



ANNUAL
REPORT
2023

CEO LETTER

It's once again time to write one of these letters and reflect on the past year. I am first and foremost grateful to all who have made it possible for us to do our work—my colleagues who have done so much and have made my job easier; our generous supporters who have enabled us to not only continue, but even expand the team; and our enthusiastic community on the fediverse that gives our work meaning.

In many ways, 2023 was the year of growing up. The vacuum left by Twitter put a great weight of responsibility on our shoulders to push the fediverse forward as the next big thing. The ideals of social media we have been advocating for years for and building our community on

suddenly came face to face with a wave of people looking for merely a copy of a website they'd been used to with a different face at the helm. We've had to recalibrate. De-emphasise the unfamiliar, decentralise onboarding, provide an easy default. Reset our assumptions about how people navigate the web. Re-prioritise features.

Thankfully, with the increased financial support, we were able to invest more time and money into product design to begin chipping away at the rough edges in our web and mobile apps. Our team went from 1 full-time employee (which is yours truly) to 3. I am not going to sugarcoat it, this hasn't been easy. Our work is demanding and stressful. We are competing with companies that have nearly limitless resources, trying to do something different in a world where people hate learning new concepts. But no matter how many shiny new Twitter clones with venture capital funding spring up, Mastodon—and the fediverse—will always prevail in the end, thanks to its true decentralised nature.

At this point the lifecycle of the standard social media website is well known. Twitter is not an outlier, but a pattern. Building our human connections on common protocols, rather than walled gardens, is the only way forward.



Eugen Rochko
CEO / Founder



2023 REVIEW

In our Annual Report 2022, we outlined a handful of organisational and development goals we wanted to achieve in 2023. In the following report we will share insights on how we contributed towards those goals and the progress we made beyond.

80%



Our assessment of the extent to which we have achieved this goal

FINANCIALS

2023 was Mastodon gmbH's only second full fiscal year (FY).

INCOME

Income table

	2022	2023	Difference %
Total donations	€326k	€545k	+65%
Total Patron donors	9,603	7,400	-22.9%
Total Patron free members	0	1,374	
Total subscriptions	53	46	-13%
Total direct donors	44	39	-11%
Average annual donation	€34	€60	+70%

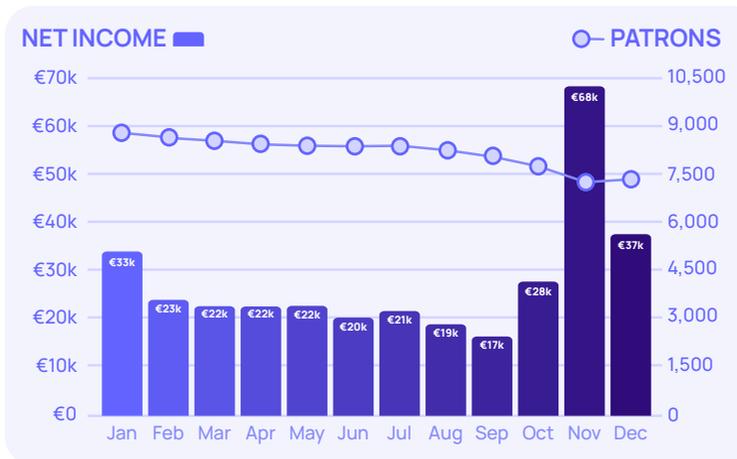
Over the course of 2023, Mastodon gmbH earned a total of €545K in **donations** (+65% from €325.9k in FY 2022).

Patreon donations made up 73% of total donations and the majority came in the form of annual and monthly \$1-tier donations (77%), followed by the \$10-tier donations (14% of the total).

As of year-end 2023 our **donor base** declined to 7,400 patrons (-22.9% from 9,603 donors on year-end 2022) via Patreon and to 46 subscriptions (-13% from 53 subscribers on YE 2022) via our custom sponsorship portal.

The **average annual donation** increased to €60 (+70% from €34 in 2022), which is mainly due to the fact that we received larger one-off donations to support Mastodon's mission.

Despite the slight decrease in Patreon donors, overall we are pleased to have **increased our total donations by +65%** and finished the year strong.



OTHER

In FY 2023, Mastodon received a \$100,000 donation from Sujitech, the largest single contribution to our non-profit that year. Sujitech, a Japanese tech company dedicated to achieving a truly free and open internet, has supported Mastodon over several years by maintaining multiple servers and collaborating on the initial prototype of the official iOS app in 2021. This funding bolstered the development and maintenance of Mastodon's core software and native mobile applications, supplementing our limited full-time team and volunteer efforts.

