

Annual
Transparency Report

2022

Mina Foundation

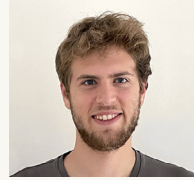
February 2023

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The Mina Protocol—the world’s lightest blockchain—is powered by participants. The Mina Foundation—a public benefits corporation serving the Mina Protocol—is committed to providing transparency to the community regarding, among other things, its token activities, operations, holdings and protocol developments. This annual report covers a period between January 01, 2022 until to December 31, 2022.



Evan Shapiro

CEO and Chairman
Mina Foundation

Josh Cincinnati

FORMER
EXECUTIVE DIRECTOR
Zcash Foundation



Marco Di Maggio

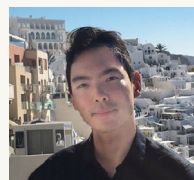
Harvard Business School
& Coinbase Advisory Board



Tess Rinearson

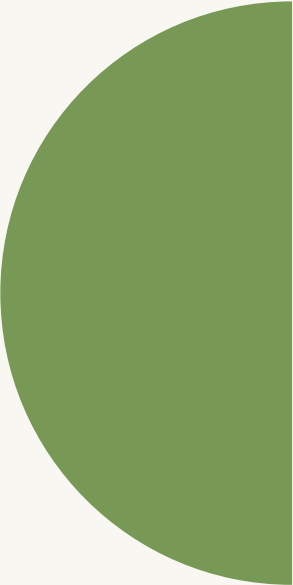
FORMER CRYPTO
ENGINEERING LEAD
Twitter

The Mina Foundation is governed by the Mina Foundation Board of Directors. **The Board is currently comprised of the following five members:**

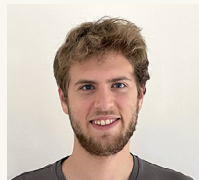


Joon Kim

GENERAL COUNSEL
Mina Foundation



2022 was an extraordinary year for the crypto industry. A global economic slump reverberated across the Web3 sector, and a bear market cycle posed challenging obstacles for many organizations. Yet despite the economic difficulties, significant technological advances were accomplished in Web3, with zero knowledge (ZK) programmability at the forefront of novel solutions in scalability, security, and privacy.




A letter ————— to the Mina community

EVAN SHAPIRO // CEO & CHAIRMAN // MINA FOUNDATION

Mina's guiding principle is a future powered by participants, and we are thankful to our community for continuing to iterate and grow the ecosystem, pioneering zero knowledge innovation by building on the foundations of Mina Protocol. It is becoming increasingly evident that zero knowledge is more important than ever, and we are excited to continue building on those foundations in the years to come, to empower a user-owned web and put people back in control of their data privacy and the digital platforms they use day to day.

The Era of zkApps

Zero knowledge gained popularity in 2022, with zkRollups being the most prominent scaling method for Ethereum. However, this is only a tiny portion of what can be accomplished with zero knowledge proofs (ZKPs). The Mina ecosystem introduced the concept of zkApps last year, and zero knowledge smart contracts have now been adopted across the industry, laying the foundations for emerging ZK use cases in 2023.



ZK developers in the community have been actively discussing and experimenting with ZK, demonstrated by more than 4500 commits to Mina's Github repositories in 2022 alone. However, accessibility has historically been a challenge for new entrants. Last year, Mina ecosystem partner O(1) Labs released SnarkyJS, a software development framework that enables mainstream Web3 developers to interact with Typescript libraries without the need for a "trusted setup," with composability thanks to zkApps' unique functionality of unlimited recursive composition.

Major progress has been made with zkApps, and once deployed on Mina's mainnet, they will start to bridge the gap between Web2 and Web3, enabling new identity use cases, such as social networking, voting, games, and zkML across Mina and other bridged L1s. Mina has endless potential in each of these domains, and between its technical architecture, ecosystem, and community values, it sits on a strong foundation for success in this future landscape.

Better Together

To support our builders and innovators, we launched the Cohort 0 of zkIgnite, a program that teaches participants how to build with zero knowledge, without requiring advanced cryptography experience or learning a completely new programming language. We saw a range of impressive zkApps built by Cohort 0 ZK developers, from dashboard and verification tools to ZK games. As well as learning new skills, zkIgnite participants also have the opportunity to receive grants for zkApp development.

