

RSTUDIO BENEFIT CORPORATION

2020 Annual Report



A Message from our CEO

RStudio endeavors to create free and open-source software for data science, scientific research, and technical communication in a sustainable way, because it benefits everyone when the essential tools to produce and consume knowledge are available to all, regardless of economic means.

We believe businesses should fulfill a purpose beneficial to the public and be run for the benefit of all stakeholders including employees, customers, and the community at large.

As a Delaware Public Benefit Corporation (PBC) and a Certified B Corporation®, RStudio's open-source mission and commitment to a beneficial public purpose are codified in our charter, requiring our corporate decisions to balance the interests of community, customers, employees, and shareholders.

B Corps™ meet the highest verified standards of social and environmental performance, transparency, and accountability. RStudio measures its public benefit by utilizing the non-profit B Lab®'s "Impact Assessment", a rigorous assessment of a company's impact on its workers, customers, community,

and environment. In 2019, RStudio met the B Corporation certification requirements set by the B Lab. The Certification process uses credible, comprehensive, transparent, and independent standards of social and environmental performance. Details of this assessment are available at bcorporation.net/directory/rstudio. In accordance with B Lab practices, our next certification will be done in December 2022.

As a PBC, RStudio publishes an annual report that describes the public benefit we have created, along with how we seek to provide public benefits in the future. This is the second of these reports. For the reader's convenience it includes information from prior report(s) that has not changed, along with material updates. The first report from 2019 [may be found here](#).

To fulfill its beneficial purposes, RStudio intends to remain an independent company over the long term. With the support of our customers, employees, and the community, we remain excited to contribute useful solutions to the important problems of knowledge they face.

J.J. Allaire
CEO, RStudio, PBC

Introduction

RStudio's mission is to create free and open-source software for data science, scientific research, and technical communication. We do this to enhance the production and consumption of knowledge by everyone, regardless of economic means, and to facilitate collaboration and reproducible research, both of which are critical to the integrity and efficacy of work in science, education, government, and industry.

RStudio also produces a modular platform of commercial software products that enable teams to adopt R, Python, and other open-source data science software at scale; along with online services to make it easier to learn and use them over the web.

Together, RStudio's open-source software and commercial software form a virtuous cycle: The adoption of open-source data science software at scale in organizations creates demand for RStudio's commercial software; and the revenue from commercial software, in turn, enables deeper investment in open-source software, which benefits everyone.

In 2020, RStudio spent over 50% of its engineering resources on open-source software, and led contributions to over 320 open-source projects, targeting a broad range of areas including the RStudio IDE; infrastructure libraries for R; numerous packages and tools to streamline data manipulation, exploration and visualization, modeling, and machine learning; and integration with external data sources. RStudio also sponsors or

contributes to more than a dozen open-source projects led by others, including [NumFocus](#) and the cross-language Apache Arrow project led by [Ursa Computing](#).

Additional company and product highlights from 2020 can be found on RStudio's January 2021 blog post: [2020 at RStudio: A Year in Review](#)

RStudio's approach is not typical. Traditionally, scientific and technical computing companies created exclusively proprietary software. While it can provide a robust foundation for investing in product development, proprietary software can also create excessive dependency that is not good for data science practitioners and the community. In contrast, RStudio provides core productivity tools, packages, protocols, and file formats as open-source software so that customers aren't overly dependent on a single software vendor. Additionally, while our commercial products enhance the development and use of our open-source software, they are not fundamentally required for those without the need or the ability to pay for them.

Today, millions of people download and use RStudio open-source products in their daily lives. Additionally, more than 1,350 organizations that have the need and ability to pay for our commercial product help us to sustain this work. It is an inspiration to consider that we are helping many participate in global economies that increasingly reward data literacy, and that our tools help produce insights essential to making the modern world a better place.

