

# Environmental, Social & Governance Report 2021

Robinhood 

# Contents

<b>01</b>	<b>A Letter From Our CEO</b>	<b>05</b>
<b>02</b>	<b>About This Report</b>	<b>06</b>
<b>03</b>	<b>Our ESG Priorities</b>	<b>06</b>
<b>04</b>	<b>About Robinhood</b>	<b>08</b>
	Our Mission and Values	<b>09</b>
	Our Business	<b>11</b>
	Customer Focus	<b>14</b>
<b>05</b>	<b>Living Our Values</b>	<b>15</b>
	Access and Inclusion	<b>16</b>
	Education	<b>17</b>
	Community Engagement	<b>18</b>
	Privacy and Security	<b>20</b>
<b>06</b>	<b>Investing in Our Talent</b>	<b>23</b>
	Attracting Talent	<b>24</b>
	Growth, Motivation, Retention	<b>27</b>
	Inclusion, Equity, and Belonging	<b>29</b>
<b>07</b>	<b>Governing Responsibly</b>	<b>35</b>
	Ethics and Compliance	<b>36</b>
	Robinhood Markets, Inc. Board of Directors and Managerial Oversight	<b>39</b>
<b>08</b>	<b>Operating Sustainably</b>	<b>44</b>
	2021 Greenhouse Gas Inventory	<b>45</b>
	Future Sustainability	<b>47</b>
<b>09</b>	<b>A Note About Forward Looking Statements</b>	<b>49</b>

# Introduction

Our mission  
is to democratize  
finance for all.

# A Letter From Our CEO



Robinhood was founded on the belief that everyone should be able to participate in the financial markets. We've removed the barriers that historically prevented everyday investors from fully participating in the markets and are educating and empowering our customers to take control of their financial futures.

Our mission— to democratize finance for all—is the foundation of our business strategy, drives our ESG strategy, and is embedded in the decisions we make every day.

In 2021, we became a publicly traded company and we continued to grow, nearly doubling the number of customers on our platform from 12.5 million to 22.7 million. We made critical investments in our team and infrastructure to improve the reliability and scalability of our platform and support long-term growth, while rolling out key product developments.

From the start, ESG at Robinhood has been focused on building a company that our customers can be proud to invest with. Investors in this new generation are known for their desire to support companies that reflect their values and we see ESG as an opportunity to drive positive impact for our business while providing our customers with more transparency on our priorities and how we operate.

ESG is also one of the key investments to support our long-term growth. We talked about our ESG approach in our IPO filing and published our first ESG report in September 2021, just months after becoming a publicly traded company. We wanted to be clear from the start that ESG is a priority, and that we'd be transparent about our progress.

Last year, we embarked on a journey to engage our leadership and all employees in identifying our ESG priorities. This included dozens of interviews with business and functional leaders, and a company-wide employee survey. This process confirmed that the highest priority for Robinhood is to “embody our mission in all business decisions.” Our mission is powerful and resonates internally and externally. We dedicated time to identify key areas to advance our mission - throughout our products, our customer interaction, our support of financial literacy and inclusion, and in our assessment and improvement of our environmental footprint - to result in the greatest positive impact for our stakeholders.

This report reflects our ESG priorities, activities, and key metrics for 2021, and progress since our inaugural report released this past September. It also includes updates in three key areas:

- 1. Consumer Education and Support** — We've added in-app educational content and 24/7 live phone support for all logged-in customers. We also built substantial tooling to support customer representatives to answer questions and resolve issues.
- 2. Inclusion, Equity, and Belonging (IEB)** — We are sharing our IEB data for the first time in this report. Our IEB programs are a foundational part of our decisions - from how we aim to include everyone in the financial system, to how we engage and support our customers to how we attract, retain, and grow our employees.
- 3. Climate** — This year, we are excited to announce the first of our investments in renewable energy and carbon removal to reduce our 2021 footprint. We completed GHG emissions inventories for the past three years and expanded on the Scope 3 categories included in our first inventory.

We have an ambitious roadmap for Robinhood this year focused on three core areas: being the best place to get started investing, helping first time investors grow into long-term investors, and continuing to serve advanced investors with the power and simplicity they need. This year we will be expanding this roadmap to encompass our core ESG priorities. We believe this will extend our mission and impact even further, and support our business growth and resilience for the long term.

We look forward to updating you on our progress in 2022 and how we are embedding ESG in all that we do.

A handwritten signature in black ink, appearing to read 'Vladimir Tenev'. The signature is fluid and cursive.

**Vladimir Tenev**  
Chairman, Chief Executive Officer,  
Co-Founder, and President

# Our ESG Priorities

## About this Report

This 2021 report represents an overview of Environmental, Social, and Governance (ESG) at Robinhood, as well as a report of activities and progress undertaken in our fiscal year 2021 (January 1, 2021 - December 31, 2021). It builds on our inaugural ESG report, released in September 2021, after we became a publicly traded company in July 2021. All data is reflective of FY21, unless otherwise noted.

## Our ESG Priorities

In 2021, we partnered with third-party sustainability and ESG advisor, SustainBiz, to undertake our inaugural ESG prioritization assessment. ESG is a foundational part of our business strategy and our value proposition to shareholders. We commenced this effort as we were going public to ensure it would inform our company strategy.

This assessment reflects significant engagement across Robinhood leadership through direct qualitative interviews with more than 40 senior leaders and executives. Their responses underscored a strong sense of commitment to our mission, a recognition of our challenges, and a commitment to investing in our ESG priorities. Members of our Board of Directors provided input. Employees participated in ranking priorities through our first ESG survey. Importantly, it reflects the input of over 29,000 of our customers. In the future, we look forward to including perspectives from investors, analysts, and other stakeholders as we scale our ESG program and future disclosures.

Our prioritization exercise helped us identify the most critical existing and emerging ESG topics for our business and our stakeholders, and develop an ESG strategy that reflects them.

Our highest ESG priorities align with two of our core values:

### Safety First

- Governing Responsibly
- Security, Safety, and Privacy
- Environmental Impact

### Participation is Power

- Diversity, Inclusion, Equity, and Belonging in all decisions - across employee and customer experience
- Financial Education
- Transparency

These priority areas reflect where we are specifically positioned to create business and societal value, and areas that will most help us advance our mission. Business, society, and the state of the world change rapidly. We intend to periodically refresh this assessment to evaluate emerging ESG issues of greatest importance and impact to our stakeholders and to our business.



What is an ESG  
Prioritization Exercise?

An ESG Prioritization Exercise is the process of identifying, assessing and prioritizing environmental, social and governance issues of highest importance to a business and its stakeholders, including society and the environment.

# Our ESG Priorities

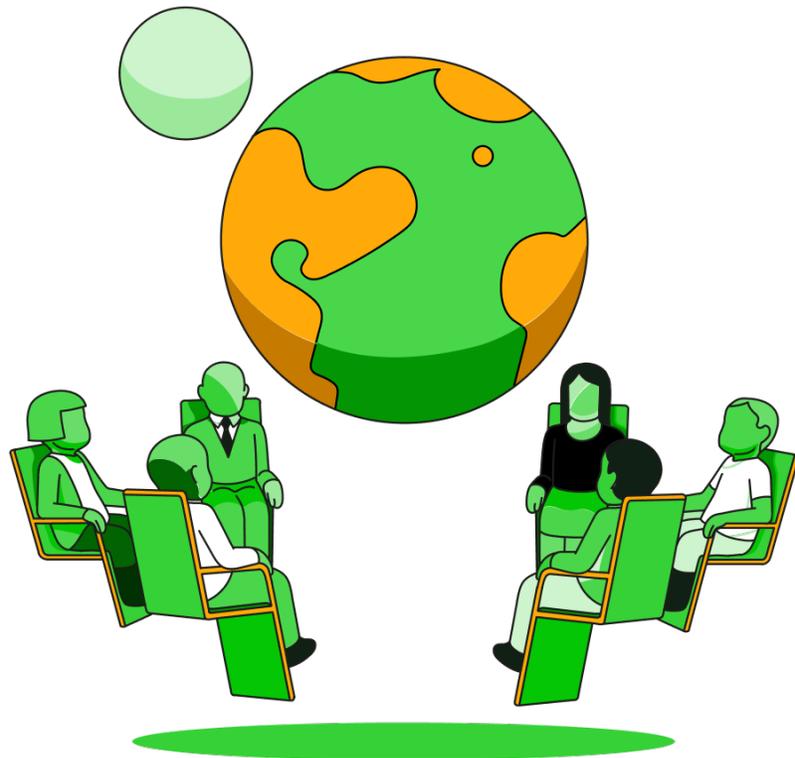
We shared the results of our ESG prioritization assessment with our ESG working group and key cross-functional group of senior leaders and subject matter experts across the company who participated in the assessment. Together we reviewed the priorities, assessed current activities against industry and investor frameworks, and developed short and long-term strategies to address them. These were shared with our executive team and Board. The results informed our fiscal year 2022 goal-setting, longer term ESG strategy, and this report.



“Investing is a tool I can use to achieve financial freedom and the American Dream.”