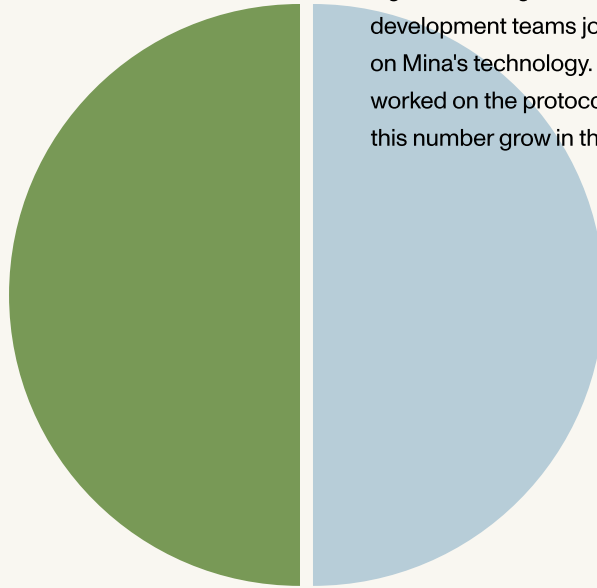
We're delighted to welcome even more developers to the program, which will include opportunities for project funding, and be structured collaboratively with participants empowered to make decisions and participate in a multi-stage project formation process.

Everyone has a part to play in constructing a decentralized future, and our ecosystem is not exclusive to developers and block producers. More than 600 community members joined us in person at our global zkConnect events, which were held in 13 countries across Europe, Asia, and the Americas, and we're excited to collaborate with ecosystem builders, designers, content creators, and other passionate community members on this journey.

Our Mission

The Foundation was formed in 2021 to serve and empower the Mina ecosystem and help it thrive and grow. This is our ultimate aim and, to date, we have delivered grants to over 1700 community members who are driving our mission in building the privacy and security layer for Web3.

In 2022, we welcomed tens of thousands of new community members, each of whom contributed unique and significant insights to our ecosystem. In addition, several development teams joined the ecosystem to innovate on Mina's technology. Overall, more than 700 people worked on the protocol in 2022, and we're excited to see this number grow in the coming years.

**Looking Ahead**

The Mina ecosystem has made significant progress since the launch of mainnet two years ago, and it is evident we are on the right path towards a user-owned, decentralized web. We've seen the development and growth of the Mina community reach new highs and would like to thank each of you for your support and commitment.

Your enthusiasm and passion have been fundamental to Mina's success, and we're excited to continue this journey with you in 2023 and beyond.



Mina Protocol Governance—



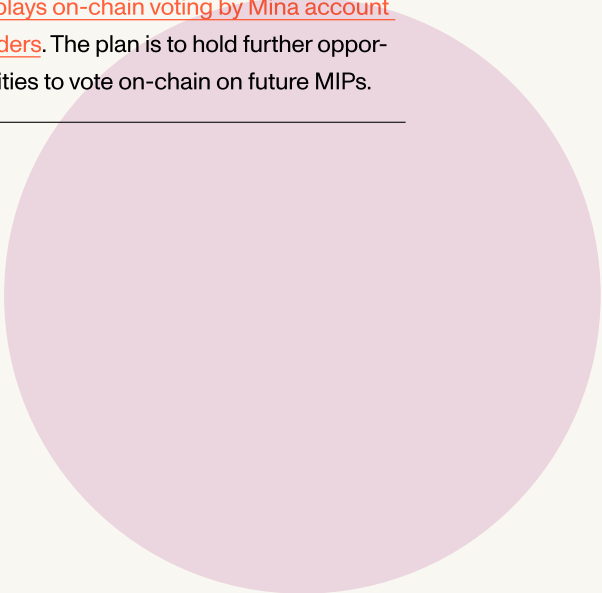
MIPs

The Mina Improvement Proposal (MIP) process was set up as a mechanism for community members to propose important changes to the protocol or new features for Mina. Each MIP provides a concise technical specification of the proposed change and a rationale for its inclusion in the protocol. The process is highly participatory and transparent. The process is open to everyone to author a MIP. MIP authors are responsible for championing their proposal, building consensus within the community, and [incorporating feedback through review](#). A group of MIP Editors oversee the process to check that each step is carried out correctly.

The Mina community has been innovating democratic and decentralized governance through the Mina Improvement Proposals (MIP) and On-Chain Voting (OCV). Analogous to real world examples, the MIP process is similar to deciding what should appear on a ballot paper while OCV relates to voting on what is presented on the ballot.

On-Chain Voting

The first MIP—MIP1, which was to remove supercharged rewards—successfully completed the MIP process and was approved by community vote which was held in January 2023. Ecosystem partner Granola Systems has developed a [dashboard that displays on-chain voting by Mina account holders](#). The plan is to hold further opportunities to vote on-chain on future MIPs.