RSTUDIO OPEN-SOURCE PROJECTS

Some of the significant open-source projects led or substantially supported by RStudio include the following popular software for data science:

- Tidyverse
- Tidymodels
- Shiny®
- R Markdown
- Connectivity Packages
- R Infrastructure Tools (r-lib)
- RStudio® Integrated Development Environment (IDE)

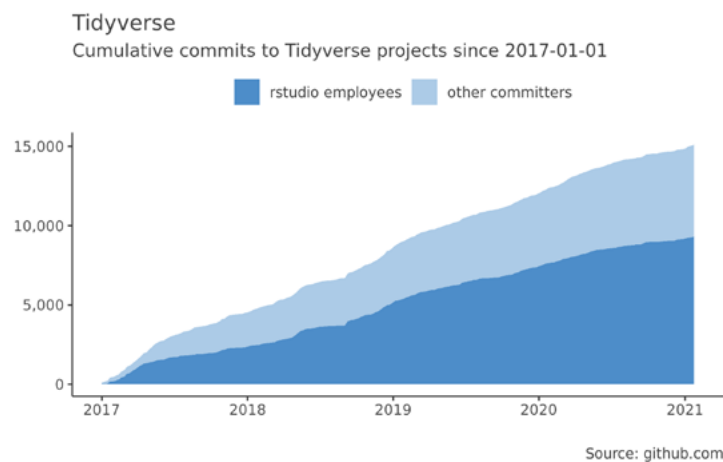
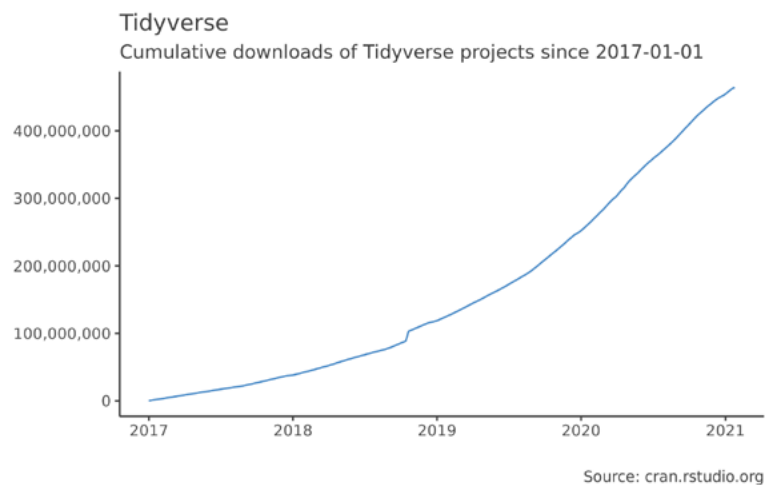


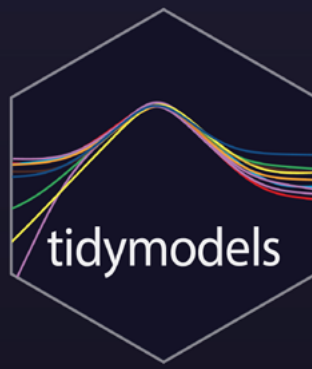
Tidyverse

The tidyverse is an opinionated collection of R packages designed for data science. All packages share an underlying design philosophy, grammar, and data structures.

The tidyverse consists of 27 R packages including ggplot2, dplyr, tidyr, and readr.

There are approximately 6.5 full time equivalent (FTE) RStudio employees developing Tidyverse and related open-source products as of December 2020.