€545k
in donations

7,400
patrons

+65%
compared to 2022

€60
average donation

FINANCIALS

COST

	2022	2023	Difference %
Total Costs of Revenue (incl. Freelancers)	57,651	322,698	+460%
Server & Hosting	16,683	75,525	+335%
Other / Freelancers	40,968	250,173	+511%
Total Operating Expenses	68,090	149,385	+119%
Personnel Expenses	38,400	93,156	+143%
Other	25,288	51,522	+104%
Other non-operating expenses (incl. non-deductible pre-taxes)	13,198	4,573	-65%

In 2023, our increased budget, supported by a rise in donations and Patreon contributions, allowed us to invest more in both our operational efforts and personnel expenses. As a result, our overall expenses grew in key areas, reflecting higher spending on essential personnel, infrastructure, and community support initiatives.

To provide additional transparency, this year we have structured our Profit & Loss statement according to the German Accounting Standards which is slightly different from the previous Annual Report. Notably, freelance expenses are allocated to “Cost of Revenue” because these services directly contribute to the creation and maintenance of Mastodon’s core platform functionalities.

The **total operating expenses** amounted to €149.4k (+119% from €68.1k in FY 2022), of which were €93.2k **personnel expenses** (+143% from €38.4k in FY 2022) and €4.5k **Other non-operating expenses** (-65% from €13.2k).

The **total team salaries**, however, including freelancer fees and personnel expenses amounted to a total of **€343.3k**, 72% of our total costs/expenses for the year 2023.

€322.7k
costs of revenue

€149.4k
total operating expenses

€93.2k
personnel expenses



PRODUCT DEVELOPMENT

On the development of the Mastodon platform, our core offering, we made significant progress towards infrastructure, web development and our mobile apps.

INFRASTRUCTURE

80%



For 2023 we planned to modernise infrastructure for all services operated by the organisation, including mastodon.social and mastodon.online.

We have made significant strides in upgrading our infrastructure and expanding our moderation capabilities to provide a great first experience for new users. This includes enabling easier and automatic scaling, better monitoring, and an overall increased quality of service across all servers, including mastodon.social and mastodon.online.

WEB DEVELOPMENT

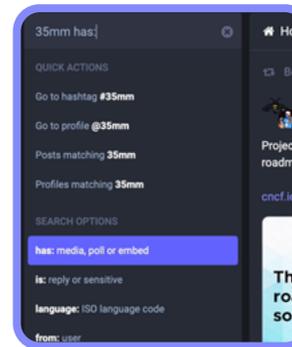
To improve the state of our web app in 2023, we established 4 ambitious goals for our team:

100%



Overhaul search to make it more user-friendly and intuitive and allow people to find both profiles and posts.

We completely overhauled the search functionality with a new, user-friendly interface inspired by the app Ivory. Users can now find both profiles and posts, with advanced search operators and improved indexing that allows searching by words in bios and displaying verified links prominently.



100%



Identify and fix pain points during sign-up and guide users through the first steps of setting up an account, like following people and filling in the profile.

We identified and fixed issues during the sign-up process to guide users through the first steps of setting up an account, such as following people and filling in their profiles. These improvements have resulted in smoother onboarding and better user retention. Our team will continue to refine the onboarding experience, as it plays a vital role in product adoption.

100%



Overhaul the user experience of interacting with content from other servers when logged out to make it less confusing.

We revamped the experience for users interacting with content from other servers when not logged in. Previously, the process was confusing and complicated. The new experience asks users to input the domain of their Mastodon «home» server, offering autocomplete suggestions, and then redirects them to the desired post or profile in their logged-in interface. This change simplifies the process and reduces confusion.

70%



Switch focus to first-class support for high-availability setups using Kubernetes by developing and maintaining official Helm charts and improving container configuration.

In 2023, our team implemented major improvements to the Helm chart, enabling us to host Mastodon instances internally using the chart – an important step in ensuring the stability and scalability of our platform in high-availability environments.

Work is ongoing to further refine the Helm chart, making it even more robust and user-friendly, addressing feedback, and ensuring compatibility with diverse Kubernetes configurations. These enhancements aim to simplify deployment for other Mastodon server administrators and support the broader adoption of high-availability setups across our community.