Key Platform Metrics—



Mina Developers

As of December 2022 there are over 140 monthly active developers now contributing to the Mina Protocol, representing a 50%+ YoY increase, according to the recently released Electric Capital 2022 Crypto Developer Report. The entire [Mina Protocol Developer Report](#) is available to view on [DeveloperReport.com](#).

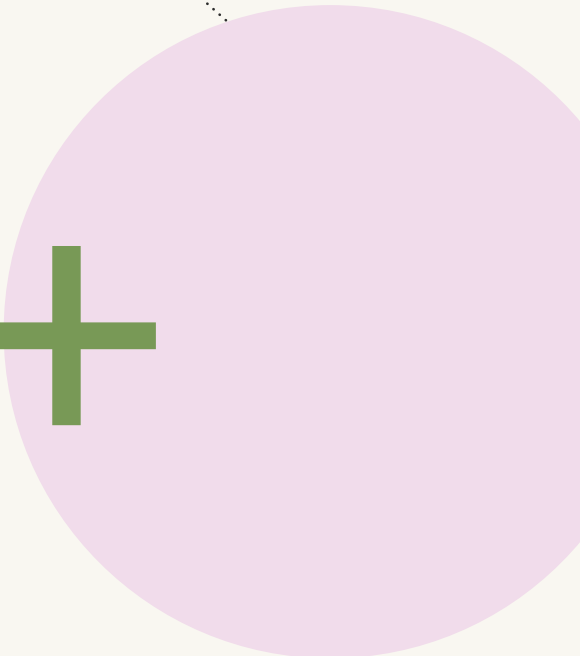


140+