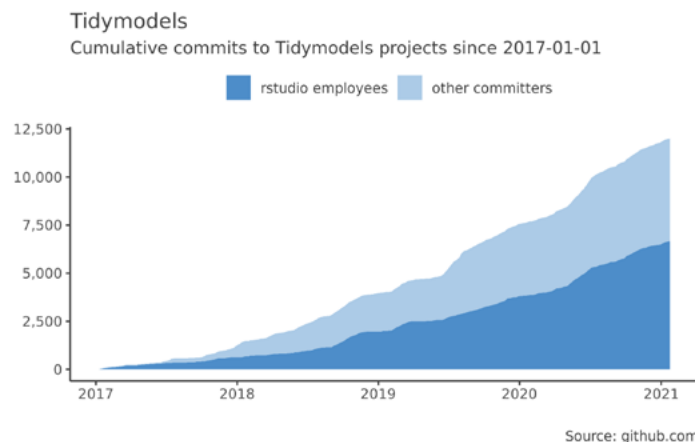
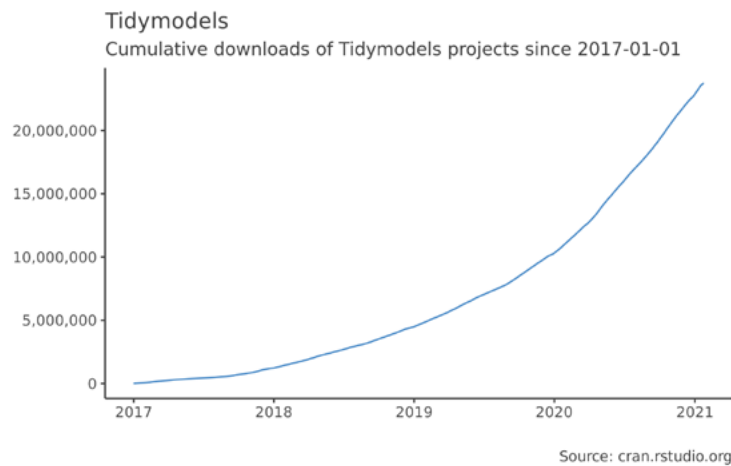


Tidymodels

Tidymodels is a cohesive collection of packages that perform tasks relevant to statistical modeling and machine learning. Tidymodels packages share a common syntax and design philosophy, and are designed to work seamlessly with Tidyverse packages.

There are currently 35 tidymodels packages, an increase of 8 from 2019. Popular tidymodels packages include parsnip, rsample, recipes, tune, and yardstick.

There are 3.5 full time equivalent (FTE) RStudio employees developing Tidymodels and related open-source products as of December 2020.



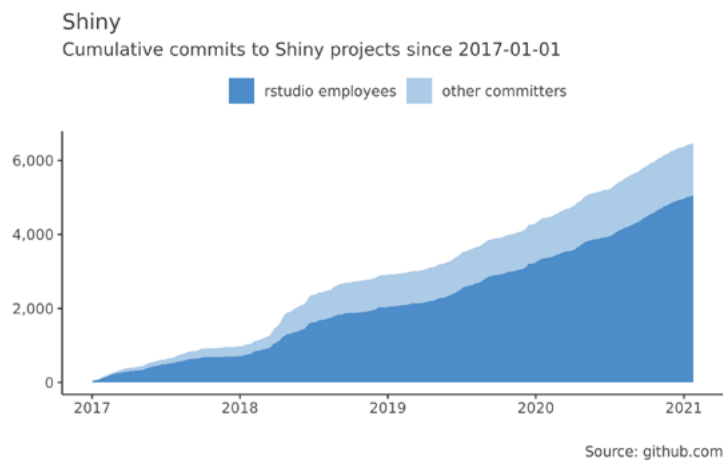
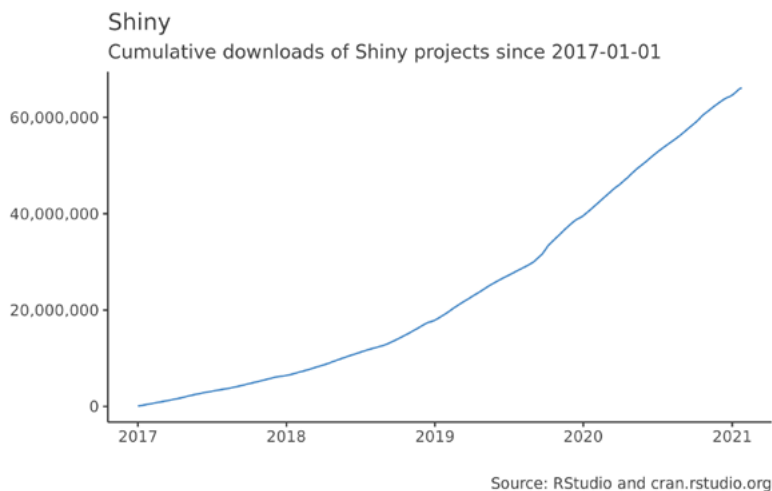


