

## BOAS expected value calculations

We have conservatively estimated the EV of direct and indirect effects. Below you can find a longer explanation of the effects.

### Direct effects:

- (0.1% odds) EV Biggest marketplace in NL : 2.5 million \$
- (0.01% odds) EV Biggest marketplace in EU : 4.5 million \$
- (0.01% odds) EV Biggest marketplace in World : 36 million \$

**Total direct effects EV: 43 million \$**

### Indirect effects:

- (0.01% odds) EV of influencing 1% of the world's profits for 100 years: 1 billion \$
- (0.0001% odds) 80% of the world's profits going to charities for 500 years: 4 billion \$
- (0.01% odds) Influencing 1% of people's yearly donations to become more effective for 100 years: 150 million \$

**Total indirect effects EV: 5.15 billion \$**

**Total investment needed to generate EV's above: 108 million \$**

Note the 108 million USD investment is only needed when the odds of success have increased dramatically. Initial investment asked by BOAS is around 400.000\$

### Direct effects

The biggest marketplace in the Netherlands has a yearly profit of 166 million euros and is on track to make 2.5 billion in profit (15 yrs dominance, no future growth). If BOAS has a 0.1% chance to become the biggest marketplace in a small country like the Netherlands, it would have an EV of 2.5 million euros in donations. With 0.01% odds of BOAS as the biggest EU marketplace (Amazon), EV is 4.5 million in donations to effective charities. With 0.01% odds of being the biggest marketplace in the world, EV is at least 36 million dollars.

Assuming these odds of success, 15 yrs of dominance at profit margins of the current players, EV is at least 43 million \$ in donations.

## Indirect effects

It might be likely that the second-order effects have a higher expected value than the direct effects. These are estimates of the most important second-order effects:

1. Showing consumers that their everyday purchases can generate donations to charity, at no extra cost or behavioral change to them, would likely lead to more people starting Profit for Good businesses, working for them, buying from them and investing in them. The biggest marketplace in the world would likely have a very large influence on governments, other companies and consumers give more (or all) of their profits and to buy more and more from these companies. We think the biggest marketplace in the world would influence and change at least 1% of the world's 10 trillion dollars in yearly profits to go to charities instead of shareholders. With 0.01% odds of becoming the biggest marketplace, the expected value of that is 10 million dollars per year. We think this change is systemic and would endure for at least a hundred years, leading to an expected value of 1 billion dollars.
  - a. If consumers have multiple options to buy almost all products and services from companies that donate all profits, at the same (or lower) price and quality, they might never buy from for-profit companies again. If you can buy 10 different 5\$ laundry detergents and 6 of them are owned by charities, and the other 4 by for-profit conglomerates, it is possible people will mostly stop buying from profit driven companies. Consumers could demand more and more industries to go fully Profit for Good, turning most of the world economy into one where profits go to good causes. With 0.0001% odds of 80% of the world economy turning Profit for Good, and 10 trillion dollars of yearly profits, conservatively estimating no economic growth, and 500 years of this change enduring, the EV is  $0.0001\% \times 80\% \times 10\text{trillion} \times 500\text{years} = 4$  billion dollars
  - b. Educating people about effective giving. If we assume effective giving is 100 times more effective and total worldwide individual giving at 750 billion \$ a year, we influence 1% of that giving to be more effective for one hundred years, and we have 0.01% odds of influencing 1%, EV would be 150 million \$.