DONATION TODAY". There are two buttons: "BECOME A FUNDRAISER" and "DONATE NOW". Below the main banner is a dark blue section titled "About the Campaign" with the text: "With no ticket sales for the foreseeable future, Houston Ballet faces the greatest financial challenge in our 50-year history." To the right of the main banner is a white box with the title "This Is Not Our Final Act by Houston Ballet", the Houston Ballet logo, and a dark blue footer containing the text: "Best in Classy Recognized as #5 for Best Donor Experience in the Best in Classy list".

Creating Lasting Financial Durability and Top-Tier Returns for Decades To Come

Our work wouldn't be possible without the generous support and partnership of our investors.

In 2021, we created a new partnership with Norwest Ventures Partners as we embarked in a Series D round of funding. Existing investors Hinge Capital, Morgan Stanley, and Salesforce Ventures, as well as new investor 3L Capital, also participated in the Series D round of venture capital funding, totaling \$142 million.

We intend to use the fresh capital to accelerate customer-forward product development and double the size of Classy's product and engineering organization over the next few years to meet rising demand.

Additionally, we plan to enter new segments, such as corporate donors, as part of our much broader strategy to match more high-profile donors with nonprofit organizations to drive a greater impact. Lastly, we will prioritize innovation and creativity to continue to deliver results-driven ideas to the nonprofit sector and help our customers maximize their return on investment and advance their missions year-round.



Morgan Stanley

Thanks to our previous investors who have supported us thus far—

Bullpen 

Classy



General Information

Organization name	Classy, Inc.
Organization location	San Diego, CA
Legal form	Public Benefit Corporation (PBC) Classy is registered in the State of Delaware Entity founded as marketing company: May 3, 2006 Bylaws amended and pivot to software company: October 25, 2011 Converted to PBC: May 21, 2021
Contact details	Phone: (619) 961-1892 Website: www.classy.org
Purpose of PBC according to the Charter	The Corporation will provide technology and related products and services to organizations and individuals in order to facilitate and promote the support of nonprofits, charitable causes, and other social impact initiatives.
Total number of staff as of May 1, 2021	Full-time: 240 Part-time: 3 Contract: 7

Report Contributors

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- David Grayson, Data & Analytics Manager
- Julia St. John, Manager, Sales Operations
- Jack Wangerin, Lead Financial Analyst
- Ali McElroy, Senior Customer Success Manager
- Diana Ratsavong, Lead People Operations Manager
- Lauren Crowe, Senior Director, Finance and Accounting
- Michelle Hansen, Senior Manager, Customer Success
- Chris Silver, VP, Product Marketing
- Scot Chisholm, Executive Chairman and Co-founder
- Chris Himes, CEO

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