Shiny®

Shiny is a popular R package and web application framework that makes it easy to tell data stories in interactive point-and-click web applications. Shiny applications can be shared with others via an open-source Shiny Server, the commercial hosted shinyapps.io service, or with RStudio Connect.

Shiny and related packages include shiny, shinytest, shinyloadtest, shinydashboard, leaflet, and crosstalk.

There are 7 full time equivalent (FTE) employees developing the open-source Shiny and Shiny Server products as of December 2020.



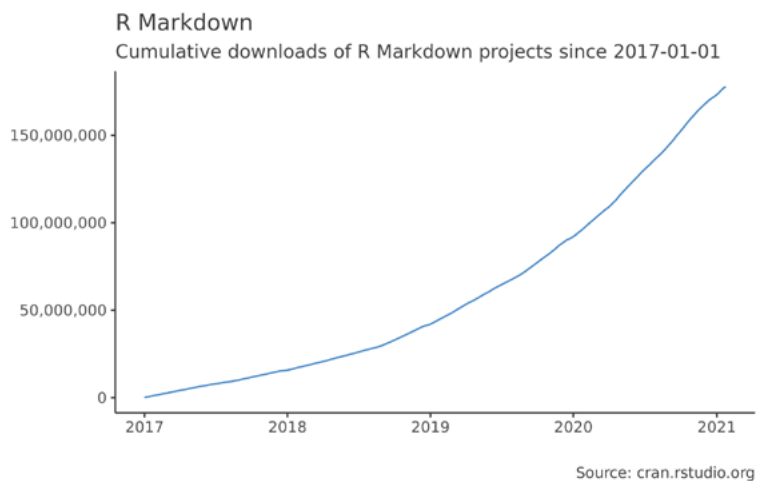
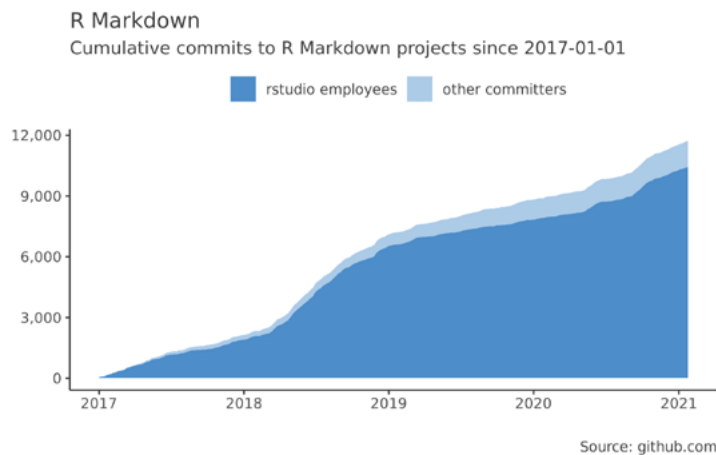


R Markdown

R Markdown is an authoring format for computational documents, which are fully reproducible reports whose analysis can be re-executed on new data with the click of a button. R Markdown documents can be shared as Notebooks, slideshows, web pages, email attachments, print documents, and more.