Monthly Active Developers

50%+

YoY Increase

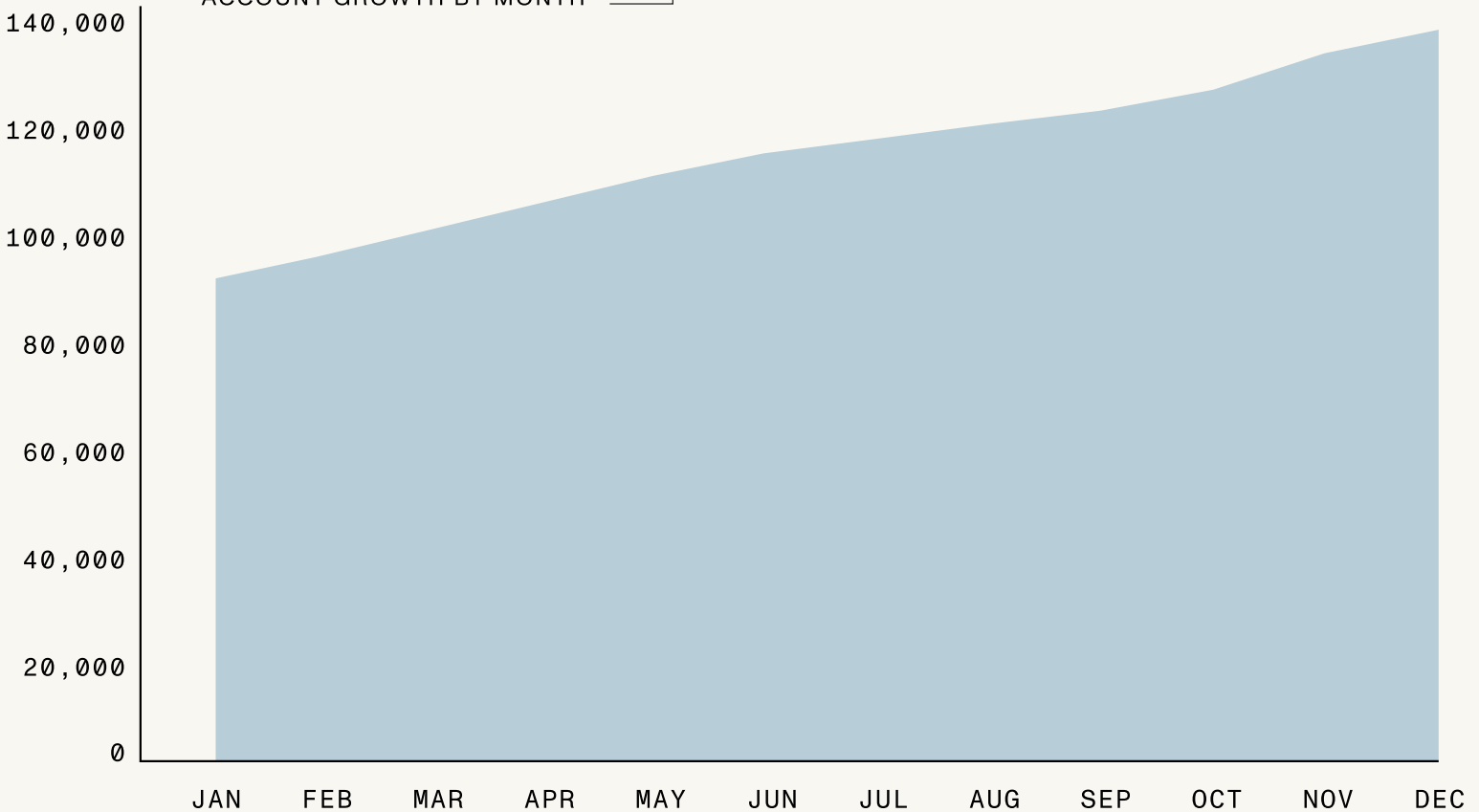


Mina Accounts

137,827

UNIQUE ACCOUNTS ON THE MINA LEDGER AS OF DECEMBER 31, 2022

ACCOUNT GROWTH BY MONTH



Delegation

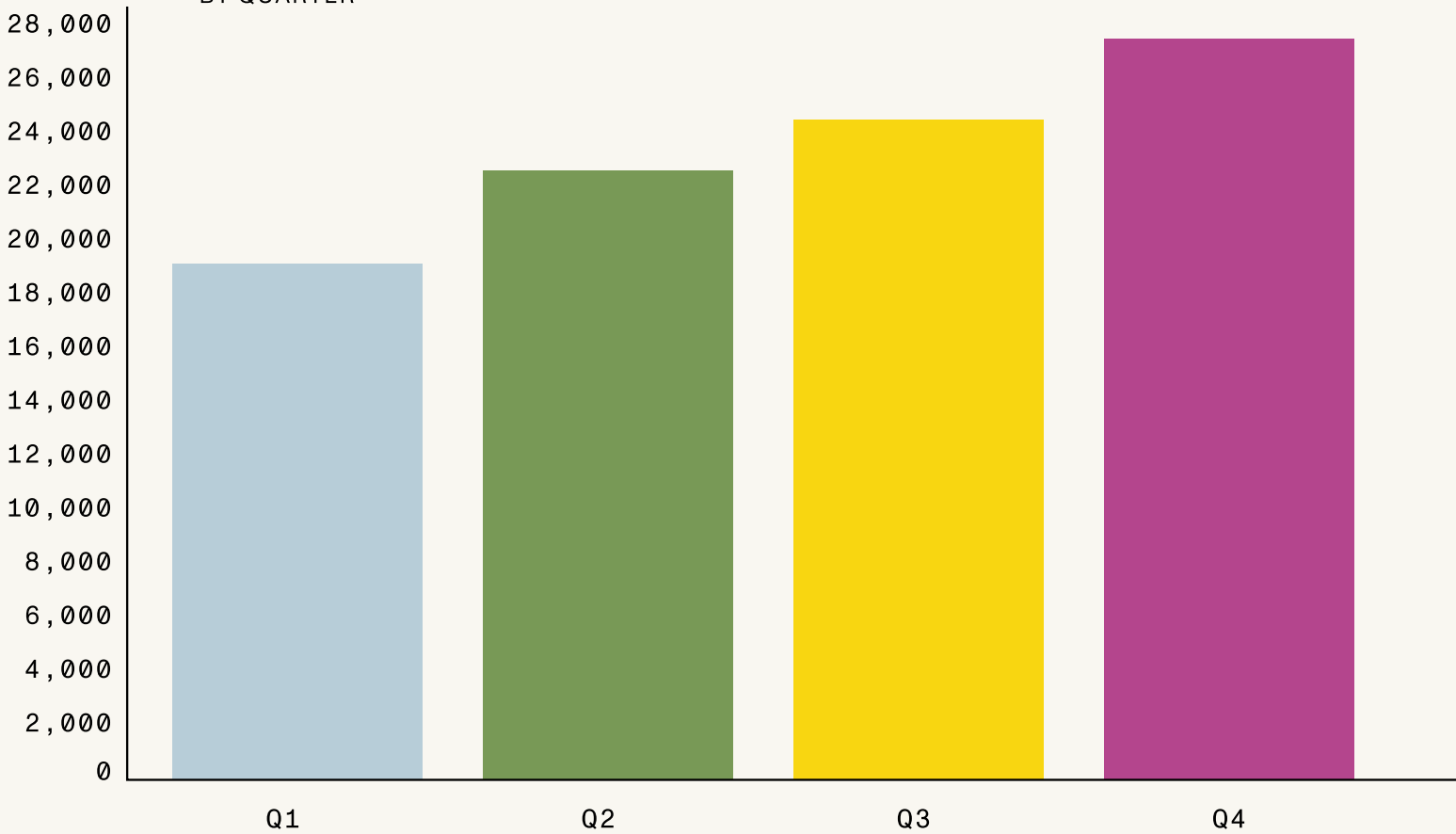
Decentralization is an important metric for any blockchain. Mina Protocol incentives allow each participant, or node, to play an important role in maintaining the blockchain.