PRODUCT DEVELOPMENT

MOBILE

To further develop our official Mastodon mobile apps in 2023 we planned to:

100% Present a default server choice during in-app onboarding on Android and iOS to alleviate paralysis of choice issues, and improve server selection options.

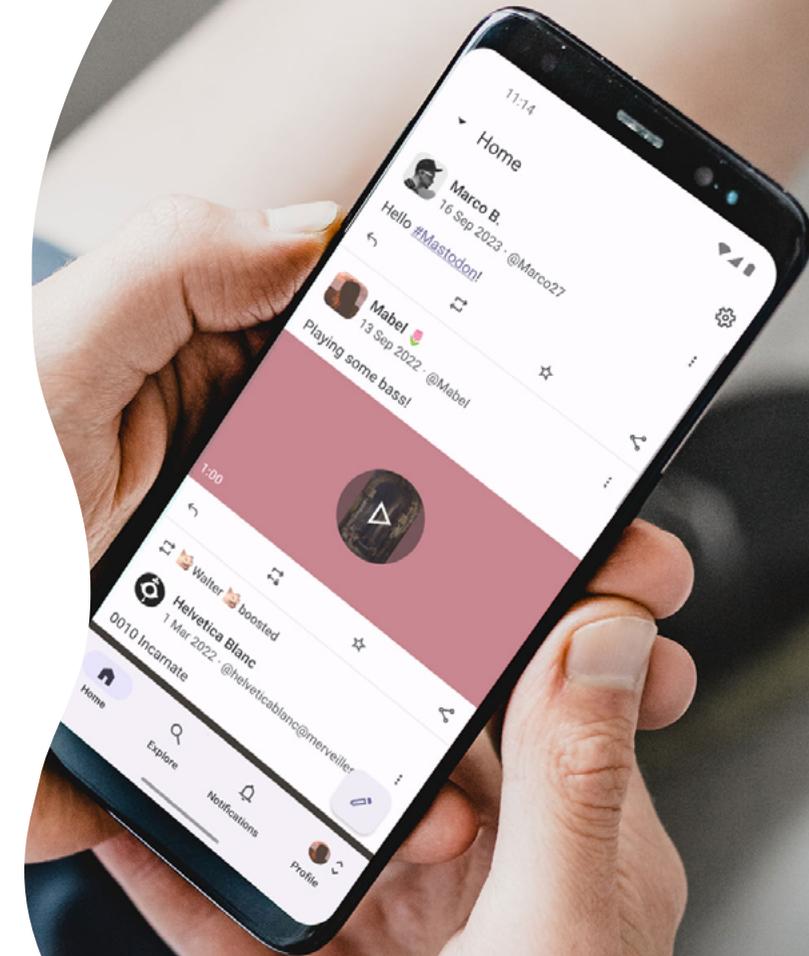
To alleviate the paralysis of choice during sign-up, we redesigned the welcome screen and introduced a default sign-up option that works with a server we operate. This made signing up on Mastodon easier than ever before, helping new users get past the sign-up process and engage more quickly. Users still have the option to select a different server if they wish.

70% Improve the visual quality and accessibility of the web, iOS, and Android apps, and add missing functionality from the web interface to the iOS and Android apps.

Our designers reworked the user experience from first principles, resulting in profile screens that display all featured content previously missing from the app - such as pinned posts, featured hashtags, and endorsed users.

Filters management has been added, allowing users to view, edit, and create filters for specific phrases or keywords and customise how they apply. Users can also temporarily pause all notifications for peace of mind. Verified links are now surfaced in search results and other lists to help distinguish profiles.

It's worth noting that due to legacy code and complex infrastructure in certain areas, we were unable to release all of these features on Mastodon's official iOS app.