Popular packages in the R Markdown ecosystem include rmarkdown, knitr, flexdashboard, blogdown, bookdown, distill, rticles, and xaringan.

There are 3 full time equivalent (FTE) RStudio employees developing R Markdown and related open-source products as of December 2020.



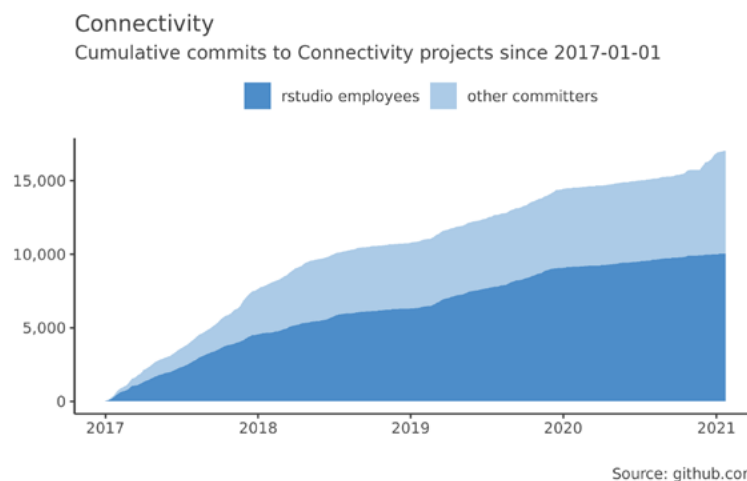
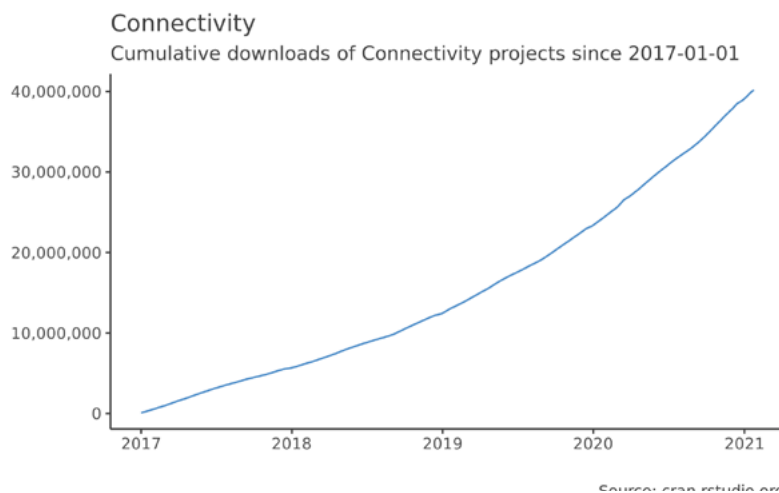


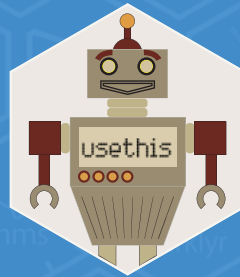
Connectivity Packages

RStudio increases the efficiency of R users by making open-source R packages that connect data scientists to spreadsheets, databases, distributed storage frameworks for big data, machine learning platforms, and the programming environments of other languages, like python.

Connectivity packages include: [sparklyr](#), [tensorflow for R](#), [googlesheets](#), [odbc](#), and [reticulate](#).

There are approximately 2 full time equivalent RStudio funded developers creating connectivity-related open-source packages as of December 2020.