Divvy

Robinhood Brokerage Customer



# About Robinhood

# Our Mission and Values

## Our Mission

Robinhood was founded in 2013 on the belief that everyone should be welcome to participate in our financial system. We are creating a modern financial services platform for everyone, regardless of their wealth, income, or background.

Our mission is to democratize finance for all. We use mobile technology to make our financial system accessible to customers. We believe investing should be familiar and welcoming, with a simple design and an intuitive interface, so that customers are empowered to achieve their goals. We started with a revolutionary, bold brand and design in the Robinhood app which makes investing approachable for millions. We pioneered commission-free stock trading with no account minimums, which the rest of the industry emulated, and we continue to build relationships with our customers by introducing new products that further expand access to the financial system. Through these efforts, we believe we have made investing culturally relevant and understandable, and that our platform is enabling our customers to become long-term investors and take greater control of their finances.

---

## Our Values

At Robinhood, our values are in service of our customers. The following values describe the company that we aspire to become.



### Safety First

Robinhood is a safety-first company. The reliability of our platform takes precedence over all else, so that we can be there for our customers when they need us the most. We relentlessly protect our customers' security and privacy, and we only share with our counterparties what they need to fulfill our customers' financial needs, nothing more. We build safeguards and provide education so our customers are in a strong position to succeed. We have high-quality, timely customer support, and when things aren't right, we fix them. We work closely with regulators and lawmakers to help protect our customers and the broader financial system. We speak simply, plainly, and truthfully, even if it's not what others want to hear. We hold ourselves and our colleagues to the highest ethical standards.

# Our Mission and Values



## Participation is Power

At Robinhood, the rich don't get a better deal. We founded Robinhood in the wake of the financial crisis because we identified a gap—previously, the more you had, the better deal you got. We aim to give everyone access to the financial system, regardless of their background or account balance. That's why we have uniform interest rates, no account minimums, and a product that was designed from the ground up for small accounts. We would rather serve many small customers over a few large ones. We reflect the world around us, and we elevate and embrace all voices so everyone feels at home at Robinhood.



## Radical Customer Focus

We exist to make our customers happy. From the early days of Robinhood, we have prioritized getting direct customer feedback on what we are building. Talking to our customers forms the kernel of the product development process we have today. We listen with empathy, ask questions, and critically evaluate our work by factors such as how valuable our customers find it. We never stop asking how we can make our product better and we never settle for 'good enough'. We listen to our colleagues, and we start from a place of believing they are capable and well-intentioned. We delight our customers and take pride in our work. Otherwise, why even be here?



## First-Principles Thinking

We seek to make bold bets and challenge the status quo. Our foundation is in art, science, and pure mathematics, and we have a deep appreciation for the scientific process. We develop hypotheses and design experiments to test them. We reduce complex problems to their constituent bits. We debate vigorously and change our minds when confronted with the right evidence. We treat our company like a product and aim to get better, every single day.

# Our Business

We understand that millions of our customers use Robinhood to enter the financial markets for the first time and we take our responsibility to them seriously. We engage with regulators and policymakers to ensure they understand our perspective on how regulation will affect our customers. We are passionate about operating Robinhood in a way that aligns with customer interests, applicable regulations, and with our own mission to democratize finance for all. We plan to create an ecosystem of financial products and services that will enable people across the world to become investors. We believe the products on our roadmap will go a long way toward making that a reality.

We believe our products can transform the relationship people have with the financial system. We began by offering our customers the ability to buy and sell equities on a mobile-first platform and have since continued to expand our offerings to add products and features for our customers. Each capability we have added has been the result of a continuous focus on our customers' needs and feedback; this has guided our product development decisions throughout our history.

The core tenet of the Robinhood business—expanding access to our financial system through products that empower people to learn, participate, and grow—underpins each of our offerings. We remain focused on building the best products and ultimately aim to serve all of our customers' financial needs.

## Our brokerage subsidiary, Robinhood Financial, LLC, offers:



**Investing:** U.S. listed stocks and exchange-traded funds (ETFs), as well as related options and select American depository receipts (ADRs).

**Fractional Trading:** Enables all of our customers—regardless of budget—to build a diversified portfolio with as little as \$1 and to access stocks previously out of reach because of share price.

**Recurring Investments:** Customers can automatically invest in stocks and ETFs on a schedule of their choosing, helping to make investing a habit and to build a portfolio for the long term.

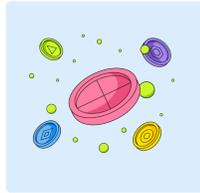
**Robinhood Gold:** Our monthly paid subscription service provides customers with premium features, such as enhanced instant access to deposits, professional research, Nasdaq Level II market data and, upon approval, access to margin investing.

**Initial Public Offering (IPO) Access:** Our IPO Access feature enables our customers to buy shares in participating IPOs at the IPO price, before trading begins on public exchanges. With IPO Access, our customers can participate with no account minimums.

# Our Business

Since our last report, we also launched **First Trade Recommendations**, where new investors can access a personalized recommendation of a small, diversified ETF investment portfolio that seeks to manage risk and return, based on their goals, risk profile, and investing needs.

## Our crypto subsidiary, Robinhood Crypto, LLC, offers:



**Cryptocurrency:** Eleven different crypto-currencies are available for trading as of April 12, 2022. In April 2022, Robinhood made Crypto Wallet transfers available to all crypto account holders. We charge no commissions or fees for crypto trades.

## Our spending account subsidiary, Robinhood Money, LLC, offers:



**Robinhood Cash Card and Spending Account:** Lets customers spend with a debit card and opt into rewards that were once reserved for credit card holders, like round ups and bonuses.

**Early Access to Paychecks:** Customers can set up direct deposit and apply to get access to their paycheck up to two days early.

**No Hidden Fees:** Spending the Robinhood way with no monthly fees, no subscription fee, no in-network ATM fees, no overdraft fees, and no account minimum fees that cut into a customer's subsequent investing activity.

## We generate substantially all of our revenue through:



**Payment for order flow (PFOF) and Transaction Rebates:** From market makers to which we route orders.

**Robinhood Gold:** Subscription fees.

**Securities Lending:** Income from lending securities to counterparties.

**Interest Income:** Margin lending and cash deposits.

More information about our revenue is available on our website [here](#).

Trades of stocks, ETFs, and options are commission-free at Robinhood Financial LLC. Other fees may apply. Please see Robinhood Financial's [Fee Schedule](#) to learn more. See the last page of this Report for important information.

# Customer Focus

## Customer Commitments

At Robinhood, we pride ourselves on our radical customer focus and we are committed to delivering an industry-leading customer experience. In 2020, we launched our customer commitments to provide clarity on what the people we serve can expect from Robinhood. They are as follows:



### No Commission Fees.

We believe that everyone should have equal access to financial markets. We pioneered commission-free stock trading with no account minimums.

Note: Trades of stocks, ETFs and options are commission-free at Robinhood Financial LLC. Other fees may apply. Please see Robinhood Financial's Fee Schedule to learn more.



### Extra Protection.

Robinhood Financial LLC and Robinhood Securities, LLC are members of Securities Investor Protection Corporation ("[SIPC](#)") and we provide our brokerage customers with additional "excess of [SIPC](#)" coverage. Robinhood Money, LLC products are not subject to [SIPC](#) coverage but funds held in the new Robinhood Money spending account and Robinhood Cash Card account may be eligible for FDIC pass-through insurance. In addition, our existing Cash Management product places customer cash with FDIC-insured banks.

Note: Like [SIPC](#) coverage, the "excess of [SIPC](#)" policy does not protect against a loss in market value.



### High Security Standards.

We are committed to keeping our customers' accounts safe. We offer security tools and educate our customers to help them practice safe cybersecurity habits.



### Dedicated Support.

We aim to respond to customers as quickly as possible to resolve issues fast. We have a team of hundreds of trained agents and registered financial representatives across the U.S. who are focused on our customers.



### Transparency.

We aim to operate a transparent business model. Our website outlines how we make money and we will continue to keep our customers informed about how we generate revenue as our product offerings grow.



### Quality Execution.

We perform regular and rigorous reviews of the execution quality our customers receive from our securities market makers, including the execution price, speed, and price improvement.



## What is Quality Execution?

Quality Execution is a measure of how well a customer's order has been executed. Metrics to assess quality execution include price, fill rate, and fill speed.

# Customer Focus

## Customer Support

In the fourth quarter of 2021, we announced 24/7 phone support. Throughout 2021, we saw a significant increase in interest and activity on our platform, leading to slower customer support response times during high volumes. In response, we went directly to our customers to understand how we could best offer customer support that worked for them. From that research, we expanded a team of trained customer support representatives to support all issues, streamlined the in-app phone support request process, expanded to around the clock hours of operation, and grew our educational and customer support resources.



## Transparency

Transparency and openness are foundational aspects of our mission to democratize finance for all. We're committed to explaining our business and the financial markets clearly and simply. Both in our app and on our website, we publicly disclose our sources and methods of revenue. As required by SEC regulations, our brokerage affiliates release public disclosures each quarter regarding our securities execution and routing practices, including information about the rebates we receive, the market makers we route to, and the percentage of orders routed to each market maker. And our crypto affiliate publicly posts its average transactional rebate received over the prior fiscal quarter. We'll continue to be transparent about how we make money to increase the understanding of our industry. More information about our quality standards, including statistics tracking our securities execution quality, is available on our website.