PRODUCT DEVELOPMENT

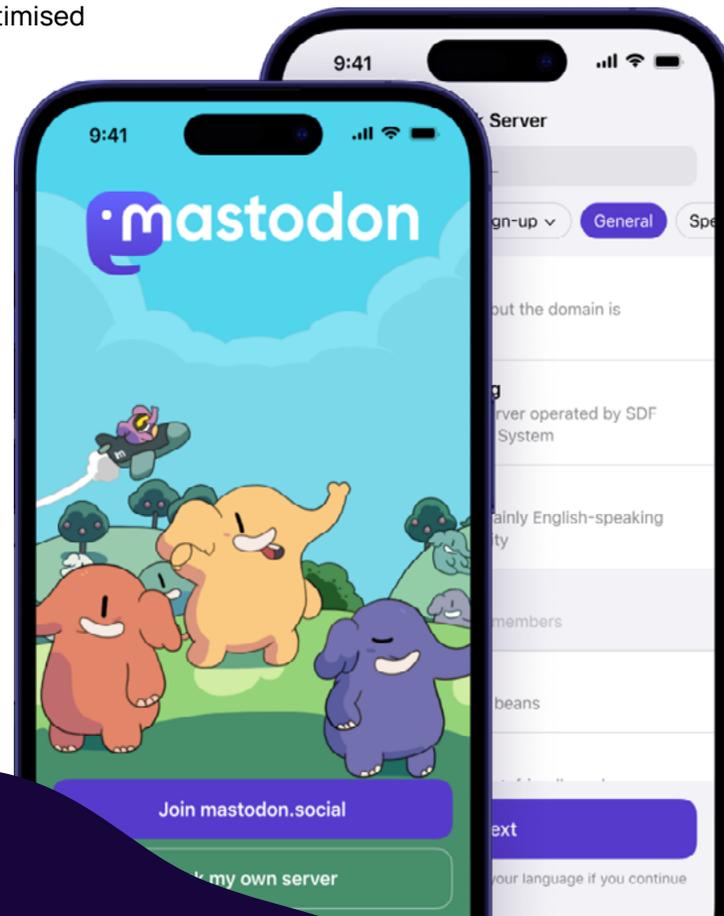
IOS

In 2023, we released a total of 16 updates for the official Mastodon iOS app, focusing on accessibility, usability, and performance. Highlights included the introduction of post editing, a redesigned onboarding experience, and improved discoverability with an enhanced search interface and a hashtag widget. As a result, the app saw significant user engagement, being downloaded over **899k** times in 2023.

We also expanded language support with Greek, Belarusian, and Armenian, while continuing to refine translations for existing languages. Accessibility saw notable improvements, with better screen reader support, contrast enhancements, and optimised labeling.

Other updates included improved media handling, better visibility settings for posts, and security enhancements like migrating credentials to the iOS Keychain.

Our contributors, including both of our freelancers Nathan and Marcus, played a vital role in the app's growth throughout the year.

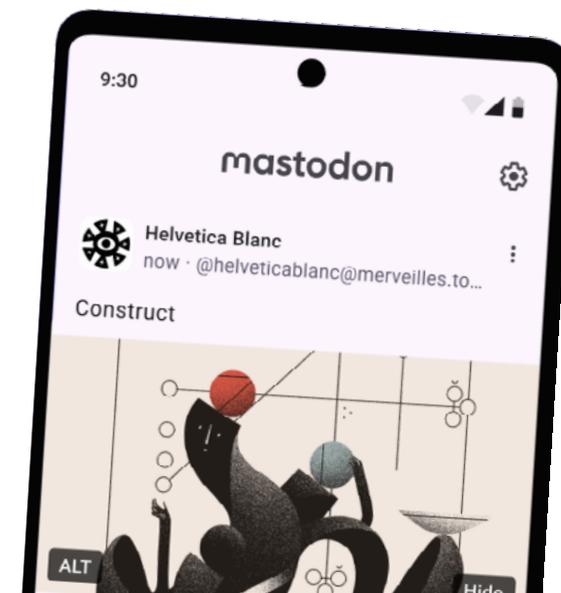


ANDROID

In 2023, we released a significant update to the official Mastodon Android app, introducing a complete Material You redesign. The app now reflects users' colour palettes throughout, with refreshed tab bars, settings, and composing interfaces.

We expanded the settings with numerous customisation options, allowing users to access server information, hide boost and favourite counters, set reminders for alternative text, and change the default posting language. New features like filter management, the ability to pause notifications, and custom lists for follows were added to enhance user experience.

As a result, the app saw significant user engagement, being downloaded over **970k** times in 2023. Our GitHub repository saw continued activity, with contributions primarily from our Android developer, Gregory.