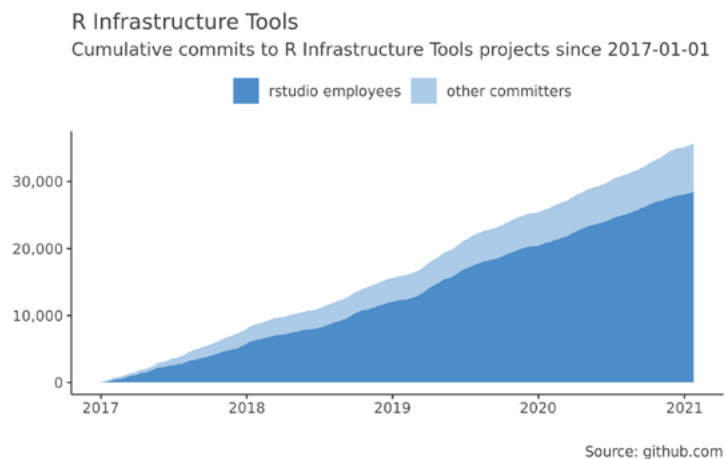
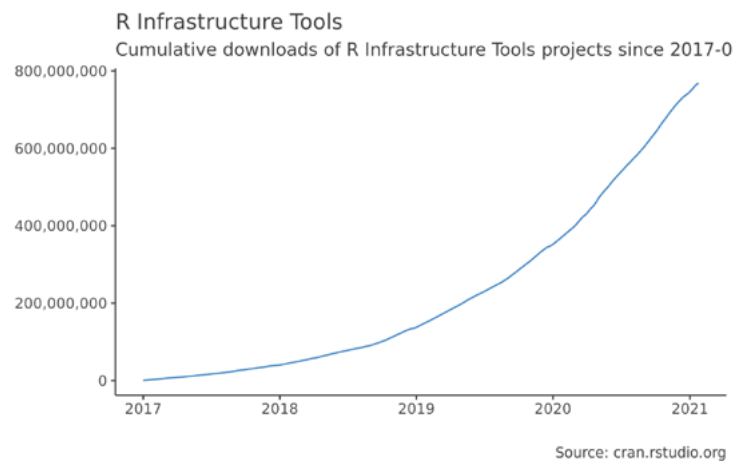


R Infrastructure Tools (r-lib)

R-lib is a large collection of R packages that make it easier to build, find, and use effective tools for data analysis.

There are currently 111 R-lib packages. Popular packages include devtools, testthat, roxygen2, pkgdown, and usethis.

There are 2 full time equivalent (FTE) RStudio employees developing r-lib and related open-source packages as of December 2020.

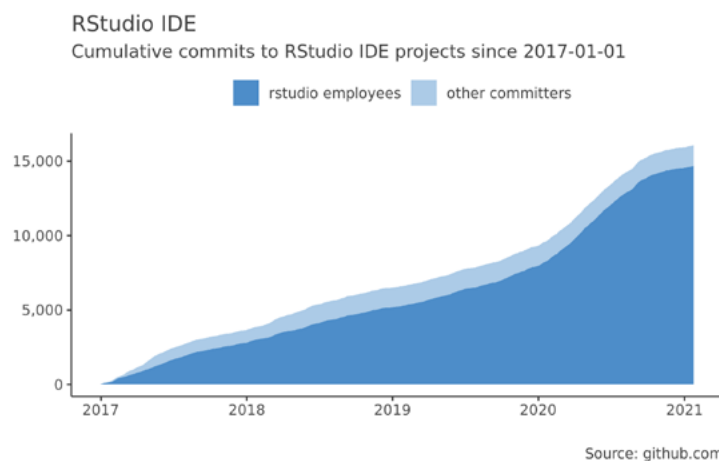
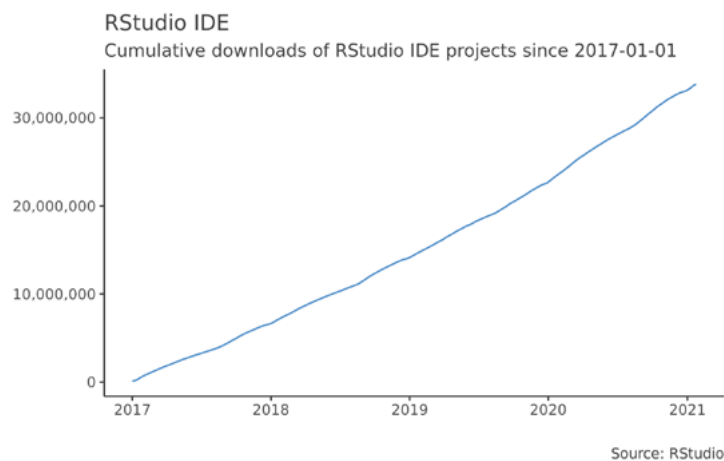