In 2022, there were

27,779

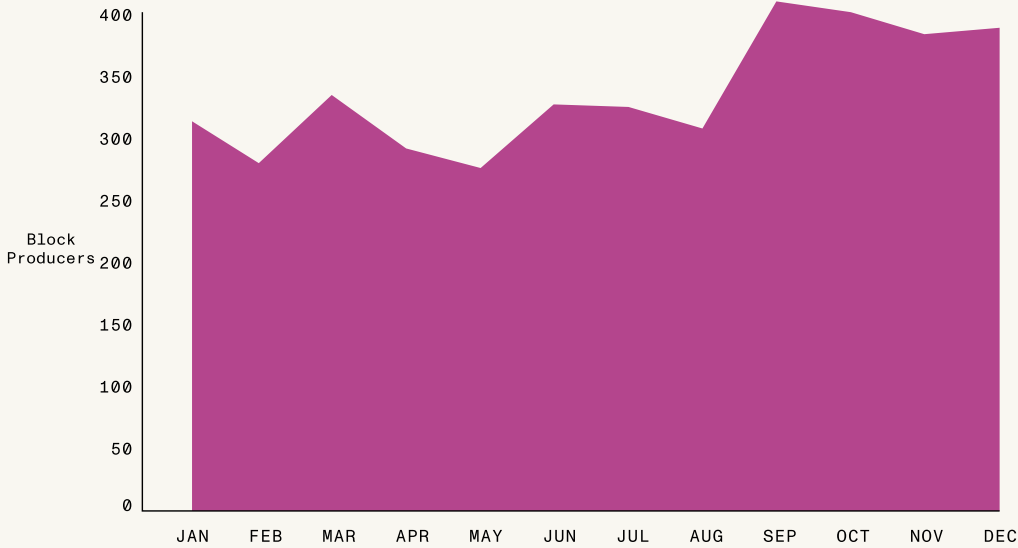
accounts delegating stake in the Mina Protocol.

DELEGATING ACCOUNT GROWTH BY QUARTER



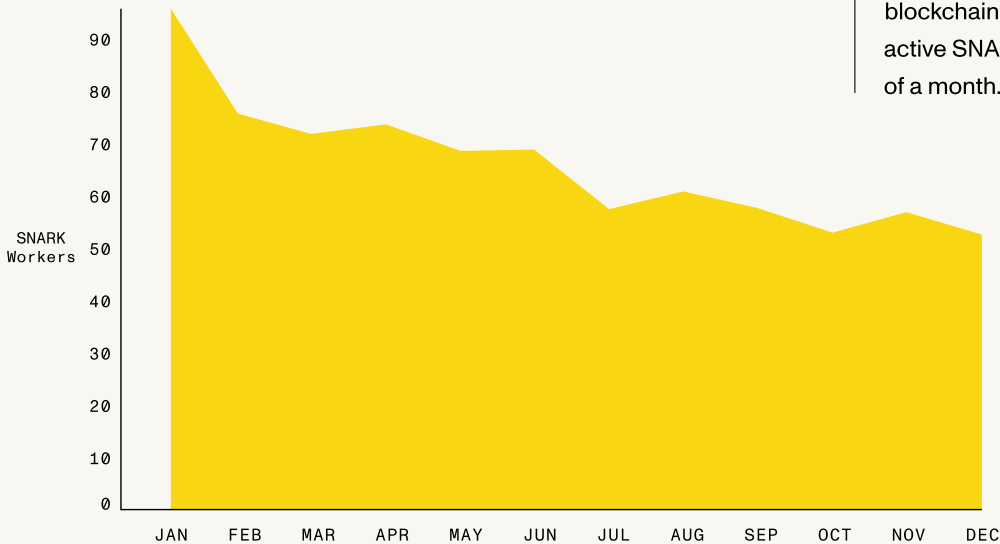
Block Production by Month

Block Producers are those participants who produce blocks in the network and create SNARK proofs of the blockchain alongside any blocks they create. The chart shows daily active block producers over the course of a month.