GROWTH

USERS AND SERVERS

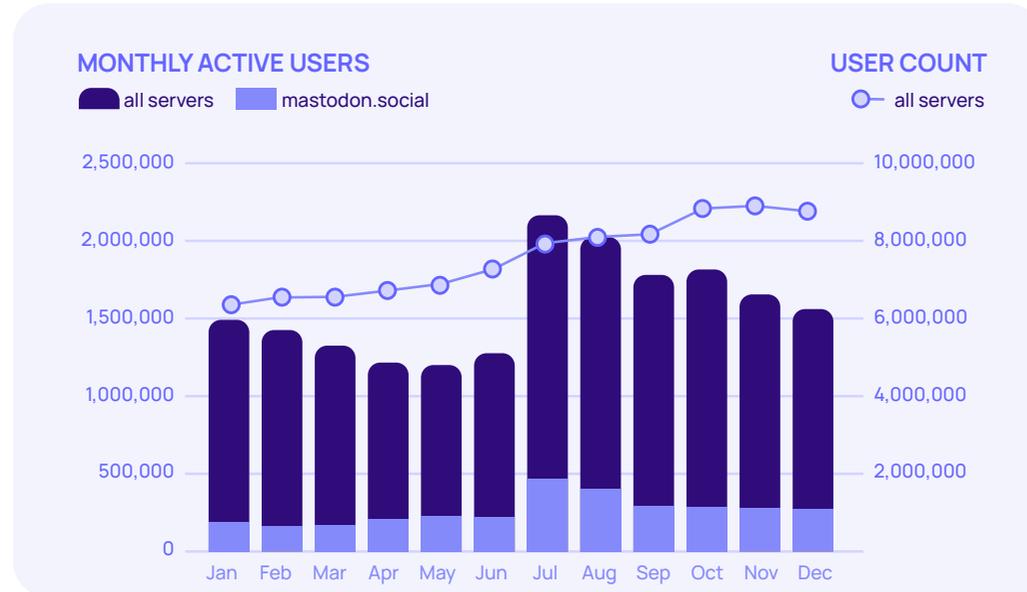
The Mastodon software includes an API endpoint that exposes certain statistics, such as monthly active users on the server, as well as its identification as a Mastodon server and a list of other servers it knows about.

We operate an aggregator that crawls servers that identify themselves as running the Mastodon software and periodically collect these public statistics.

Within the Mastodon software, a monthly active user is defined as a user that has accessed Mastodon through the website or its API within the last 30 days. This number may include accounts that were subsequently deleted or suspended, and due to its aggregate nature no guarantees can be made about its mapping to individual people.

On January 1st, 2023, we were aware of 9,780 servers running the Mastodon software, with a total of 6.36 million registered accounts and 1.5M monthly active users.

At the end of the year, we were aware of **9,800 servers** running the Mastodon software, with a total of **8.8 million** registered accounts and **1.56 million** monthly active users.



MODERATION



Continue to improve moderation tooling to assist server operators with handling spam and abuse and allow integrating more sophisticated automations using the API and webhooks.

Mastodon saw a lot of growth in 2023, and along with that came a significant increase in moderation challenges. We planned to improve our moderation tooling to assist server operators with handling spam and abuse and allow integrating more sophisticated automations using the API and webhooks. The moderation team also began dealing with increasingly sophisticated automated spam attacks, which required a new level of collaboration between the moderation team and the development team.

We have increasingly focused on proactive measures to identify and remove bot accounts before they reach users. World events also brought a new focus on addressing misinformation and racism, as the crisis in Gaza continues to be a source of heated discourse.

Mastodon gGmbH is responsible for operating the [mastodon.social](#) and [mastodon.online](#) servers. Over the course of the year, between these two servers, we gained 914K new users (not counting those subsequently suspended). We received and processed 69,715 reports, of those 50,034 led directly to a suspension of a local account (local meaning hosted by one of our servers). Overall, **90,849** local accounts were suspended in 2023.

9,800
servers running Mastodon

1.56M
monthly active users

8.8M
registered users

ORGANISATIONAL

LEGAL

80% From the legal standpoint, our main goal for 2023 was to set up a US non-profit branch (501(c)(3)) with a board of governors.

This is so that we can be eligible for larger grants from US-based donors and allow US donors to make their contributions tax-deductible.