RStudio® Integrated Development Environment (IDE)

RStudio is a multi-language IDE designed for Data Science with R and Python. It augments the standard code console with an editor that can display Notebooks, launch apps, highlight code syntax, spot code errors, and directly execute code. Built into the IDE are also tools for debugging, plotting, browsing files, and managing project histories and workspaces. Together these tools make data scientists and developers much more efficient.

There are 8 full time equivalent (FTE) employees developing the RStudio IDE desktop and server products as of December 2020.





DONATIONS TO OPEN-SOURCE SOFTWARE

In addition to the open-source software that we make freely available, and our support for NumFocus and Ursa Computing, RStudio recognizes the importance of contributing financially to other important open-source initiatives. To date, RStudio has given over \$900,000 to projects led by others. Current open-source related commitments include contributing to the R Consortium, and to authors and maintainers of fourteen smaller open-source projects, whose software we use.

B Lab® Impact Assessment

Overview

The B Lab Impact Assessment (see <https://bimpactassessment.net/>) is measured on a 200-point scale, with a minimum score of 80 required for a company to be eligible for B Lab certification. RStudio completed its first Impact Assessment in the fall of 2019, and received an overall score of 86.1. To put this score in context, the average score of “ordinary” (non-certified BCorp) businesses of our size is 53.4, while the median score for companies on the B Lab’s list of “Best for the World” honorees is 131. [Source: <https://bcorporation.net/directory/rstudio>.]

RStudio’s Impact Assessment scores from **2019** are as follows:

	RStudio Initial Score Q4 2019	Comparison Score Non-BCorp Businesses, 50-249 employees (n=732)	Available Maximum Score (score weightings vary by industry/assessment track)
OVERALL RATING	86.1	53.4	200+
Governance	16.1		
Mission & Engagement	1.7	.5	3.7+
Ethics & Transparency	4.3	2.7	8.2+
Mission “Lock”	10.0	Recognizes corporate forms and amendments that preserve mission and/or considers stakeholders regardless of company ownership	
Workers	30.5		
Financial Security	13.5	7.0	20.0+
Health, Wellness, & Safety	7.8	7.0	7.8
Career Development	3.1	3.1	7.2+
Engagement & Satisfaction	4.9	4.1	8.2+
Community	11.9		
Diversity, Equity, & Inclusion	5.2	2.1	13.1+
Economic Impact	4.0	4.7	13.0+
Civic Engagement & Giving	.7	1.9	2.0+
Supply Chain Management	0	.8	1.9+
Environment	3.4		
Environmental Management	1.7	1.2	2.3+
Air & Climate	0	.8	3.6+
Water	0	.3	1.0+
Land & Life	0	2.3	2.0+
Customers	24.1		
Customer Stewardship	1.7	2	2.7+
Education	20.6	Recognizes products/services that enhance the skills and knowledge of individuals	
Serving in Need Populations	1.7	Increasing accessibility for underserved groups	

Governance

A company's positive governance impact is measured by the extent to which the company is accountable to stakeholders, and the extent to which its decision-making is transparent to all constituents. RStudio scored 16.1 points out of a possible 21.9+ points in the Governance Impact Area, including 10 points awarded for the specific legal structures we have put in place as a Benefit Corporation that preserve our mission and consider our stakeholders regardless of company ownership.

