



A North Star for the Emerging Psychedelics Industry

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THE FIELD OF PSYCHEDELICS IS rapidly expanding, with a Cambrian explosion of new entities forming to advance these powerful tools into mainstream use. Many willing hands, eager minds, and open hearts from every background are receiving the calling to serve this mission. They are drawn by the power of these medicines, the possibility to create social change, and what promises to be a massive global market.

For the past century, the field of psychedelics has been marked by cooperation over competition, including the open sharing of knowledge, methods, and materials. Now, this movement is grappling with what it means to birth a new industry and field of medicine, not in the sanctity of the underground or lab, but into the very system that has contributed to the underlying traumas psychedelics so effectively treat. The side effects of the dominant operating systems are being felt across the world, as income and racial inequality, environmental degradation, climate crisis, mass consumption, and diseases of despair all continue to trend upward, unmitigated. Capitalism marches on, these symptoms rippling outward in its wake.

The many risks of this moment draw our attention—our story, “We Will Call It Pala” (aurynproject.org/pala), attempts to bring some of them to life. Yet it is inevitable that capitalism, with all its externalities, is the setting into which psychedelic healing will be delivered to the world. This process will not wait for the legacy community’s permission. Therefore it is not a question of if, but of how.

The model of “business as usual” is all too familiar. To see how it intersects with psychedelics, we need look no further than the giant at our doorstep: major pharmaceuticals. Last year Spravato, a mystical experience-avoiding, antidepressant ketamine nasal spray, patented by a Johnson & Johnson subsidiary, received FDA approval. A dose of generic ketamine is roughly \$1.50–\$2.00. A dose of Spravato can be upwards of \$750. There is no evidence that Spravato is more effective compared to the generic. And yet, it is 50,000% more expensive, and is intended for long-term use.

The organizations forming today will build the infrastructure which, three to five years from now, will be delivering psychedelic medicines to the world. The footprints they leave along the way—their consciousness and intention, their methods and models, the blind spots and traumas brought by their leaders and perpetuated by the organizations—will grow in impact as they scale. Five years from now, these patterns will be etched into grooves. They will be the default mode network of the entire field.

How the tension is handled between the need to rapidly scale solutions to address the millions of people suffering, and the friction that may be required to responsibly expand access to these substances, will define this emergent field.

This begs a question: What if we could collectively embody the insights and values the medicines provide us, and build them into the entities that will deliver these medicines?

Changing capitalism itself will be like shifting the currents of an ocean—but how about shaping the way that capitalism intersects with psychedelics? At

the moment, it is still only a small pond. We have a unique window of time to impact how commercialization emerges. This is our project at North Star: to bring together the stakeholders in the psychedelic movement to generate a culture of responsibility, co-create a code of ethics, and collectively determine guiding principles for the commercialization of psychedelics. North Star is an ethical trade association for the psychedelic field, incubated and accelerated by Aurn Project.

We trust in good faith that no one wants to put their life’s work into creating an organization that ends up doing harm, regardless of the profits to be made along the way. What we need is a Hippocratic oath for psychedelic business. Here “do no harm” means more than ensuring a safe trip. North Star has put together a worksheet that organizations, entrepreneurs, or investors can review to mitigate the risks unique to the field. This is especially important if they are structured to create a shareholder return, and if the plan for that is built upon the promise

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of an exit. Here good intention will only go so far. The business model creates the set and setting for the company. Great care must be taken to employ structures that increase the potential of beneficial outcomes, and decrease the potential for harm.

North Star is maintaining a compendium of business and economic models that can be applied to organizations forming in the psychedelic field. Despite the hype, it remains to be seen how applicable the Silicon Valley-style “high-risk, high-reward” venture capital funding models will be to this field. The returns and outcomes expectations are likely to be too aggressive and mis-aligned with a sensible and healthy growth path for psychedelic care providers. Instead, there are alternative funding models that may be more appropriate to seed businesses in this field, such as steady yield-oriented structures that Real Estate Investment Trusts (REITs) adopt for brick-and-mortar operations, or Community Development Financial Institutions (CDFIs), credit unions and co-ops designed for greater financial inclusivity. There is a growing movement in impact investing, with \$228 billion dollars invested into the sector, which is reported to have doubled from 2017 to 2018. Companies everywhere are taking up the banner of Corporate Social Responsibility, with varying degrees of effectiveness. Beyond the existing systems, there are also exciting new progressive corporate and investment models worth considering, inspired by efforts in parallel movements from Regenerative Agriculture to Impact Investing. Some noteworthy examples include:

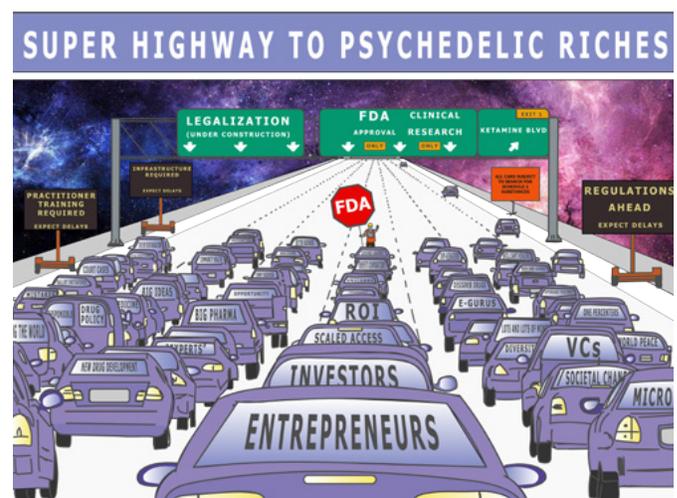
1. B Corporation and Public Benefit Corporations (PBCs): a Certified B Corporation is a private certification issued to for-profit companies by B Lab. B Corp certification is an example of how for-profit companies can establish regenerative and charitable principles within their corporate charters to drive positive impact. MAPS Public Benefit Corporation is an excellent case study on how a non-profit can establish revenue generating and profitable business units leading to a more self-sustaining model for NGOs to thrive outside of donations alone (e.g. non-profits leveraging business models and practices of for-profits for healthier financial viability)

2. Crowdfunding and Micro-Lending Networks: Steward provides an inspiring example of a crowdfunding platform to support independent farmers in regenerative agriculture. Applying the Steward model to this field could look like patient, reasonable loan terms extended to fund independent, local clinics, and supporting them with a full software suite of tools for booking, billing, reporting, accounting, etc., that would allow clinicians to focus on care without becoming experts in business operations. Kiva is a microlending platform set up as a non-profit for lenders to perpetually re-loan their capital as each loan gets repaid. A similar offering in the psychedelic medicine field could allow for “evergreen” business loans on fair and reasonable terms to therapists and startup clinics, while also providing accountability and transparency on use of proceeds and milestones. Furthermore, this could also allow DAFs and other philanthropic capital pools to achieve high-leverage on the same amount of donated funds—e.g., the re-lending of the

same donation to multiple clinics over time.

3. Additional practices and models that promote long term impact and center ethics:

- Capped return investment vehicles (e.g. OpenAI)
- Funds that donate portions of profits and carried interest to support non-profit efforts that benefit the community (e.g. Lionheart Ventures)
- Cooperative Funds that provide financial support to co-ops (e.g. Cooperative Fund of New England)
- Conscious investors formally incorporating values and ethics into their investment terms, e.g. Obvious Ventures’ World-Positive Term Sheet for early-stage tech startup investment rounds
- Inclusive stakeholder capitalism such as Joon Yun’s “Interdependent Capitalism”
- Founder and Operator collectives to fund other founders in a specific field and geography (e.g. The Fund NY)
- Socially Responsible Investments (SRI) using ESG measurements (Environmental, Social and Governance): a class of investments that seek positive returns and long term impact on society, environment, and business outcomes.
- Commitments from businesses & entrepreneurs to empower altruism:
 - 1% for the Planet: committing at least 1% of sales to funding environmental causes.
 - Salesforce’s 1-1-1 pledge model: giving 1% of product, 1% of equity and 1% of employees’ time to philanthropic causes and the non-profit sector.
 - Founder’s Pledge: entrepreneurs make a binding pledge to donate a chosen percentage of personal proceeds at the point of liquidity.