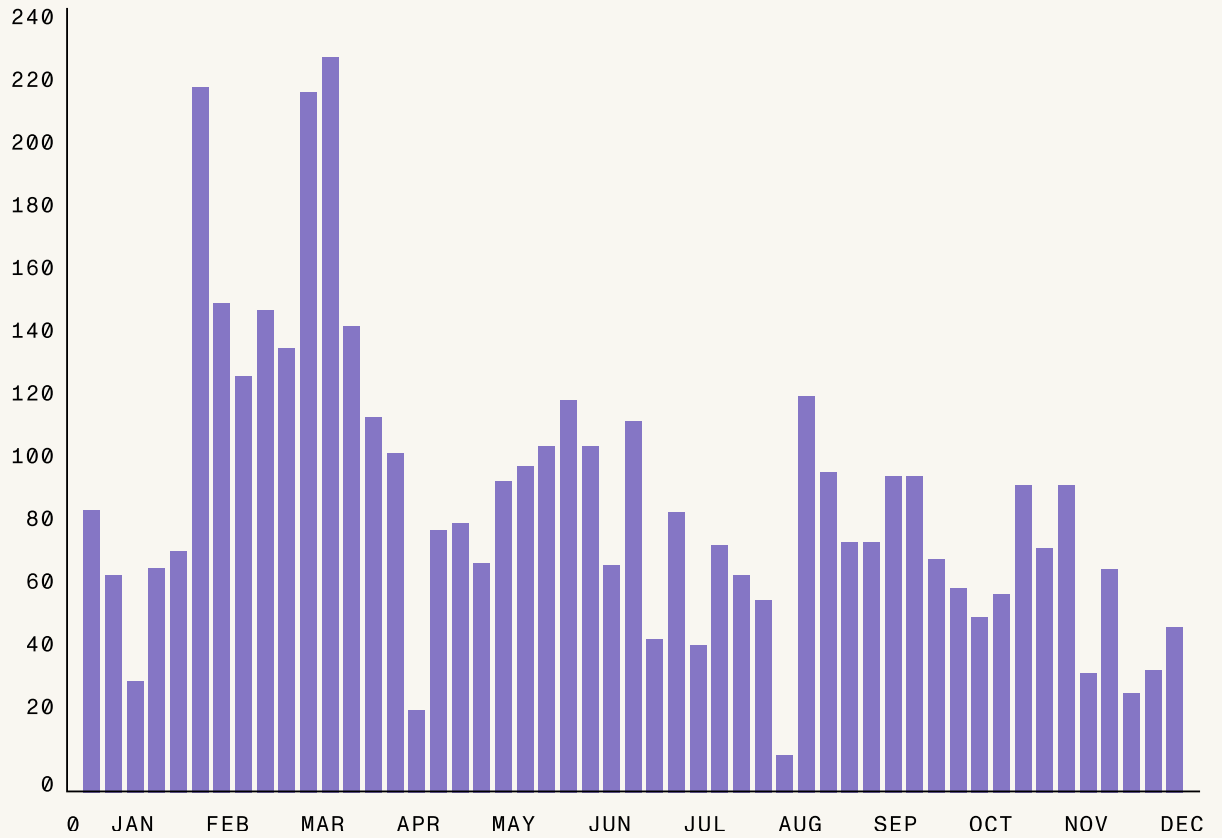
SNARK Workers per Month

SNARK workers create [zk-SNARK proofs](#) of transactions to compress the transactions so they can be folded into the tiny blockchain proof. The chart shows daily active SNARK workers over the course of a month.



Protocol Development

There are a total of 4,661 commits to the Mina Github repositories in the last 12 months, with 76 unique contributors.