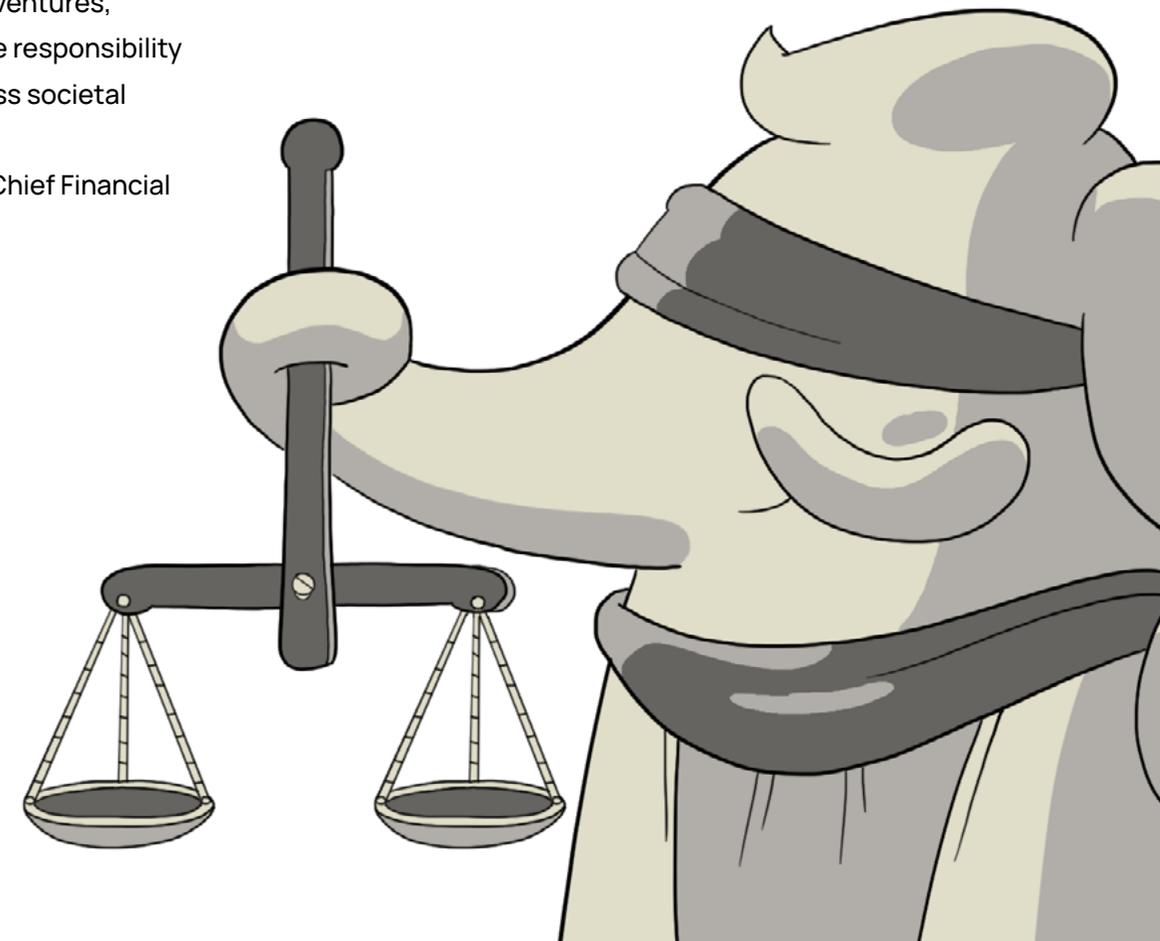
We started the process in April 2023 and filed our completed application for the incorporation of Mastodon, Inc. in November. We also elected a board of governors in October 2023, including:

- **Esra'a Al Shafei** - human rights advocate and founder of Majal.org, a network of digital platforms that amplify under-reported and marginalised voices in Southwest Asia and North Africa. She also serves on the board of the Wikimedia Foundation and the Tor Project.

- **Karien Bezuidenhout** - Founding Partner at Philanthropy Matters and an advocate for openness. As the former director of the Shuttleworth Foundation, her core interest lies in social and policy innovation through practical interventions and sustainable social enterprises.
- **Amir Ghavi** - Partner at Fried Frank leading its core technology practices as the co-head of the Technology Transactions Practice, where he advises clients on cutting-edge technology and intellectual property matters.
- **Biz Stone** - Co-founder of Twitter who's been engaged in various philanthropic efforts and tech ventures, emphasising the importance of corporate responsibility and the potential of technology to address societal challenges.
- **Felix Hlatky** - who has been Mastodon's Chief Financial Officer since 2020.

By October 2023, we completed extensive paperwork requirements, including establishing both a Conflict of Interest Policy and a Whistleblower Policy.

Due to unexpected delays, we finally incorporated 501(c)(3) in the US in Q1 of 2024, and shortly after added a tax-deductible donation option through the GiveButter platform for US-based donors.



ORGANISATIONAL

MARKETING

On the marketing front, we planned to achieve the following two goals in 2023:

100%



Create a line of high quality merchandise to enable the community to more easily promote Mastodon to their friends and co-workers and as an additional way to support the organisation.