4. Metrics, scorecards, and tools for measuring a company's impact:

- B Labs Impact Assessment – a comprehensive tool to measure a company's impact on its workers, community, customers, and environment.
- IRIS Measure – a set of standardized metrics that can be used to measure and describe the social, environmental, and financial performance of organizations and businesses receiving impact investment.
- JUST Scorecard – a voluntary disclosure tool to help organizations optimize policies that improve social equity
- SDG Compass: Maps existing indicators against the UN Sustainable Development to help organizations report their contributions to SDGs. You can also use B Labs' SDG Action Manager tool, found online at bimpactassessment.net.

North Star is co-creating an ethical pledge for people and organizations operating in the psychedelic field, drafted through an intensive process of inclusive stakeholding. The North Star team is currently hosting a series of learning conversations with healthcare professionals, therapists, clinicians, community builders, wisdom keepers, elders, activists, policy makers, philanthropists, entrepreneurs, investors, and patients to shape this pledge and the direction of North Star's work. The pledge, with initial signatories, will be available for signing on April 15th. We

welcome your input at northstar.guide.

Our movement, and our society, has a pattern of not centering marginalized voices. The opportunity and urgency of the commercial era of psychedelics creates a pressure that makes embodying our values even more difficult. Good intentions are not enough, considerate action is required. For that reason, we strive to not only bring people to the table—to not only listen to these voices—but to incorporate their wisdom into this work. North Star has created a living set of principles to guide our action, reflecting the insights of many elders, mentors and influences. These principles orient our action as a team, and we extend an open invitation to use them if they may be valuable.

Principle #1: As Within, So Without

How we are internally determines how we act externally, the quality of work we do, and the impact we will make. If we are to participate in this field mindfully, we must be continuously engaged in our own personal inquiry and rigorous self-work.

Principle #2: The Process is the Outcome

How we do something is as important as what we are trying to do. This means we must model the world we seek to create in the actions we take to get there.

Principle #3: Move at the Speed of Trust

Trust is essential for partnership. It is built through authenticity, vulnerability, and deep listening. This process calls us to slow down to build the relationships that truly drive change.

Principle #4: Inclusive Interdependence and Decentralization

Each individual and entity must recognize themselves as part of a larger system, whose health depends on the health of all.

<p style="text-align: center;"><u>HOPES</u></p> <p style="text-align: center;">Increased understanding of trauma & healing through research funding</p> <p style="text-align: center;">Unprecedented investment in breakthrough treatments</p> <p style="text-align: center;">Potential to reach the most vulnerable populations through scaled accessibility</p> <p style="text-align: center;">Momentum to decriminalize and legalize access to psychedelics</p> <p style="text-align: center;">Reconnection with self, community, and nature through mystical experiences</p>	<p style="text-align: center;"><u>FEARS</u></p> <p style="text-align: center;">Competitive maneuvers to block knowledge sharing for personal gain</p> <p style="text-align: center;">Pressure to maximize ROI and trade quality of care for growth and profit</p> <p style="text-align: center;">Unaffordable treatment; marginalized peoples under-represented in leadership</p> <p style="text-align: center;">Social justice issues deprioritized or forgotten when policy is proposed</p> <p style="text-align: center;">Commodified mystical experience; lack of emphasis on integration and support</p> <div style="text-align: right;">  </div>
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Authority is rooted in collective will. Special attention must be paid to ensure that all voices and perspectives are sought, listened to, and empowered to make change.

Principle #5: Lean into Tension as an Opportunity for Growth and Learning

Each person brings their own lineage, shadow, and biases into this work, which will inevitably lead to tension. These tensions should be received as an opportunity for growth and learning. The goal is to open ourselves up to understanding: the widest perspective possible.

Principle #6: Honor and Share Collective Wisdom for the Benefit of All
We commit to honoring the sources of our knowledge, and openly sharing insights that accelerate the collective learning, for the benefit of the ecosystem overall.

Principle #7: Reciprocity, Reparation, Reclamation

An unjust and unequal system has unevenly distributed trauma, resources and opportunity. The psychedelic movement stands on the shoulders of indigenous knowledge and practices, victims of the War on Drugs, visionaries, activists, and scientists who have open-sourced their work. Those who accrue wealth from this wisdom have a responsibility for understanding and repairing the harm that has been done in getting us here, and giving back to the collective.