# Living Our Values

# Access and Inclusion

## Our Customers

22.7M

Net Cumulative Funded Accounts: 22.7 million people invest on Robinhood, with a median age of 32. As of December 31, 2021.

>50%

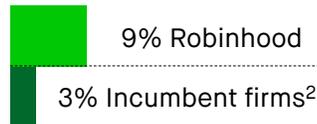
First-time investors: Approximately 50% of people who invest on Robinhood are self-identified first-time investors. As of December 31, 2021.

>1/3

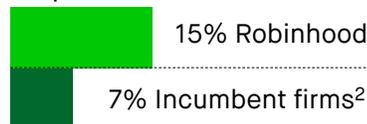
Women investors: Amount of investors on the platform that are women. As of December 31, 2021.<sup>1</sup>

Since our founding in 2013, we've committed to breaking down barriers that historically prevented millions of Americans from participating in the financial markets. Many barriers still exist today—not just economic, but also educational and emotional. Understanding our customers' needs helps us expand our efforts so we can meet them where they are in their financial journeys. By offering relatable and easy-to-understand educational materials, launching product enhancements, and investing in community partnerships, Robinhood is opening doors for a generation of more diverse investors.

### Black Investors on Robinhood<sup>1</sup>



### Hispanic Investors on Robinhood<sup>1</sup>



“Not a lot of people in the Latino community invest. It’s not something we’re taught. I’m trying to change that narrative.”

CARLOS

Robinhood Brokerage Customer

## Disclosure

<sup>1</sup>Data comes from a Robinhood survey, powered by Dynata. Based on a sample of 28,412 Americans who have a brokerage account. Sample is representative of the US population across age, gender, income, race/ethnicity, and regional residence. Data collected between 07/01/2021 and 12/31/2021.

<sup>2</sup>Data comes from a Robinhood survey, powered by Dynata. Based on a sample of 28,412 Americans who have a brokerage account. Sample is representative of the US population across age, gender, income, race/ethnicity, and regional residence. Incumbent firms include: Charles Schwab, E\*Trade, Fidelity, TD Ameritrade, and Vanguard. Data collected between 07/01/2021 and 12/31/2021.

# Education

Offering educational resources is critical to advancing our mission. The more financial education people receive, the better equipped, and thus more empowered—they will be to make personal investment decisions that meet their long-term goals. We've been expanding financial educational resources on the Robinhood Learn website for anyone to access as well as in-app education for our customers.

We offer a variety of ways for our customer to grow their financial knowledge:



**Robinhood Learn [9.8M web page views in 2021].** Robinhood Learn is an online collection of beginners' guides, feature tutorials, and an extensive financial dictionary available to anyone. It is designed to provide people with a breadth of financial education and is regularly updated to ensure we provide timely and relevant information for anyone to learn and grow.



**In-App Education:** To complement Robinhood Learn, we launched an in-app learning experience in early 2021. Our first in-app education resources cover investing fundamentals including why people invest, a stock market overview, and tips on how to define investing goals. This allows customers to understand the basics of investing before their first trade. We will continue to release more Learn modules to provide customers access to information that can help build financial confidence.



**Newsfeeds: [10.9 million in-app users in 2021].** Our newsfeed gives customers access to free, premium financial news from sites such as Barron's, Reuters, and The Wall Street Journal.



**Robinhood Snacks [40 million Snacks newsletter subscribers as of Q4 2021].** Robinhood Snacks is an accessible digest of business news stories written for a new generation of investors. Its bite-sized news stories bring new investors the latest market-moving news without all of the complicated financial jargon.

Robinhood is committed to providing our customers with financial education across their investing journeys. We start by offering in-app financial lessons focused on financial markets basics to all new customers. We then provide ongoing education through our in-app Learn program for all customers and through the Robinhood Snacks podcast and newsletter for all subscribers. In line with our mission to democratize finance for all, we also use social media to provide education to anyone in the public looking to boost their financial knowledge. Robinhood's educational experience is designed to make it easier for customers to access the information they need to make better-informed decisions.

# Community Engagement

## Community Engagement

At Robinhood, we demonstrate our commitment to democratizing finance for all through meaningful community engagement and innovative social impact with a diverse spectrum of mission-aligned partners and organizations. In 2021, we made progress on this ambition through a number of new stakeholder partnerships, drove purposeful programming, and contributed over \$1,000,000 in corporate donations to advance financial access and inclusion.

- In August 2021, Robinhood became the first company to sign Operation HOPE's [Investors' Bill of Rights](#), which holds signatories accountable for creating platforms that promote financial literacy and inclusion for their customers. We are proud to be a leader in Operation HOPE's effort to establish an industry standard of prioritizing customer education and wellness.
- We turned this conversation into action in September through a partnership with the National Bankers Community Alliance, the nonprofit arm of the National Bankers Association, to develop their Millennial Wealth Building initiative.
- We built Robinhood's inaugural paid fellowship program for Historically Black Colleges & Universities (HBCU) students. This program opens doors for students with little to no professional experience to explore career opportunities in finance and tech that otherwise might not be available to them, and contributes to a potential diverse talent pipeline into Robinhood.
- Living our Participation is Power value, Robinhood offered grants to HBCUs for financial empowerment programming and provided all students at participating schools with access to financial education materials powered by EverFi. We also launched a virtual fireside chat series titled "Robinhood Rooms" across the country at these universities featuring Robinhood leadership, local community thought leaders, and students from each respective school to discuss the importance of healthy personal finance habits.

## Community Engagement

### Robinhood Markets, Inc's Initial Public Offering (IPO) Day

Becoming a public company on July 29, 2021 was an incredible milestone. We chose to share our celebratory moment by donating to four nonprofit organizations that align with our mission to democratize finance for all and promote financial literacy and economic empowerment: Operation HOPE, 8 Cents in a Jar, FitMoney, and the Bay Area Financial Education Foundation. We also launched the company's first employee matching opportunity for these four organizations.



# Privacy and Security

As our values reflect, we are a Safety First company with a Radical Customer Focus. Protecting our customer and employee data is our top priority. We put these values into action by continuously improving the protections we afford our customers and the data they entrust to us. Privacy and Security work in concert from risk management planning through design and incident response.

## Privacy

We integrate Privacy and Safety by design at Robinhood. Privacy expertise is engaged early and consistently throughout the software development lifecycle and operational design processes. Privacy and security experts participate in every stage of product development to identify and mitigate privacy risk within and across all impacted functions.

We believe privacy and data protection can create competitive advantages and brand differentiation. To embed privacy as a key component of the customer experience, we built a customer service (which we call Customer Experience or 'CX') team that includes dedicated privacy specialists. We also embedded into our product a self-service feature that enables our customers to take advantage of the data rights granted them by the California Consumer Privacy Act.

Our global privacy program is rooted in our commitment to protect customer data. The program is led by our Global Head of Privacy who is supported by our trust engineering and privacy legal teams and a privacy advisory council, a cross-functional team of senior leaders from legal, engineering, product, and compliance.

All employees and contractors receive mandatory annual training on data privacy and security. One hundred percent of employees and contractors participated in this training in 2021. Where appropriate, staff will also receive privacy training focused on content specific to their role at Robinhood.

Our commitments to data privacy are outlined in our [Privacy Policy](#) and our internal Global Personal Information Policy. Specific guidance related to handling of personal information is also presented in our internal Privacy Compliance Manual.

The Privacy Policy describes the types of information we collect and how we use and disclose that information, our relationships with third parties, and how customers can make meaningful choices about such use and disclosure. We are committed to complying with applicable data protection laws and we are focused on creating a privacy program that is scalable and agile enough to adapt to and harmonize with global privacy laws, regardless of where we currently operate.

We are upfront with our customers about the way we collect, use, and share their personal information. We communicate this information through our Privacy Policy, in-app notifications, and our customer experience help desk. Customers are also encouraged to contact us directly through our dedicated [privacy inbox](#) if they have any questions or concerns about our data practices.



### What is Data Privacy?

Data Privacy describes the use and governance of personal data in compliance with data protection regulations. Data Privacy is focused on how personal data is collected, stored, managed, and shared.

# Privacy and Security

## Global Information Security Program

Our customers and employees trust us with their data, and we're committed to implementing security controls to protect that data. Our global information security program is led by our Chief Security Officer. It's designed to raise security awareness and to continuously improve robust security policies and safeguards to protect personal and financial data.

Robinhood has a threat detection, threat intelligence, and incident management program that is monitoring systems, people, and our environment for potential attacks. We perform regular vulnerability scans and rely on our risk-based information security program to ensure coverage of important areas. We perform quarterly external penetration tests of our systems, and attack surface testing of any internet-facing resources.

Robinhood maintains an incident response plan, which includes required responses in the event of an information security incident. We are committed to notifying regulators of any security breaches, as well as any affected individuals, in accordance with applicable law and internal policy. We have swift escalation processes for privacy incidents.