Even though this took a lot of time and focus from our small team, in July 2023 we announced a new line of merchandise for Mastodon including T-shirts, mugs, enamel pins, and stickers. We also started working on our prototype for a plushie toy at the end of August 2023.

100%



Establish better communication channels with server operators, app developers, and other fediverse platform developers.

With Andy Piper joining us in May 2023, we significantly increased our engagement with the app and fediverse developer community. Andy leads Developer Relations for Mastodon and is a longtime open-source advocate with valuable experience from IBM, VMware, and Twitter.

In the second half of 2023, Andy updated the supporting libraries and client apps on the main website and revitalised our GitHub organisation. He represented Mastodon at key industry events, including All Things Open and various DevRel conferences and meetups. He also secured Mastodon's participation at FOSDEM 2024.

Additionally, Andy began building relationships with other fediverse projects by establishing direct communication channels and fostering collaboration on relevant standards work and interoperability.



ORGANISATIONAL

RECRUITING

80% For 2023, we aimed to convert contractors to full-time employees and hire for key roles in the organisation to accelerate development and streamline operations.

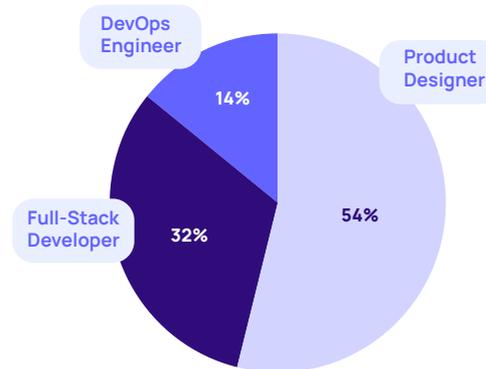
At the beginning of 2023, we converted our first Core Web Developer, Claire, to a full-time employee and began working with Renaud Chaput, who initially joined to support Mastodon with DevOps. After we filled that role, Renaud continued working in an engineering capacity, eventually becoming our CTO in October 2023.

With the growth of Patreon donations at the end of 2022, we finally had the financial means to open new roles at Mastodon for the first time. Within the first three weeks of publishing the job postings, we received **681 applications** across three key positions:

1. DevOps Engineer
2. Product Designer
3. Full-Stack Developer

The overwhelming interest from our open-source community and candidates worldwide caught our small team by surprise. Recognising that we needed additional support, we brought on Inga at the end of January 2023 to lead our operations and hiring efforts.

Over the course of next five months, the total number of applications grew to **1,614** - broken down as follows:



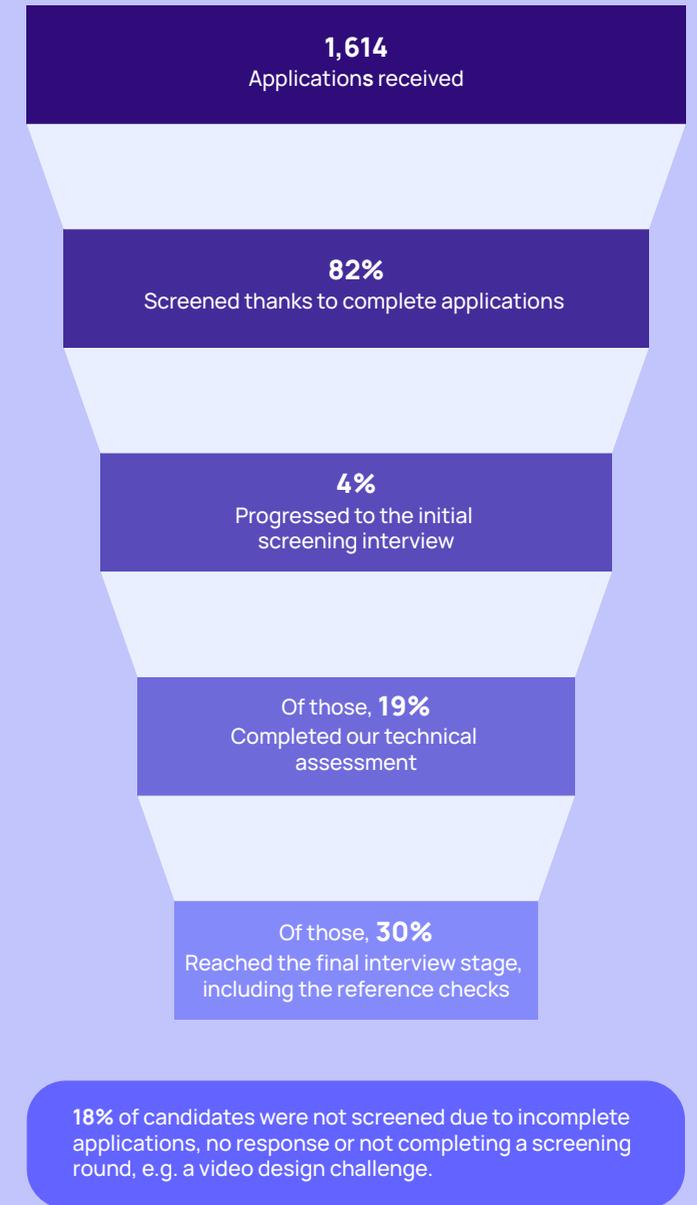
On March 10, 2023, we welcomed Tim as our third full-time team member to lead DevOps at Mastodon. The hiring process took just 5 weeks from the initial screening interview to accepted offer - an impressive recruitment turnaround for a team of our size!