RStudio shares financial and other company performance information transparently with its shareholders and employees. We have a relatively broad pool of shareholders, including many current and former employees. RStudio shareholders with a beneficial interest greater than 5% include J.J. Allaire, CEO, and Tareef Kawaf, President.

To improve our governance impact over time, RStudio will continue to formalize our mission, code of ethics, and statement of public benefit, providing training for employees on these standards, and developing outcome metrics to help us more definitively track the success of our mission.

Workers

A company's positive impact on workers is measured by the extent to which it maintains a compensation and benefit structure beneficial to its employees, supports ongoing career development, and fosters a positive work environment. RStudio scored 30.5 out of a possible 43.2 points in the Workers impact area, attributable in large part to our generous benefit offerings, including 12 weeks of paid leave for all new parents, a 401k matching program, and an annual profit-sharing plan

open to all regular employees. RStudio's flexible work practices, particularly our remote model and unlimited PTO policies, are also significant factors in our impact in this area.

As RStudio continues to grow, we can increase our positive impact on workers by introducing more structured opportunities for peer and leadership feedback, by conducting periodic organizational surveys to assess the workplace climate, and by continuing to expand our compensation and benefit offerings based on our company success.

Community

Community impact is measured by the extent to which a company creates jobs within local communities; fosters inclusion and diversity within the organization; demonstrates civic engagement through philanthropy and advocacy; and favors suppliers that share B Corp values. RStudio scored 11.9 out of a possible 20+ points in the Community impact area. Our inclusive hiring practices, equitable pay ratios (e.g., between the highest- and lowest-paid workers), charitable giving history, and strong job-growth rates are some of the factors behind this positive impact.

Some elements of the community impact measures, especially those that analyze RStudio's economic impact on "local" geographies, may be difficult for us to achieve given our remote workforce model. On the other hand, we can significantly strengthen our impact on the community by furthering the diversity within our team – for example, by increasing the percent of women employees and managers, broadening the age distribution of our workers, and continuing to actively source talent from underrepresented or minority social, racial, and ethnic groups.

Environment

A company's positive environmental impact is measured by the extent to which its products, services, suppliers, and decisions promote positive environmental outcomes. RStudio scored 3.4 out of a possible 8.9+ points across all Environment impact area questions.

As a software company, we do not conduct any physical manufacturing, and our marketing, sales, and support models are almost entirely digital – eliminating many of the most common sources of environmental hazards found in business operations. Beyond this environmentally-neutral base, RStudio's positive environmental impact is largely based on our remote-first work culture, which drastically reduces the footprint of our physical workspace, as well as the pollution generated by daily commuting.

To further improve our environmental impact, we will provide stronger guidance to our employees on setting up low-impact virtual

offices; we will also evaluate the use of GHG (greenhouse gas) offsets to compensate for the effects of our travel and events.

Customers

Customer impact is measured by the degree to which a company's products and/or services deliver social, educational, or environmental value to customers, as well the extent to which company practices serve customer interests in areas such as quality control, data privacy, and customer satisfaction. RStudio earned 24.1 out of a possible 25+ points in the customer impact area, with 20.6 of these points awarded for the strong orientation toward education, knowledge-sharing, and skill-building in our products and community contributions.

While our scores in the customer impact area are already strong, we can increase our impact on customers by enhancing our methods for assessing customer feedback, and by publicly sharing our customer satisfaction metrics.

CONCLUSION

RStudio is proud to be a Delaware Public Benefit Corporation, and proud of the public benefits we are creating through the hard work of our employees and partners. In the years ahead, RStudio will strive to produce additional public benefits by enhancing our internal governance, increasing our workforce diversity and employee development efforts, expanding our stewardship of the environment, deepening our engagement in our communities, and, of course, continuing to make substantial contributions to open-source software for science.



Open source and enterprise-ready professional software for data science.

rstudio.com

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