4,661

COMMITTS TO MINA GITHUB

12

MONTHS

76

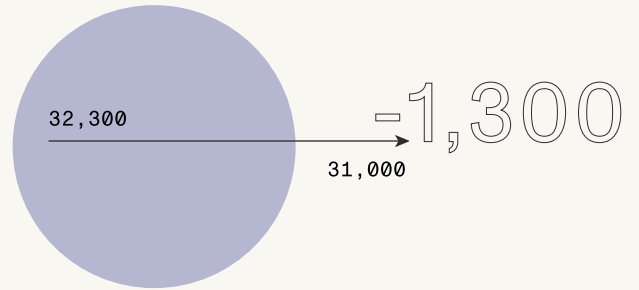
UNIQUE CONTRIBUTORS

Community—

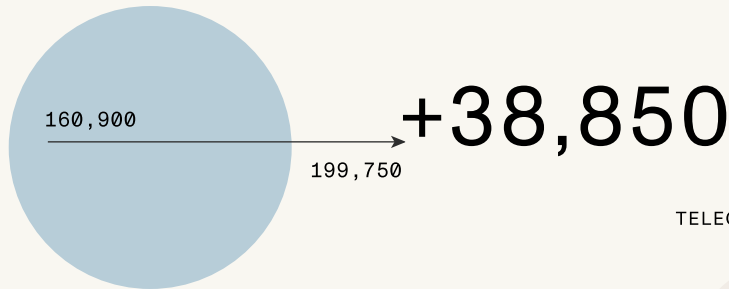


Mina has seen continued significant participation in its online communities and marketing channels over the last year. While the bear market has led to some slight decreases in Discord and Telegram there have been significant increases in community participation on Twitter, the Mina Foundation Newsletter as well as on YouTube and Reddit:

