Sia Foundation

Quarterly Report

Q3 2024

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MISSION

The Sia Foundation, Inc. is a 501(c)(3) non-profit dedicated to revolutionizing data storage through decentralization.

Our objectives are to:

- **Support the Sia ecosystem** by providing resources and removing obstacles that discourage developers, entrepreneurs, and others from building, adopting, and supporting Sia.
- **Maintain and build the Sia network** through cutting-edge research on peer-to-peer networks, blockchains, and storage protocols.
- **Educate users** by creating content, organizing events, and hosting workshops.

We believe that the success of Sia relies on a positive feedback loop involving:

- **Developers** who improve the Sia protocol and create products, tools, and services that support its use.
- **Research** that enhances the ability to use Sia and the Sia network for a broader range of data storage.
- **Adoption** of Sia as a performant and scalable storage platform.
- **Users** who are attracted by the utility of Sia and the services that entrepreneurs build on the Sia network.

FROM THE FOUNDATION

This is the Sia Foundation's quarterly report covering July through September 2024. If you have any questions, suggestions, or concerns, please post them on the forum or Discord.

Our vision for Sia is to make the benefits of decentralized storage accessible to everyone. Because what good is a decentralized network that is too slow or complex for actual users to access? There is still a way to go, but Sia will soon be the only decentralized storage network accessible to regular users without complex setup, ridiculous hardware requirements, or relying on centralized access points.

This quarter saw the addition of the Sia Foundation's first marketing hire. We expect to continue to strengthen our growth and business development team in 2025 to support the launch of the hardfork, future products, raise awareness of Sia as a cloud storage network, and market the innovative technologies coming out of our grants program.

As part of our growth and future network goals, we have started a strategic brand and positioning process to support future growth. We expect this process to be completed in early 2025. We will be providing periodic updates on the process and asking for community input and feedback.

We are excited to continue this journey with you and see what the future holds for Sia.

DEVELOPMENT

In Q3, our engineering team continued to finalize support for the hardfork across all of our software products, fixed numerous bugs, and improved usability of `renterd`. We also launched our public V2 testnet, Anagami. In Q4, we will finalize the V2-compatible software releases and work with our partners to add support. Our current target for activation is before May 2025. The v2 hardfork brings several modern upgrades to the Sia network making the network more accessible and performant.

HARDFORK FAQ

WHAT BENEFITS DOES THE HARDFORK BRING?

The hardfork will drastically reduce the time it takes to sync a new node and the space required to store the consensus data. It will also increase performance of file uploads and enable direct access from phones, tablets, and browsers without the need to download additional software.

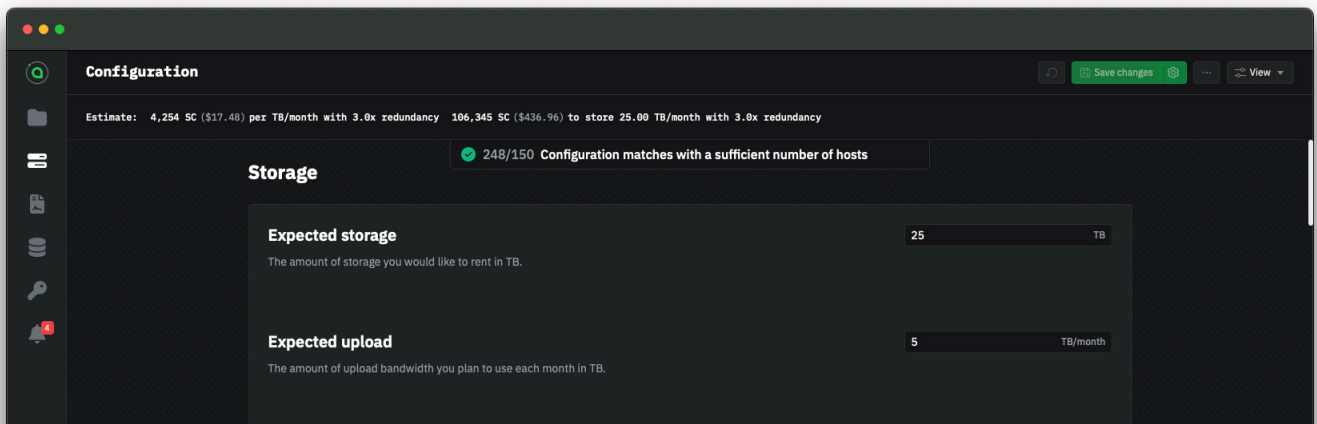### WHAT WILL HAPPEN TO MY SIACOINS?