## Data Security Incident and Containment

In 2021, we experienced a data security incident and promptly announced it on our [blog](#) to keep our customers and other members of the community updated and informed. On November 3, 2021, an unauthorized third-party socially engineered a customer support employee by phone and obtained access to certain customer support systems. Based on our investigation and that of a third-party security firm, a limited amount of personal information for a portion of our customers was exposed, though we continue to believe no Social Security numbers, bank account numbers, or debit card numbers were exposed and that there was no financial loss to any customers as a result of the incident. After we contained the intrusion, we promptly informed law enforcement and worked to investigate the incident with the help of a leading external security firm.

The entire financial services industry faces a challenge of customer account takeovers via malware, unauthorized entry, and social engineering attacks. We're committed to working with affected customers to help them secure and protect their accounts. We're also scaling our efforts to connect with our customers during critical incidents, such as account takeovers. We have processes in place for authentication, and we recommend that customers set up two-factor authentication, verify their personal information, and use strong password practices.

# Privacy and Security

## Platform Reliability

As Robinhood continues to scale, we remain focused on providing a secure and stable platform on which our customers can rely. We intentionally design our applications, systems, networks, and operations to be resilient in the face of adverse scenarios. Our Engineering and Operations teams work to maintain operations of key business processes by utilizing documented business continuity strategies, plans, and procedures, all of which are frequently assessed for their effectiveness.

We continue to learn from past outages we experienced as well as notable events in the industry. We invest heavily in our systems to ensure they are high-quality, scalable, and accessible whenever customers need them. In 2021, we re-designed and scaled our core platform to handle up to three times the volume of peak traffic. To do this, we eliminated single points of failure, which improved how we build, test, and release changes, and put in health checks. In 2021, we established a new Reliability function, Site Reliability Engineering, that will, on an ongoing basis, improve and empower reliability programs throughout the Engineering team.

Our business continuity plans are designed to enable a response to varying degrees of disruptive events by recovering critical business operations as soon as possible. Our program aims to ensure that we can provide our products and services with as little disruption to customers as possible, that their assets remain secure and accessible, and that they are able to reach us, regardless of the nature and scope of the business interruption.



# Investing in Our Talent

# Attracting Talent

Not only does Robinhood invest in financial inclusion through our products, we also invest in inclusion through our employees. Robinhood employees are at the heart of our mission. We offer a wide range of benefits designed to ensure Hoodies are supported and that we attract and retain the best talent. We provide tools, opportunities, and support for career and personal growth, as well as ongoing company initiatives to maintain strong employee engagement. At Robinhood, we actively work to develop an inclusive, equitable, and diverse culture of belonging.

We are proud to be recognized as a top place to work by the following organizations in 2021:



Best Places to Work in the Bay Area  
January 2021



Glassdoor Best Place to Work in 2021  
January 2021



Re-certified, A Great Place to Work  
June 2021

- Built In Best Places to Work in Colorado
- Built In Top Startups List for San Francisco and Colorado
- Fortune Best Workplaces in the Bay Area™ List
- Fortune Best Workplace in Financial Services & Insurance™
- TIME100 Most Influential Company
- CNBC Disruptor 50
- Forbes Fintech 50 List
- Fortune Best Workplaces for Millennials™ List
- Inc. Best-Led Companies
- Best Workplaces for Parents
- Ripplematch Next Gen 100

# Attracting Talent

Our mission is to democratize finance for all, and that starts with building an inclusive environment that attracts and retains exceptional talent from diverse backgrounds and experiences. We prioritize hiring great leaders with deep, functional expertise and we commit to their professional and technical development so we can grow together as we transform the future of finance. We continue to invest in recruiting and fostering talent, supporting our Hoodies, and speaking out for our community.

We work to attract top talent from a range of sources in order to meet the current and future demands of our business. We have relationships with universities, professional associations, and industry groups to proactively engage and attract talent from underrepresented groups. We work with trusted third-party partners to help us mitigate potential biases in our hiring process—from the language used in our job descriptions to how interviews are conducted.



## University Program

Our dedicated University Program attracts and retains exceptional interns and new graduates to fuel the growth of our most strategic business areas. We host paid intern programs three times a year across multiple functions and we recently hosted our first fellowship program with the external organization, Code2040<sup>1</sup>. Across all university candidates, we utilize the Code Signal<sup>2</sup> assessment tool to conduct unbiased automated engineering screens. We also lean into our partnerships with HBCUs, Hispanic-serving institutions (HSIs), and student groups supporting underrepresented groups to identify talent. Robinhood works to diversify our talent pipeline and increase access to finance and tech careers so that our Hoodies reflect our diverse customer base to drive innovation and excellence in our products and customer service.

### Footnote

<sup>1</sup>A nonprofit dedicated to diversifying the tech industry

<sup>2</sup>A third-party skills-based assessment platform that offers online programming challenges for training and recruiting

# Attracting Talent

## Compensation and Benefits

We offer competitive compensation packages that support the diverse needs of our Hoodies. In addition to competitive base pay, all Hoodies are eligible for variable incentive pay ("cash" or "cash and equity") linked to company and individual performance. We also offer benefits for Hoodies and their families. Where applicable, eligibility also extends to domestic partners and their children. Non-financial benefits include:

- A robust offering of medical, dental, and vision plans; for U.S. Hoodies, Robinhood pays 100% of monthly premiums for Hoodies and covers 90% for any dependents
- Employer-paid life and disability plans
- Retirement savings plans with competitive employer match
- Parental leave: In the U.S., 16 weeks of fully paid, flexible parental leave following birth or adoption
- Fertility lifetime benefits up to \$25,000
- Backup childcare
- Mental wellness: On-demand emotional health support, 24/7, plus 12 free therapy sessions a year for Hoodies and dependents
- Monthly health and wellness reimbursement
- Work from home and Wi-Fi stipend for FTE Hoodies
- Employee Assistance Program: Confidential resource for Hoodies to receive 24/7 support ranging from emotional wellbeing and financial or legal matters
- Paid time off, sick leave, company holidays, and volunteering time off
- Flexible Spending Account (FSA), Dependent Care FSA, and Health Savings Account
- Ongoing Education reimbursement of \$1,000 per year
- Access to financial wellness coaching

# Growth, Motivation, Retention

## Learning and Development

Developing our Hoodies is essential to growing our business. We create the programs, tools, and resources that enable them to do incredible work, lead exceptional teams, and realize their full potential. We also design programs that nurture, sustain, and transmit our unique culture across the entire employee lifecycle. Our investments in learning yield job-specific and job-spanning skills, along with interpersonal and leadership capabilities.

We offer company-wide sessions for all Hoodies on critical topics including giving and receiving feedback, how to have meaningful performance conversations, managing remote-working relationships, and self-led career development, to name a few. In FY 2021, we recorded over 76,000 online development course completions for full-time Robinhood Hoodies and interns.

To support our growth in CX and engineering roles, we offer role-specific training. The CX organization also offers preparatory classes for Hoodies who need to pass licensing exams related to their jobs.

We offer a variety of development opportunities for people leaders at Robinhood. We're evolving our manager onboarding program to provide more guidance for our people leaders who are new to management and/or new to managing at Robinhood. We expanded people leader development offerings in early 2022 to offer coaching for tenured leaders through the BetterUp platform. We also overhauled our new hire onboarding programs, where we continue to focus on building an emotional connection to our customers and helping new Hoodies quickly become productive.

To provide development to all Hoodies, we've offered an additional annual ongoing education reimbursement to access resources outside our organization in support of skills building for current and future roles.

## Employee Engagement

We seek to champion a culture that is open and honest. Hoodies have a voice at Robinhood, and we encourage them to use it. During our weekly all-hands meetings, every employee has the opportunity to ask a question to our senior leadership. To ensure we provide a rich experience for our Hoodies, we measure organizational culture, inclusion, and engagement to build on the competencies that are important for our future success.

We use a company-wide surveying tool to facilitate regular check-ins with Hoodies and to provide critical input for company decisions on how to best improve productivity, happiness, and retention. As a result of feedback received through the survey we have made additional investments in our Hoodies, including our 401(k) retirement savings employer match, increased paid time off, increased parental leave, and enhancements to the ways we establish and communicate company goals.

# Growth, Motivation, Retention

Local office events like happy hours and ramen nights also give Hoodies different avenues to engage with each other and build connections, while remote events create fun spaces for all Hoodies regardless of location. We have hundreds of Hoodie social channels and clubs that serve to engage our Hoodies and bring them together around common interests as varied as their love for pizza, gardening, or dogs. In addition, we offer team-building workshops to elevate team connection and effectiveness, and dedicated budgets for fun team-building activities like chocolate tastings or crafting.

## COVID-19 Response

COVID-19 is a challenge for each and every one of us at Robinhood, but we are getting through it together. We have leveraged our third party survey tool to reach out, listen, and ensure Hoodies get the support they need through the challenges presented by COVID-19. We asked Hoodies questions that related directly to their perception of the company's handling of the situation, and responded accordingly. To support our Hoodies' work from home needs during the COVID-19 pandemic, we offered a workspace stipend, generous paid sick leave arrangements, and a monthly internet stipend.

In 2021, 89% of Hoodies who responded to the survey felt favorably about the statement, "Leadership and the COVID-19 response team have communicated with empathy when discussing COVID-19," and 85% responded favorably to "I have the flexibility I need to cope with personal challenges I am facing due to the COVID-19 situation." We take great pride in the fact that our Hoodies feel taken care of during this incredibly difficult time.