We then began screening for a full-time Product Designer but ultimately decided to maintain our existing arrangement with Sam from the Lickability agency.

We came very close to extending an offer to our second full-time Core Web Developer in June 2023, but sadly had to postpone all hiring efforts indefinitely due to funding constraints.

THE HIRING FUNNEL

Navigating such high interest was a challenge, and our hiring funnel revealed the following:



This journey was an incredible learning experience, and we're excited to continue building a talented team to support Mastodon's growth in 2024 and beyond.

TEAM

Name	Role	Type	Monthly remuneration (gross)	Country
Eugen Rochko	CEO	Payroll	EUR 5,000	Germany 
Claire	Development Web	Payroll	EUR 5,416	France 
Tim Campbell	Developer Operations	Payroll	EUR 6,900	Germany 
Felix Hlatky	CFO	Freelance	EUR 3,300 <small>avg</small>	Austria 
Renaud Chaput	CTO	Freelance	EUR 2,500 <small>avg</small>	France 
Lickability Inc.	UX Design	Freelance	EUR 4,000 <small>avg</small>	USA 
Nathan Mattes	Development iOS	Freelance	EUR 3,500 <small>avg</small>	Germany 
Marcus Kida	Development iOS	Freelance	EUR 3,500 <small>avg</small>	Germany 
Gregory Klyushnikov	Development Android	Freelance	EUR 1,000 <small>avg</small>	Russia 
Andy Piper	Developer Relations	Freelance	EUR 2,700 <small>avg</small>	UK 
Inga Driksne*	Operations	Freelance	EUR 3,700 <small>avg</small>	Mexico 
Amelia Rochko	CS (part-time)	Payroll	EUR 520	Germany 
Dopatwo	Illustration	Pro-bono	-	Brazil 

avg Freelance remuneration significantly fluctuates month on month, so we tried our best to calculate the average salary across the period of time each team member worked in 2023. It's worth noting that some team members worked double the hours but only billed for half, others supported Mastodon only for a few days a week or a month.

* Salary was subsidised by one of our donors.



2024 OUTLOOK

In 2024, our organisational focus will be on further strengthening our team on the technical and operational side, enhancing organisational structure, and securing sustainable funding to support Mastodon's growth. We aim to improve our governance, engage with our donor community more often, and increase visibility through strategic marketing and community-building efforts. These priorities lay the groundwork for achieving long-term stability and success in 2025 and beyond.

As for the development side, our efforts will focus on delivering impactful updates to enhance the Mastodon experience. This includes finalising and releasing Mastodon version 4.3, as well as advancing projects like the interface redesign, the Fediscovery initiative, and the initial rollout of Quote posts. These milestones represent our commitment to innovation and usability, driving Mastodon forward as a leading platform in the fediverse.

We recognise that this Annual Report for 2023 is arriving later than we had intended. Going forward, we plan to release our Annual Report for 2024 in Q1 of 2025, where we will establish clear and ambitious goals for 2025 and beyond. This adjusted timeline allows us to provide more timely insights and better align our reporting with our ongoing growth and development.

Thank you for reading, for being part of this journey, and for supporting us!

The Mastodon team



HELP US TO REACH OUR GOALS, DONATE!

We develop and maintain the free and open-source software that powers the social web. There is no capital behind this—we rely entirely on your support through platforms like Patreon, GiveButter and Benevity.

joinmastodon.org/sponsors