Absolutely nothing. Your Siacoins will still be accessible via your existing seed or on your exchange. If you are using Sia-UI, you will need to upgrade to walletd. If you are using Sia Central's lite wallet, and exchange, or a Ledger hardware wallet, you will not need to do anything.

WILL MY MINERS STILL WORK?

Yes, all existing and in-development mining hardware based on Blake2b-Sia will continue to be supported.
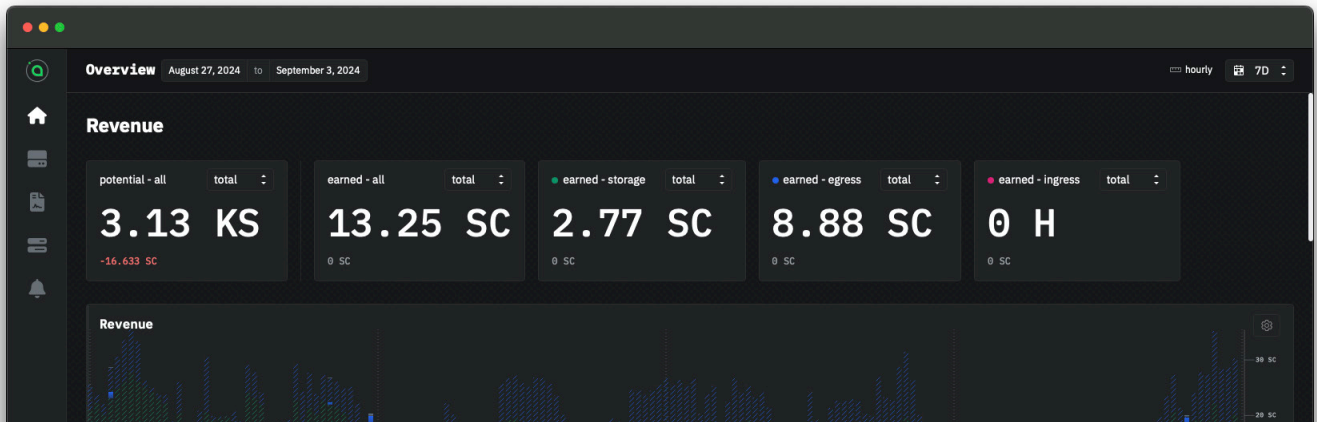
RENTERD

With `renterd`, Sia now has a modern, scalable and performant base for enterprises and users to access Sia storage providers.

This quarter, the engineering team released version 1.0.8, which migrated renterd to the v2-ready core consensus, improved performance in our SQL database, and refactored the autopilot and bus modules to improve upload and download performance .

The team also released a beta for v1.1.0, the last release before the v2 hardfork. This release improves support for v2 and improves usability of the softare by reducing setup complexity, increasing stability, reducing alert spam, and improving file management.

In Q4, we will wrap up the v2.0.0 release providing full v2-compatibility in `renterd`.

HOSTD

`hostd` is a modern and performant node software for storing user data.

This quarter, the engineering team released one new version of `hostd`, v1.1.2. This patch release fixed an issue with the volume write metrics, increased the network timeout for large merkle proofs, and simplified the settings management.
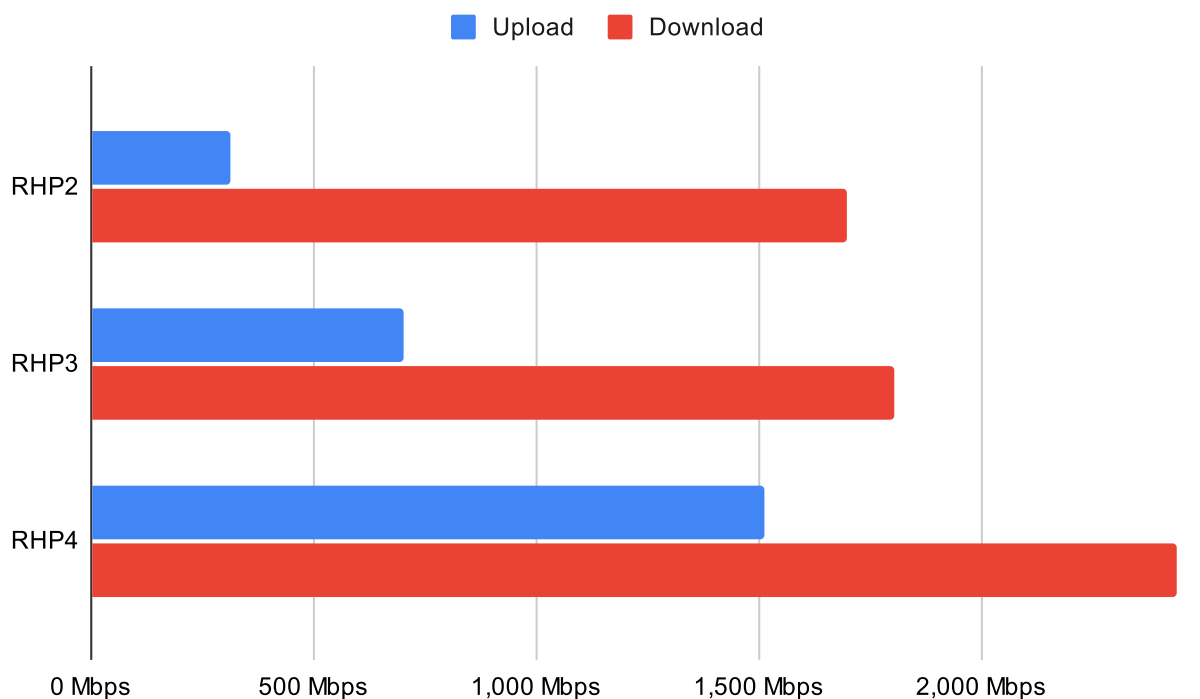
We also release the first alpha of v2.0.0, the v2-compatible update. This brings a number of usability improvements like improved payout tracking in the transaction list and removes all of the legacy code from `hostd`. It also adds support for v2 transactions and file contracts.