## Future of Work

Over the course of the pandemic, we've seen how flexibility and trust enable teams to do their best work, allow Robinhood to attract top talent, and create a workplace that's more inclusive and equitable. We are proud that we built a strong workplace community during these uncertain and challenging times.

Flexible work at Robinhood means that we provide our Hoodies with the flexibility they need to do their best work and manage responsibilities based on what works for themselves and their families. We continue to maintain office spaces so that our Hoodies are allowed to leverage them for collaboration and local community. A large segment of our Hoodies are allowed to work from home anywhere in the United States, and some teams will be able to mostly work from home while living within commutable distance of their office.



# Inclusion, Equity, and Belonging

At Robinhood, we strive to create a community where everyone feels valued and we embrace the differences that enable us to foster a high performance culture that serves the needs of our diverse customer base. We believe a more diverse and inclusive culture will help us achieve that outcome. We also recognize that there are systemic barriers that have led to lower representation and limited growth for underrepresented groups in the finance and tech industries, so we're committed to continually finding ways to disrupt bias and increase access in all that we do.

We have an IEB team and an IEB support model across the human resources function that is dedicated to delivering on Robinhood's commitment. The team partners with department leaders to review IEB data and build department-specific IEB action plans and task forces to empower ownership and accountability across our company.

2021 was a year of infrastructure—building for IEB at Robinhood as we continued on our journey to become the most inclusive company we can for our Hoodies and customers. We implemented new systems, processes, and several pilots, and made changes to data collection and reporting in an effort to learn which practices make an impact across hiring, advancement, and inclusion. We're currently working on a variety of company-wide programs and processes as outlined in the following sections.

## Inclusive Hiring

To support Robinhood's incredible customer demand and growth this past year, hiring became a key focus area for advancing IEB at Robinhood. We've rolled out partnerships, technology, and programs to attract and hire more people from underrepresented backgrounds across our company. Currently, university recruiting partnerships with HBCUs, HSIs, women-only universities, and bootcamps training underrepresented talent for technical roles make up 54% of our target schools. We also use recruiting tools, such as Textio and Karat, to help us identify and review job descriptions for inclusive language and conduct more objective technical interviews, respectively. Robinhood runs external campaigns featuring Hoodies from all different backgrounds to share their experiences at the company and to help candidates see themselves working here. All of these efforts are aimed towards increasing the diversity of candidates that enter the top of our applicant funnel.

We also work to ensure that our interviewers and hiring managers are well versed in inclusive hiring practices to give all candidates an even chance of success at getting hired. Last year, we deployed inclusive hiring workshops to nearly 1,000 hiring managers and interviewers. Outside of required compliance training, this was the most significant training roll-out across the company at the time, and we continue to evolve these workshops. We also began piloting a Diverse Slate Approach where the onsite interview stage must include at least one candidate from an underrepresented background to ensure we have cast our recruiting net as wide as possible before closing on any specific candidate. And once a final candidate is identified, our Ambassador Program connects them to Hoodies before accepting our offer to give them a preview into our culture and the different communities at Robinhood, particularly our ERGs (employee resource groups) focused on bringing underrepresented talent together.



### What is an Employee Resource Group (ERG)?

Employee Resource Groups (ERGs) are identity- or experience-based groups that serve underrepresented communities. ERGs help to create an inclusive workplace and build community through networking, mentoring, and development opportunities for members and allies.

# Inclusion, Equity, and Belonging

## Equitable Career Development

We know it isn't enough to drive inclusion and equity in our hiring practices only. We need to make progress on developing diverse talent internally as well. To do this, we're taking a customized audience approach to supporting the development and advancement of our Hoodies from underrepresented backgrounds. For all Hoodies, we've deployed curated online learning paths on IEB topics to give them a foundational understanding of what IEB means at Robinhood and key concepts around bias and its impact on who gets to succeed. We've also launched various mentoring programs with a focus on supporting underrepresented groups across the organization to provide guidance and coaching to help them thrive.

For people managers, we are piloting an inclusive leadership learning journey through Eskalera, an online learning and behavior change platform. This is supplemented with learning circles to help managers internalize IEB concepts and practice new skills in a safe space. And for leaders, we've begun offering inclusive behavior assessments where they can evaluate the extent to which they demonstrate inclusion among their teams and look to improve based on feedback. We integrate IEB education into the flow of work for our people managers and leaders, incorporating bias and equity content into our feedback, performance, and remote-working trainings.

Our ERGs also provide another channel for learning and development, both for allies and ERG members. In 2021, ERGs hosted over 20 major events, town halls, and fireside chats on topics of gender identity, intersectionality, the Black experience, the rise of anti-Asian hate crimes, and being a veteran in tech. ERG leaders develop and apply leadership skills beyond their day-to-day job responsibilities by partnering with ERG members and executive sponsors to guide strategic initiatives that increase inclusive touch points across our people, programs, and products. In December 2021, we also held our first ever ERG Leadership Summit, a development opportunity designed for our ERG leaders to increase their capability to lead as well as support their own career advancement.

## Culture of Belonging

We are also committed to fostering a more inclusive, equitable, and welcoming environment for our Hoodies that enables their success, supports their well-being, and strengthens their sense of belonging. Our ERGs are key to achieving this.

ERGs are self-organized communities of Hoodies that help create a more inclusive culture by building support and awareness of the experiences of underrepresented groups. ERG members have the opportunity to expand their networks, drive awareness around important social issues, and amplify the needs and voices of underserved communities in pursuit of fostering a more inclusive culture at Robinhood. As of April 2022, around 60% of our Hoodies are members of at least one of the following Robinhood ERGs. Asianhood, Black Excellence (BEX), Divergent, Latinhood, Parenthood, Rainbowhood, Sisterhood+, Women in Tech, and Veterans at Robinhood. Our ERGs develop annual strategies to build community, support the hiring and career growth of underrepresented groups, and provide guidance on internal programs, external marketing, and product development.

# Inclusion, Equity, and Belonging

Building a culture of belonging also means being supportive of and welcoming to people of all abilities. To support this, we commenced an accessibility assessment in 2021 to identify areas of opportunity to increase the inclusiveness and accessibility of our internal programs and systems. As a result, we are amplifying our accommodations process during hiring and providing more accessible resources during onboarding. We've also created a resource for leaders on how to lead more accessible meetings and we are working on including a checkpoint for accessibility in evaluating new technology vendors in hiring and learning. We plan to continue building upon our accessibility efforts in 2022.

## Diverse Representation

All of these efforts, combined with the intentions and actions of each of our Hoodies supporting IEB every day, help us attract and retain a diverse Hoodie population. As of December 31, 2021, the number of Hoodies who identify as Black and Latinx was 7.8% (US only) and 8.7% (US only), respectively, and women made up 35.8% of our global workforce. While we are proud of where we stand today, we know there is a lot more work ahead of us to reach parity with available talent pools. We're sharing our gender and race/ethnicity representation overall as of December 31, 2021, by role and by function in the charts below because we know accountability and transparency are key to driving positive change.



What is Inclusion, Equity, and Belonging (IEB)?

Inclusion, Equity, and Belonging (IEB) is the concept of creating a culture and community that values and embraces everyone's differences. Inclusion aims to increase access to opportunities and resources so that all groups can fully participate. Equity is the focus on fair and just processes and practices to eliminate partiality.