Principle #8: Continuous Iterative Learning and Evolution

“Expertise” is a process, not an outcome. Dynamic systems demand dynamic ways of learning. We are never fully aware of our blind spots, or the facts on the ground as they evolve. As people and organizations we must actively keep ourselves on a constant learning curve, avoiding the static thinking in which growth stalls. We must constantly seek to ask better questions.

Principle #9: I am Part of Something Greater than Myself

This movement is decades old. The use of these medicines dates back millennia. Our actions impact its future. We have a responsibility to its past. We must each strive to be good members of this movement, to nurture it, and work in service of its potential. These powerful substances can spiritualize us and bring us into right relationship with nature. May we give reverence to the forces of life that flow through us, and work diligently to keep these teaching plants and molecules sacred.

We envision a culture for the field of psychedelics guided by these principles.

To the new arrivals to the psychedelic field, we say this: Welcome. We are glad you're here. You have an essential role to play. There is so much work to do. We humbly remind you, as our elders so often remind us, that work starts with you, and with each one of us, each and every day.

To those who have dedicated their lives to laying the foundation of this field: You have the opportunity to welcome and guide this new energy, to help shape how these medicines

get delivered, and to set the ethical bar high and ask that those seeking your expertise and influence meet you there. If value-holders stand on this ground, a powerful force of positive peer pressure will be generated. Together, we can create a critical mass to establish another pathway forward, beyond “business as usual.”

There is a better future out there, and the era of psychedelic commercialization could help us realize it. It's up to us to do it right. Will you join us in this amazing opportunity?

Join the journey at northstar.guide.

Liana Gillooly is an accomplished activist and movement builder, who is dedicated to liberating the healing potential of psychedelics and ending the war on drugs. She is currently Development Officer at MAPS where she leads fundraising efforts. Liana is also the co-founder of Auryn Project, and founder of North Star, the first trade association for the psychedelic field, focused on the ethical stewardship of psychedelic commercialization. Liana actively advises multiple efforts in psychedelic decriminalization, drug policy reform, as well as startups, non-profits, and conferences operating in the realms of psychedelics, mental health and consciousness. Prior to MAPS, she helped grow the leading investment network for the emerging cannabis industry, The Arcview Group, where she also advocated for legalization, lobbied congress on behalf of the National Cannabis Industry Association, and supported the Marijuana Policy Project. Earlier in her career, Liana founded a visionary art gallery in Los Angeles, helped launch a non-profit providing psychedelic therapies to special forces veterans suffering from PTSD and TBI, and launched a conference bridging the realms of psychedelics and cryptocurrencies. Liana has been a featured speaker at TEDx, SXSW, Summit Series, Future Frontiers, Boom Festival, Symbiosis, Awakened Futures, and multiple documentaries and podcasts. She is trained in psychedelic peer support, death midwifery, and permaculture design, and attended Boston University where she studied International Relations. She can be reached at liana@aurynproject.org

Kat Conour, LMFT, brings her background in psychology, non-profits, philanthropy, corporate consulting and facilitation in service of empowering leaders and organizations in the field of psychedelics to turn their values and vision into aligned action. An Emergent Strategy fangirl, Kat recognizes that a movement is only as strong as the relationships and systems upon which they are built. As Executive Director of Auryn Project and co-founder of North Star, her work currently focuses on ensuring that equity, ethics, and accessibility are embedded in practice within the scaling of psychedelic medicines. Additionally, she is a ketamine-assisted psychotherapist at Sage Integrative Health and being trained by MAPS in MDMA-assisted therapy. Kat also served on the board of Threshold Foundation and Emergent Fund Advisory Council and currently sits on the Advisory Board of the Chacruna Institute for Psychedelic Plant Medicines. In a former life she was a yoga teacher, trainer and early collaborator in the development and scaling of an affordable and expertly taught yoga method called yogahour. In her free time she can be found romping in fields with her super mutt Abby Rose or sweating it all out on the dance floor. She can be reached at kat@aurynproject.org.