In Q4, we will wrap up the v2.0.0 release providing full v2-compatibility in `hostd`.

RHP4

This quarter, we finalized the implementation of RHP4, the peer-to-peer protocol that hosts and renters use to communicate. RHP4 includes a number of improvements that improve performance, stability, and accessibility. It enables delegated repairs, improved IPv6 support, and enables direct peer-to-peer connections in browsers. From initial benchmarks, we expect RHP4 to be able to hit retrieval speeds up to 10Gbps when downloading shards in parallel, drastically improving performance.

In Q4, we will finish adding support to `renterd` and `hostd` and deploy the protocol on Anagami to thoroughly test it before hardfork launch.

EVENTS

In Q3, the Foundation attended our last crypto-industry event. Our goal with these sponsorships is to raise awareness of the Sia network and talk with potential partners about integrating Sia. In Q4, we will be announcing a revamped events strategy to better target other industries and lean on our community for support in identifying these events.
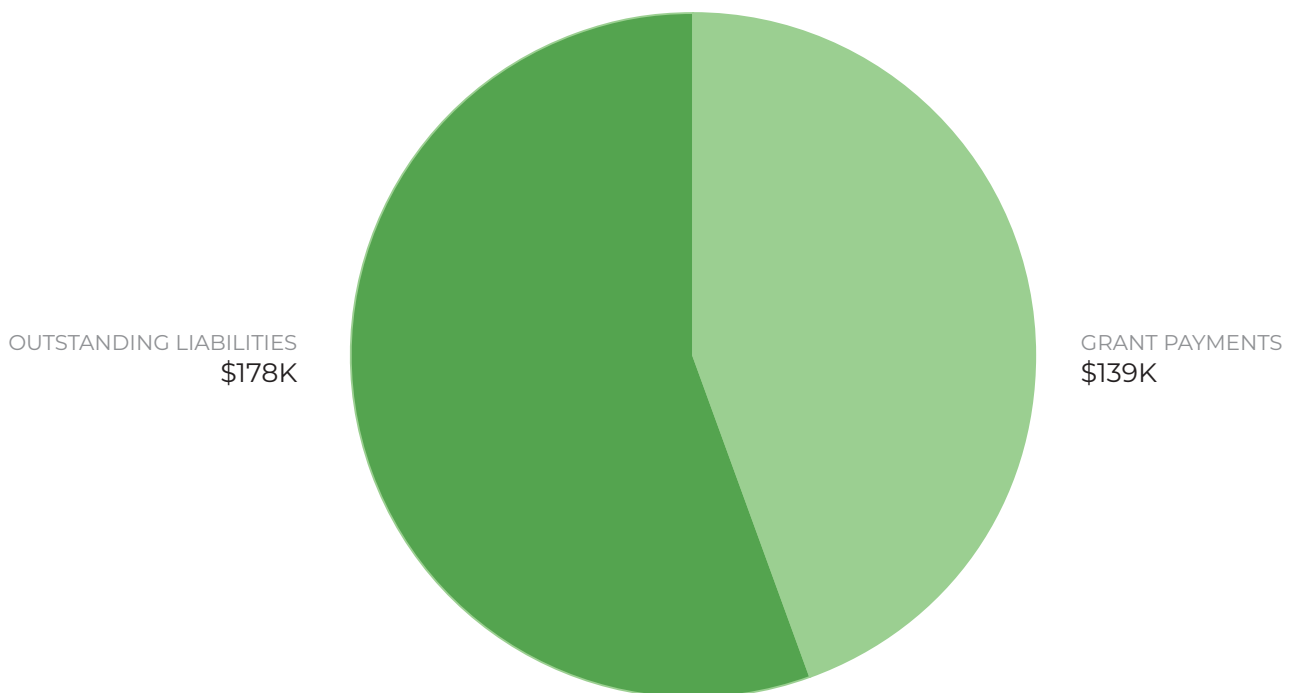
MESSARI MAINNET   SEPTEMBER 30 - OCTOBER 2, 2024