# Inclusion, Equity, and Belonging

## Robinhood Gender



Men	64.2%
Women	35.8%

## Robinhood Gender By Role FTE

### Individual Contributor



Men	64.8%
Women	35.2%

### Management



Men	61.1%
Women	38.9%

### Executive



Men	63.2%
Women	36.8%

## Robinhood Gender by Function

### Financial Services



Men	67.3%
Women	32.7%

### Tech



Men	71.1%
Women	28.9%

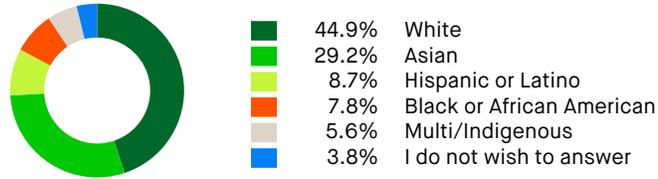
### General & Administrative



Men	39.1%
Women	60.9%

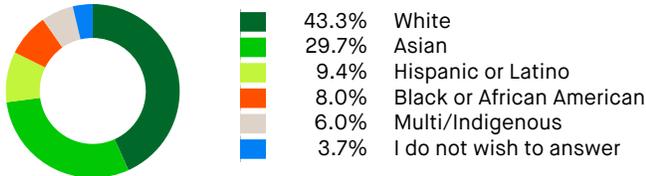
# Inclusion, Equity, and Belonging

## Robinhood Race/Ethnicity (US only)

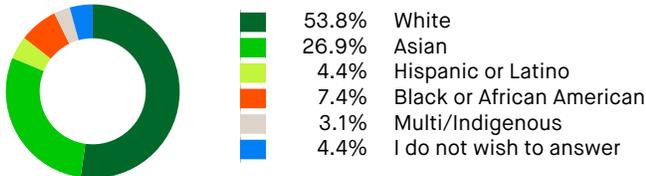


## Robinhood Race/Ethnicity by Role FTE

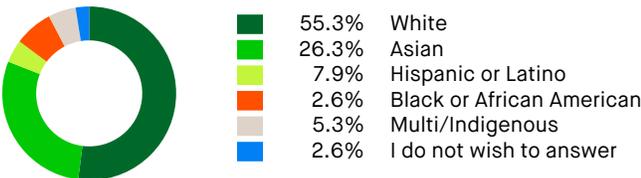
### Individual Contributor



### Management

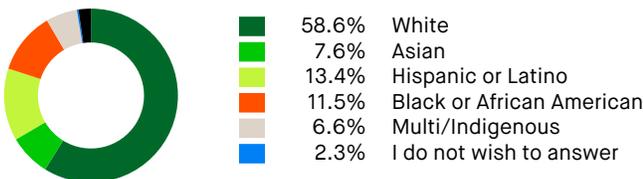


### Executive

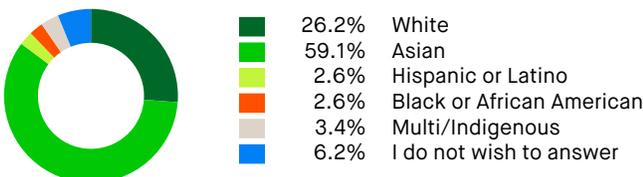


## Robinhood Race/Ethnicity by Aggregate Function FTE

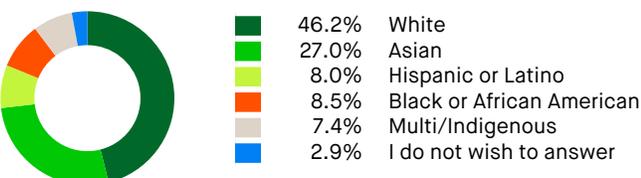
### Financial Services



### Tech



### General & Administrative



# Inclusion, Equity, and Belonging

## What's Next

In 2022, we plan to extend our pilot efforts across hiring, advancement and inclusion. We will continue to evaluate the outcomes from these programs to learn and improve them. Deepening existing partnerships with external talent pipeline organizations to increase hiring people from underrepresented backgrounds into tech roles, accelerating the development of high potential talent from underrepresented groups into leadership roles, and improving our talent processes to increase our ability to drive equity across areas like pay and performance, will be a priority. Providing more learning opportunities around IEB topics like accessibility and allyship will help us create the conditions for future success. Our senior leaders are working on IEB focused action plans to drive accountability and progress. We know it takes time to build and implement robust programs that will drive change at scale. Our journey is just beginning.



# Governing Responsibly

# Ethics and Compliance

We have a steadfast commitment to maintaining the highest standards of business and professional conduct and compliance. We earn the trust of our customers and stakeholders each day by upholding our values and maintaining a culture of integrity in how we conduct business.

## Living by our Code of Conduct

We seek to maintain robust, transparent governance and oversight practices through written policies and internal controls. Relevant documentation, including our Code of Conduct, can be found on the [Governance Documents page](#) of our investor relations website. These, together with our written policies, procedures, and controls, set the standards that guide our actions and ensure the highest levels of responsibility, integrity and legal compliance across our businesses.

Our [Code of Conduct](#) applies to all of our directors, Hoodies, and officers—including our CEO, Chief Financial Officer, and other executive and senior officers— as well as contingent workers. The Board has also adopted a [Code of Ethics for Senior Financial Executives](#). These codes are both posted on the [Governance Documents page](#) of our investor relations website. We intend to promptly disclose any future amendments to either the Code of Conduct or the Code of Ethics for Senior Financial Executives, as well as any waivers under either code, on our website or blog, or in a current or periodic report filed with the SEC within four days of the amendment or waiver.

All Hoodies receive regular compliance training including on our Code of Conduct, our anti-bribery, anti-harassment, anti-money laundering and, insider trading policies, our cybersecurity. Hoodies also receive regularly targeted compliance training that is relevant to their role or function. New Hoodies receive compliance trainings as a part of their onboarding.

Below are a few highlights of the policies outlined in our Code of Conduct:

### Whistleblower Policy

As a Safety First company, if an employee identifies a concern or has a question relating to ethical conduct, we encourage them to speak to their manager, the people team, the Ethics Office, or to make a report via the Robinhood integrity helpline. The helpline is available 24 hours a day, seven days a week. Callers have the option to remain anonymous when reporting concerns. All reports are reviewed by Robinhood's Legal Department and are thoroughly investigated.

Robinhood works tirelessly to build trust with our customers and we are determined to build that same level of protection and support for our fellow Hoodies. There is zero tolerance for retaliation against Hoodies for making a good faith complaint, bringing inappropriate conduct to our attention, helping a colleague make a good faith report, or for cooperating in an investigation.

### Ethics and Legal Standards

Our Board has ultimate oversight responsibility for our Ethics and Compliance programs. Our Ethics Office and Compliance teams oversee training, communication, policies, procedures and controls, and reporting. We have a robust governance model that provides for regular risk assessments and audits of our compliance programs. We regularly test controls and assess aspects of each program on an annual or semi-annual basis, as necessary.

# Ethics and Compliance

*We uphold market integrity and never tolerate fraudulent behavior.* We have zero tolerance for misleading, fraudulent, or unethical behavior, and we do our part to protect the integrity of the financial markets. We have controls and monitoring protocols designed to detect and prevent fraud, as well as other manipulative or deceptive practices that could harm Robinhood, its customers, suppliers, and other stakeholders in the market.

*We select reputable business partners.* We conduct due diligence on our business partners before engaging and periodically monitor their activity after onboarding to ensure they adhere to the highest standards of business conduct and ethics.

*We keep accurate records.* The accuracy and completeness of our business records are essential to our business and legal compliance. Robinhood forbids falsifying or altering company records of any kind. We are honest and accurate in everything we do. We are committed to keeping accurate records in accordance with all legal and regulatory requirements. These practices help support responsible business decisions which comply with governing laws and regulations.

*We seek quality execution on every order.* We perform regular and rigorous reviews of execution quality on a daily, monthly, and quarterly basis. When we review, we evaluate critical factors that go into receiving a quality execution, like execution price, speed, and price improvement, as well as market conditions. To learn more, please see our Best Execution practices page.

*We are committed to stopping money laundering.* We are committed to compliance with applicable laws and regulations aimed at preventing money laundering, securities fraud, and other financial crimes. The Robinhood AML compliance program contains the following components:

1. Designation of a Global AML Compliance Officer
2. Independent Testing
3. A system of internal controls and the establishment of internal policies and procedures
4. Periodic training for appropriate personnel
5. Risk-based procedures for conducting ongoing Customer Due Diligence

*We promote fair competition and trade.* We comply with antitrust and other trade regulation laws to prohibit agreements or actions that eliminate or discourage competition, establish or create the intention of a monopoly, artificially maintain prices, or otherwise illegally impact commerce.

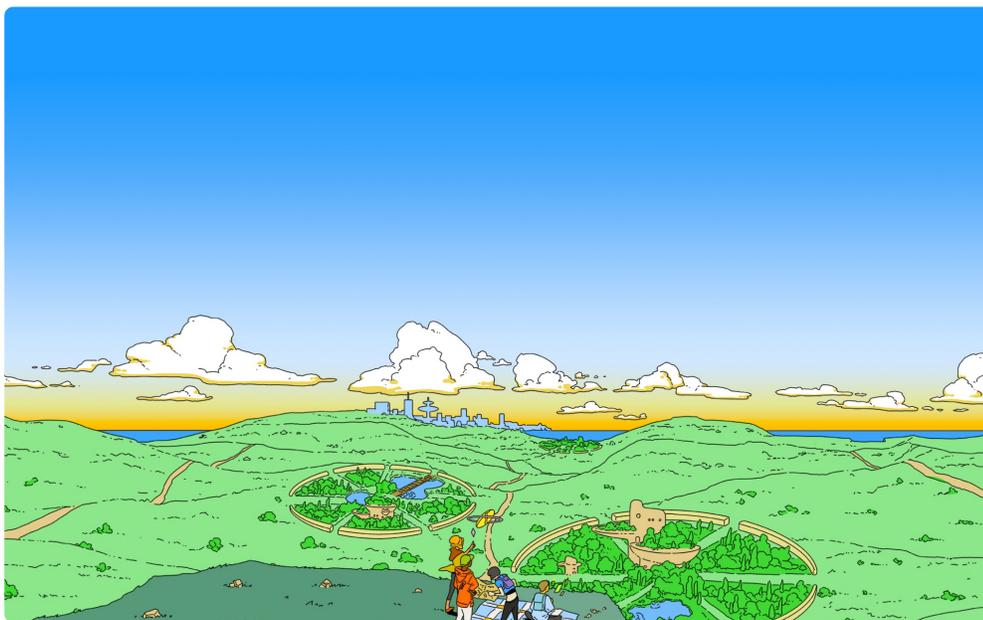
*We take action against bribery and corruption.* At Robinhood, we take measures to prevent and detect bribery and corruption and strictly prohibit our Hoodies from offering anything of value in exchange for an improper advantage, whether to a government official or a private citizen.