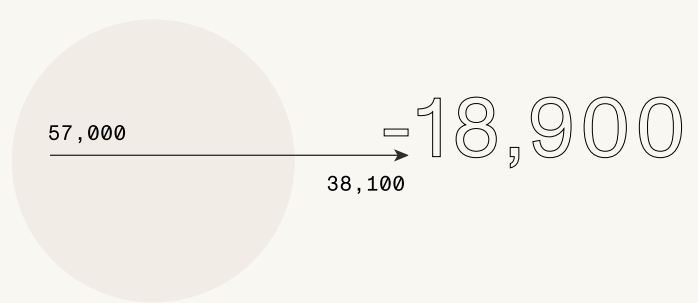
DISCORD



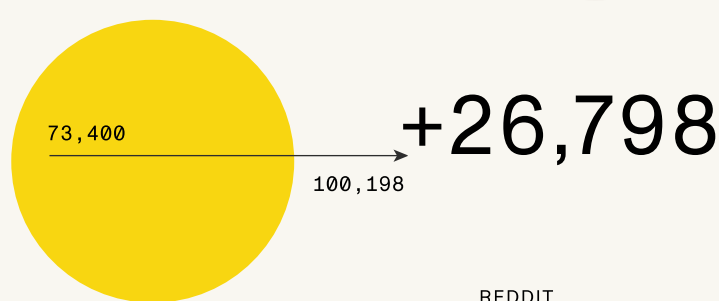
TWITTER



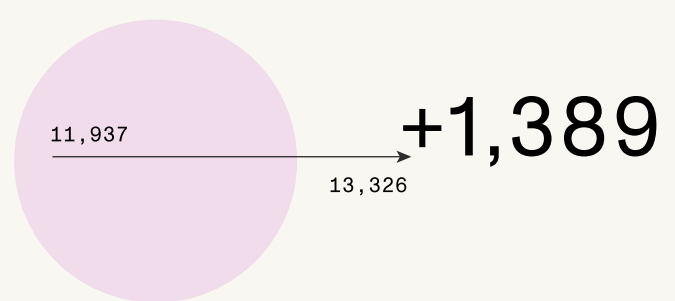
TELEGRAM



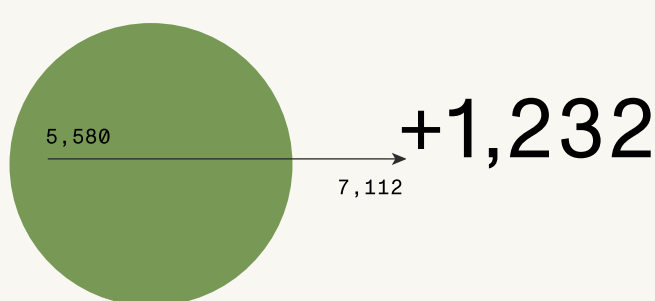
NEWSLETTER



REDDIT



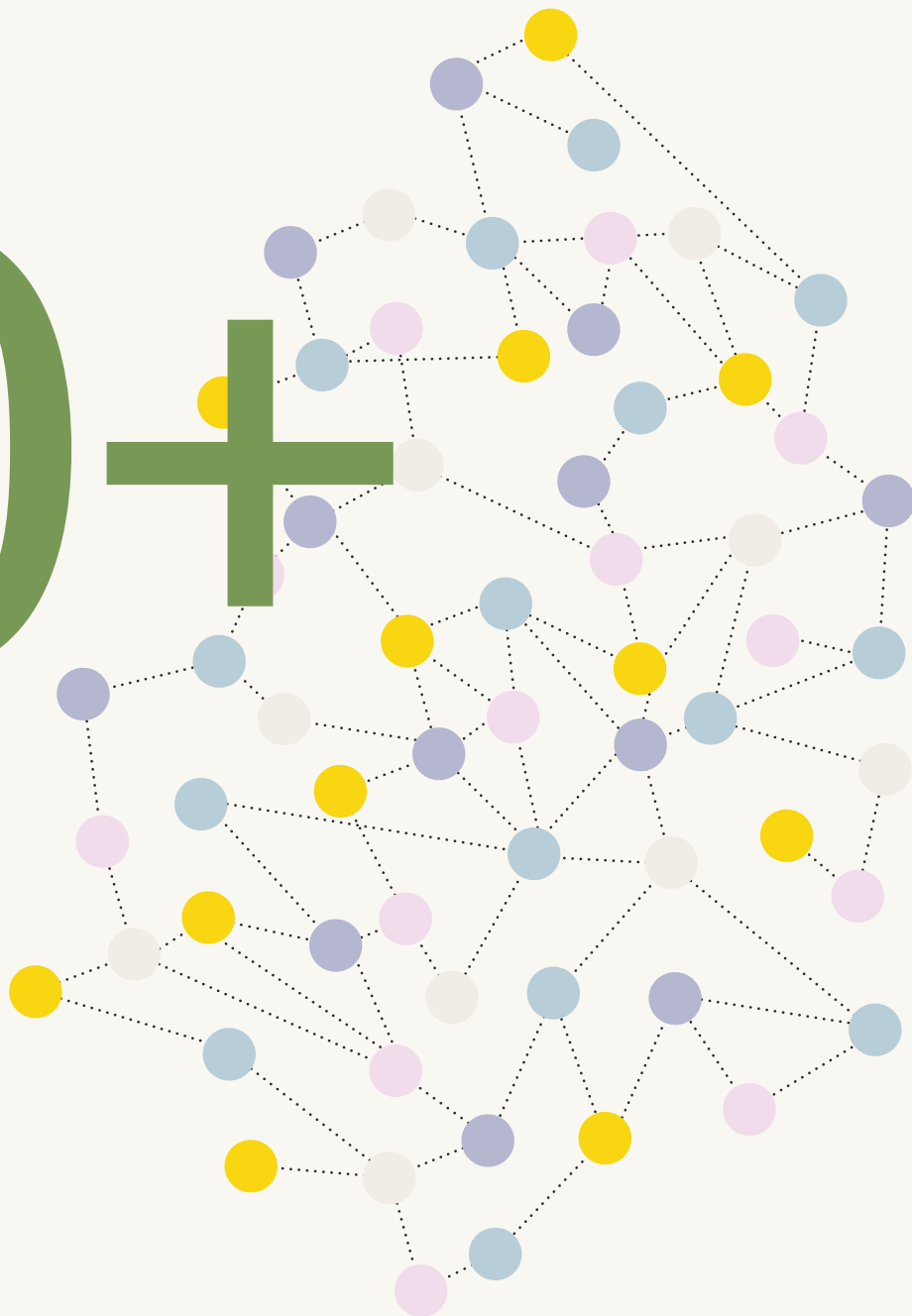
YOUTUBE



Below are some notable community engagements and statistics since Mina Foundation's inception.

60+

ZKAPPS BUILT ON MINA IN 2022



Over the last year, there have been over 60 zkApps built, ranging from ZK rollups to wallets to games that leverage zero knowledge technology. To learn more about some of the zkApps built in 2022, [read this blog that covers a few of them.](#)

Financial Summary—

The Foundation defines Treasury as cash and token distributions that are primarily intended to promote and support the administration and operations of Mina Foundation.

THE FOUNDATION'S TREASURY
(as of December 31, 2022)

44,000,000

MINA TOKENS

\$39,000,000

USD & STABLECOINS
(USDC & USDT)

The Foundation has spent approximately 3.5 million MINA from its treasury during the period covered by this report. Among other things, such expenses cover community, design, and business operations.

The Foundation defines Grants as cash and token distributions that are primarily intended to support the Mina ecosystem and encourage development in the Mina Protocol community.

THE FOUNDATION'S GRANTS
(as of December 31, 2022)

101,000,000

MINA TOKENS

\$22,000,000

USD & STABLECOINS
(USDC & USDT)

The total number of MINA token grants that the Foundation has awarded and / or paid during the period covered by this report is approximately 16 million MINA¹. These grants include, among other things, grants from the Foundation's Quarterly Grants Program, and zkApps Builders Program.

¹Note: this value includes ~10mm MINA tokens that were awarded in grants contracts signed in 2022, but on a 1 year lockup prior to vesting. ~9mm of those tokens were awarded as MINA equivalent (e.g. "\$X worth of MINA), and the MINA value associated with them was calculated using the price at the date of grant award. The actual token amounts paid may vary.

Mina Foundation