Mainnet was a good opportunity to connect with crypto industry leaders and potential partners. Representatives from the Foundation team were there to talk and educate on the benefits of Sia and decentralized storage. Oliver, the Sia Foundation's DevRel gave a talk on the "Future of Data."

GRANTS

The Sia Foundation Grants Program funds independent teams entering the Sia ecosystem to perform development or other work for the public benefit. Some key areas of funding include: wallets, interoperability, apps, services, integrations, and research.

The grants program is administered by the Foundation and a committee consisting of three community members and three Sia Foundation employees. The committee meets bi-weekly to discuss new grant submissions.

OUTSTANDING LIABILITIES
$178K

GRANT PAYMENTS
$139K

NEW GRANTS

This quarter, the grant committee approved five new grants totalling $74,060.

SIAGRAPH $2,160

SiaGraph is a website that provides data and insights into the Sia network. SiaGraph aims to help track the growth of the network by offering users access to various metrics, including storage usage, individual host statistics, and other global network statistics.

ORBITDB PLUGIN $3,500

Extends the capabilities of OrbitDB by allowing it to use the Sia decentralized storage network as its primary backend. This plugin provides OrbitDB users with a highly available, secure, and resilient storage solution, while preserving the decentralized and peer-to-peer nature of OrbitDB.

PASSKEY HOLDER $9,000

A browser extension that provides users with a decentralized approach to store and manage their passkeys on the Sia network, seamlessly integrating with the WebAuthn API on web pages to ensure reliable handling of authentication requests.

TIRI VAULT $50,400

A browser extension that provides users easy access to a Sia wallet and file storage without downloading additional software or syncing the blockchain.

SMB MOUNTS $9,000

Adds support for mounting Sia storage as an SMB network share.

FINANCIALS

The Foundation's expenses were typical this quarter with the exception of additional expenses for the strategic branding process.

USD ASSETS

EXPENSES	-1,170,317 USD
TOTAL	13,531,527 USD

SIACOIN ASSETS

RECEIVED	394,200,000 SC
CONVERTED	0 SC
TOTAL	3,516,513,368 SC

	Q3	Q1-Q3	2024 Budget	Remaining
Team Compensation	$764,998	$2,149,627	$3,119,523	$969,896
Professional Services	$134,273	$ 193,664	$271,000	$77,336
Operations	$18,014	$ 46,673	$84,330	$37,657
R&D	$102,374	$268,224	-	-
Events & Marketing	$6,231	$338,149	$374,000	$35,851
Grants	$139,099	$600,892	$1,250,000	$649,108
	$1,164,988	$3,597,229	$5,098,853	$1,769,848

R&D refers to research, testing, infrastructure, testnet and related expenses.

BUDGET PROJECTION

As we wrap up 2024, we have updated our budget for 2025. The most notable increases are to our marketing and wage budget for 2025. We intend to significantly increase our marketing activity in 2025, including our digital and in-person presence. This includes the first in-person and digital community meetups and additional community-oriented initiatives. To support this expansion and future growth, we will hire more marketing and business development personnel.

	2024	2025	2026	2027
Team Compensation	$3,119,523	$4,530,917	$4,666,844	$4,806,849
Professional Services	$271,000	$363,517	$374,423	$385,655
Operations	$84,330	$190,581	$196,298	$202,187
R&D	-	$299,593	$308,581	$317,838
Events & Marketing	$374,000	$611,800	$630,154	$649,059
Grants	$1,250,000	$1,000,000	$1,030,000	$1,060,900
	$5,098,853	$6,996,408	$7,206,300	$7,422,489

R&D refers to research, testing, infrastructure, testnet and related expenses.

THINGS WE HAVE NEVER DONE

The Sia Foundation has never modified its website, transparency reports, or other public content at the request of law enforcement.

The Sia Foundation has never modified any of its software at the request of law enforcement.

The Sia Foundation has never turned over its release-signing key to any law enforcement organization or other third party.