# Ethics and Compliance

*We abide by economic and trade sanctions.* We take our customer relationships seriously and do not conduct business with sanctioned parties. Robinhood has implemented measures to comply with all economic sanctions, laws, and regulations overseen by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) and other similar bodies.

*We abide by tax obligations.* We work diligently to ensure that Robinhood satisfies the tax obligations of each jurisdiction where we conduct business.

We continue to build training content and processes to ensure we protect our customers, Hoodies, and the company by making Ethics & Compliance everyone's job.



# Board of Directors and Managerial Oversight

## Robinhood Markets, Inc. Board of Directors and Managerial Oversight

Our business and affairs are managed with oversight from our Board of Directors. Our Board monitors corporate governance best practices, changing regulatory requirements, and feedback from stakeholders, and makes decisions based on the best interest of Robinhood and its stockholders. As a newly public company, we have established a strong corporate governance framework that protects the interests of our stakeholders, including composing a Board that includes highly skilled, diverse, and independent directors. Our independent directors appointed Jonathan Rubinstein to serve as Lead Independent Director with robust responsibilities that ensure effective independent oversight. We will continue to evaluate and update our governance practices as appropriate and as our Company matures.

### Board Diversity Policy

The Board is committed to fostering a culture of integrity, inclusion, dignity, and mutual respect and believes in reflecting, in its composition, the wide variety of Robinhood's shareholders, Hoodies, customers, and other stakeholders. The Board seeks to combine the skills and experience of its long-standing Board members with the fresh perspectives, insights, skills, and experiences of new members from different backgrounds. The Board believes that the Company benefits from differences in skills, regional and industry experience, social and ethnic background, race, gender, and other distinctions between directors such as cognitive and personal strengths. To that end, it is the policy of the Board that when searching for director nominees, the Board's Nominating and Corporate Governance Committee includes women and individuals from historically underrepresented communities in the pool and will recommend director nominees with individual attributes that contribute to total diversity of viewpoints, experience, and expertise represented on the Board. This policy can be found in our [Corporate Governance Guidelines](#).



What is a Board of Directors and what do they do?

A Board of Directors (BOD) is an elected group of individuals that represent shareholders to oversee the activities of an organization. A BOD serves to advise and counsel management regarding future direction of the company.

# Board of Directors and Managerial Oversight

The following diversity matrix reflects the membership of our Board as of May 2, 2022:

## Board Composition

Total number of directors 9

Gender Identity	Male	Female	Non-Binary	Gender Undisclosed
Number of directors	6	3		
Demographic Background				
African American or Black		1		
Alaskan Native or Native American				
Asian	1			
Hispanic or Latinx	1			
Native Hawaiian or Pacific Islander				
White	4	2		
Two or More Races or Ethnicities				
LGBTQ+		1		
Demographic Background Undisclosed				

# Board of Directors and Managerial Oversight

## Committees of the Board of Directors

Our Board has established four committees that each oversee key business risks. Each of our committees operates under a written charter, available on the Governance Documents page of our website, and each has responsibilities described below:

### Audit Committee

- Overseeing the qualifications, independence, and performance of the independent registered public accounting firm;
- Overseeing the performance of the Internal Audit function;
- Overseeing the integrity of the Company's financial statements and its accounting and financial reporting processes;
- Overseeing the effectiveness of the Company's internal controls over financial reporting;
- Overseeing the Company's processes and procedures relating to assessment and management of financial, disclosure, and reporting risks; and
- Overseeing related person transactions.

### People and Compensation Committee

- Evaluating, reviewing, approving, and/or recommending executive officer and director compensation arrangements, plans, policies, and programs maintained by the Company;
- Administering the Company's executive bonus plans or programs and equity-based compensation plans;
- Providing oversight of the Company's other compensation policies and plans and overall compensation philosophy; and
- At least annually reviewing management's assessment of major risk exposures associated with our compensation programs, policies, and practices and the mitigation thereof.



Why does the Board have committees ?

The Board delegates oversight of certain matters to smaller groups of directors so that appropriate attention and focus can be given to important subjects, like financial reporting, compensation, director nominations, and risk oversight.

# Board of Directors and Managerial Oversight

## Nominating and Corporate Governance Committee

- Recommending to the Board candidates for director to be nominated by our Board and submitted to a stockholder vote at the annual meeting of stockholders;
- Making recommendations to our Board with respect to director independence, including overseeing our Board's annual evaluation of the independence of each director;
- Overseeing the annual self-assessment of our Board and its committees, overseeing periodic assessments of the individual directors, and reviewing the results of all such assessments;
- Overseeing management's strategy and reporting efforts with respect to ESG matters, including general oversight of any ESG, corporate social responsibility, or sustainability report;
- Recommending to our Board corporate governance principles applicable to the Company, and annually reviewing and making appropriate recommendations to our Board for revisions to the Corporate Governance Guidelines; and
- Advising our Board on other Board composition and corporate governance matters, including recommendations to our Board with respect to our Board size and the structure and composition of our Board committees.

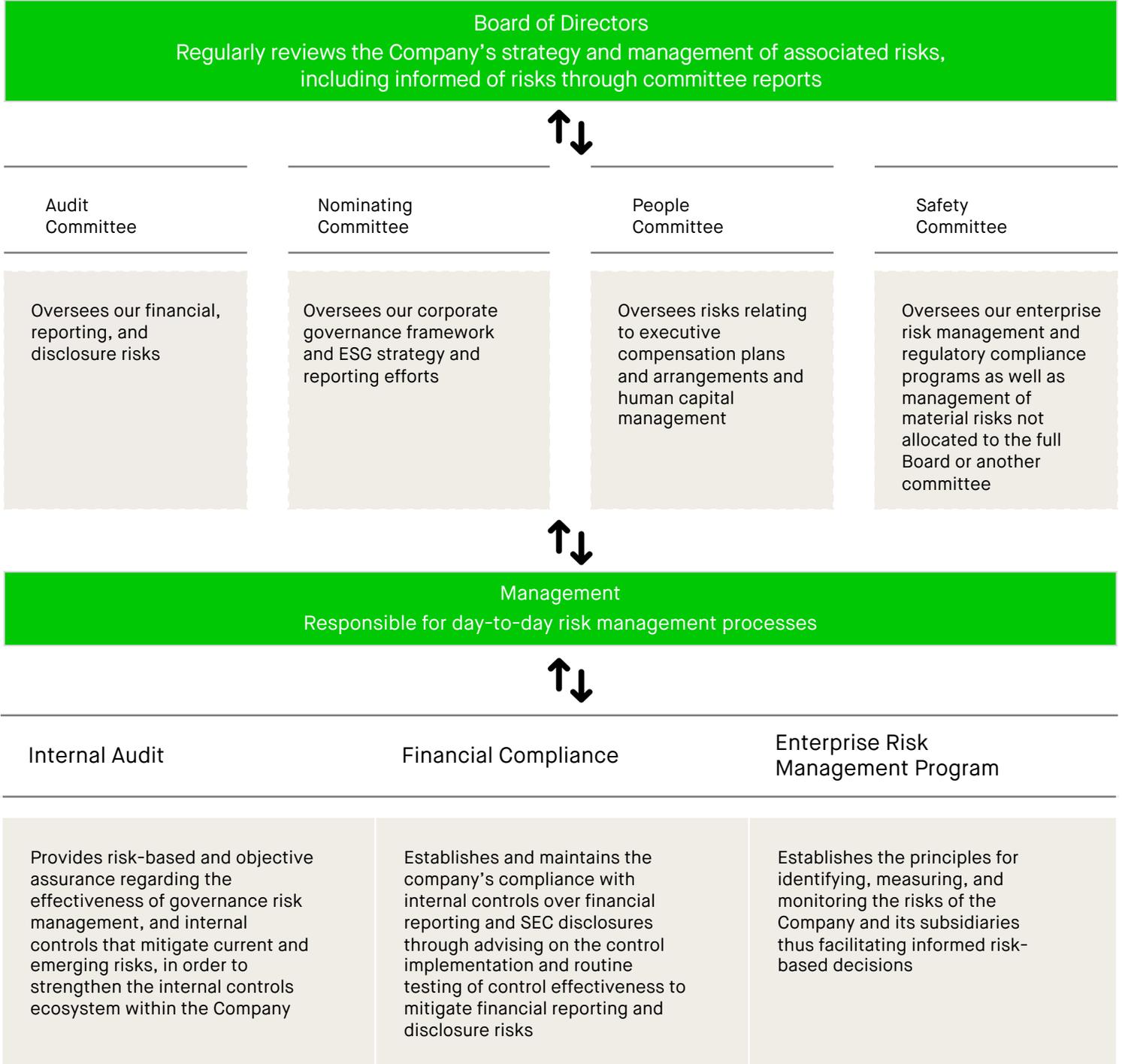
## Safety, Risk, and Regulatory Committee

- Reviewing and discussing with management our significant financial, strategic, operational, and compliance risk exposures, trends in our major risk concentrations, and the steps management has taken to assess, monitor, and manage such risk exposures, trends, and concentrations;
- Reviewing on a periodic basis our enterprise risk management framework, infrastructure, and controls implemented by management to help identify, assess, manage, and monitor material risks;
- Reviewing management's exercise of its responsibility to identify, assess, and manage material risks not allocated to the board or another committee, including, for example, data privacy, cybersecurity, business continuity, liquidity and capital adequacy, new product risk, and compliance with financial regulations;
- Periodically reviewing our enterprise-wide compliance program and its financial crimes framework policies, including reports from management regarding overall effectiveness of, and ongoing enhancements to, those programs and policies, as appropriate; and
- Reviewing and discussing compliance risks, the level of compliance risk, management actions on significant compliance matters, and reports concerning our compliance with applicable laws and regulations.

## Risk Oversight

# Board of Directors and Managerial Oversight

Our Board plays an active role in overseeing management of our risks. The Board’s committees assist the Board in risk oversight by addressing specific matters within the purview of each committee.



While each Board committee is responsible for evaluating and overseeing the management of certain risks, our full Board is regularly informed of such risks through committee reports and otherwise. Subject to Board oversight, management is responsible for our day-to-day risk management processes. We believe this division of responsibilities is the most effective approach for addressing our risks and our Board leadership structure supports this approach.

# Operating Sustainably

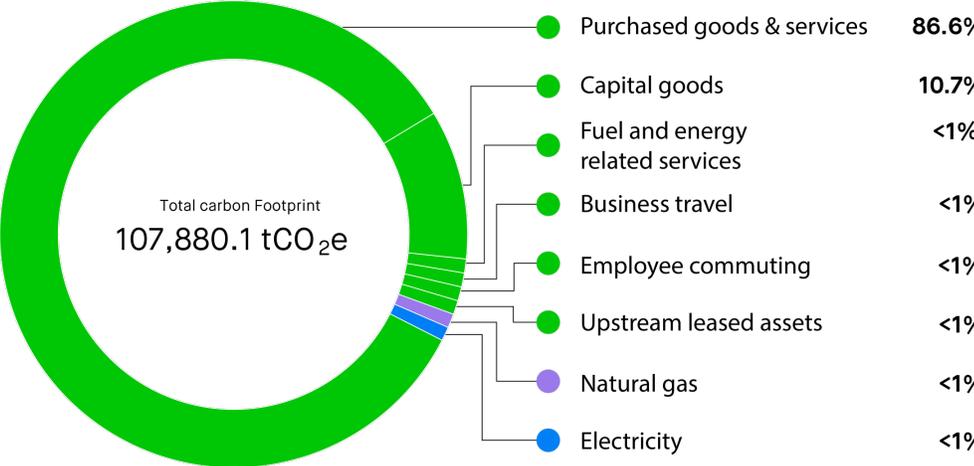
# Greenhouse Gas Inventory

## Greenhouse Gas Inventory

Robinhood is committed to understanding and responsibly managing our environmental impact, including emissions that contribute to climate change. We have completed a greenhouse gas (GHG) inventory (sometimes termed a “carbon footprint”) annually since 2019. We report Scope 1, 2, and 3 emissions across our value chain - including building operations, cloud usage and contracted co-located data centers (we do not own or operate data centers), employee work-from-home, purchased goods and services, marketing, and business travel. Expanding on our 2019 inventory, our 2020 and 2021 footprints include additional categories of Scope 3 emissions across Robinhood’s value chain. Robinhood’s 2021 inventory might not fully capture all GHG emissions associated with our operations and value chain. We are working to improve our GHG emissions inventory and are committed to continuously improving our understanding of Robinhood’s impact on the environment, in order to reduce it.

## 2021 Carbon Footprint

In 2021, Robinhood emitted 107,880.1 metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e). Compared to 2019, in 2020 and 2021 we saw reductions in emissions associated with business travel and employee commute attributed to work-from-home measures during the COVID-19 pandemic. Robinhood’s inventory shows that Scope 3 emissions make up the majority of Robinhood’s footprint, with the largest emissions categories being purchased goods and services (e.g. professional services, information technology), cloud usage, and marketing.



Scope 1	157.9 tCO <sub>2</sub> e
Scope 2	958.4 tCO <sub>2</sub> e
Scope 3	106,763.7 tCO <sub>2</sub> e



### What are Greenhouse Gas Emissions?

Greenhouse Gas (GHG) Emissions are gasses that trap heat in earth’s atmosphere and that contribute to the global greenhouse effect, causing climate change. GHG Emissions are emitted from activities such as burning fossil fuels.

# Greenhouse Gas Inventory

## Greenhouse Gas Inventory Methodology

Robinhood's 2021 footprint covers the the following scopes and categories:

GHG Scopes	Emissions (tCO <sub>2</sub> e)
Scope 1: Natural gas	157.9
Scope 2: Electricity	958.4
Scope 3.1: Purchased goods & services	93,383.3
Scope 3.2: Capital goods	11,521.0
Scope 3.3: Fuel and energy related activities	90.2
Scope 3.6: Business travel	634.3
Scope 3.7: Employee commuting	981.5
Scope 3.8: Upstream leased assets	153.4

For our 2021 GHG inventory, Robinhood worked with [Watershed](#), a third party all-in-one climate software platform. Robinhood follows the guidelines from the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Watershed worked with Robinhood to understand its business and operations and to determine which data inputs cover Robinhood's value chain. This data was then used to calculate a carbon footprint.

### Inventory Boundary

Reporting period: Fiscal year 2021 (January 1, 2021 - December 31, 2021)

Operational Control: As described in the GHG Protocol, under the operational control approach, companies account for 100% of emissions from operations over which they or one of their subsidiaries have operational control. For Robinhood, operational control is defined to include any facility or operation in which Hoodies were present and had the ability to influence operating policies that relate to resource consumption. Robinhood also considers emissions associated with Hoodies working from home within its reporting boundary.



How are GHG scopes defined?

Scope 1 — Direct emissions from sources owned or controlled by Robinhood (e.g. natural gas usage)

Scope 2 — Indirect emissions associated with the purchase of electricity, heat, or cooling by Robinhood

Scope 3 — Indirect emissions associated with Robinhood's value chain (e.g. business travel, capital goods)

# Future Sustainability

Scope Coverage: Emissions are reported relative to the complete Scope 1, Scope 2, and Scope 3 inventories of Robinhood's operations, as defined by the GHG Protocol. For its 2021 inventory, Robinhood expanded the Scope 3 categories included in its footprint.

## Efficiency and Emissions Reduction Strategies

We at Robinhood are committed to reducing our carbon impact through efficiency and reduction strategies. Our biggest opportunities to reduce our footprint are managing energy use more efficiently where we can control it, and selecting and working with environmentally responsible third-party providers.

### Office Emissions

Our principal executive offices are located in Menlo Park, California. Additionally, as of June 15, 2022, we have offices located in Charlotte, North Carolina; Chicago, Illinois; Denver, Colorado; Lake Mary, Florida; New York, New York; Tempe, Arizona; Washington, D.C.; Westlake, Texas; and London, United Kingdom. We lease or rent each of our offices. Currently, the majority of offices are open for Hoodies to use, if they desire, following local and state COVID guidelines.

We have been working to reduce our office energy use. To support energy efficiency in our offices, all of our campuses are outfitted with LED and motion-sensored lighting in designated areas. At our Menlo Park headquarters, where we have office spaces across multiple locations, all buildings are located within a 5-minute walk of each other.

### Cloud Providers

Cloud services are one of our largest sources of Scope 3 emissions and fall within the Scope 3 category of purchased goods and services. Robinhood does not own or operate any data centers. As of 2021, all of Robinhood's cloud providers have either achieved zero emissions or have a public commitment and are making progress to do so. Note that Robinhood does not yet account for emissions reductions already achieved by suppliers in our Scope 3 footprint.

### Employee Commuting

We encourage and support Hoodies at our headquarters to reduce commuting footprints by providing paid public transportation passes, shuttles to a from Caltrain, a \$100 per month stipend for public transportation costs, electric vehicle charging stations, bike storage, lockers, and showers. At all of our other office locations, we also offer bike storage, lockers, and showers.

### Water and Waste

We are committed to using natural resources judiciously. To reduce water usage in offices, we installed low-flow faucets and toilets across our U.S. locations. We have also specified low water species of indoor plants and native species in external landscaping. To address waste management, we have been composting and recycling at our headquarters since 2017, following Palo Alto County, California and San Mateo County, California respective Zero Waste initiatives. Caterers at our headquarters provide compostable utensils and servingware. At our second largest location in Lake Mary, Florida, we have been recycling since 2018.

# Future Sustainability

## Carbon Removal and Renewable Energy

Building upon our efficiency and emission reduction efforts, Robinhood has purchased 3,158 metric tons of carbon removal credits and procured 2,881 megawatt-hours (MWh) of Renewable Energy Certificates (RECs). Robinhood's carbon removal investment will help to catalyze the market for high-quality carbon removal technologies. We are proud to take these steps forward to reduce our impact on the environment and we intend to continue to build upon our clean energy and carbon removal strategies.

### Kelp Farming

To offset the total impact of Robinhood's direct emissions from office natural gas usage, we have purchased 158 tCO<sub>2</sub>e of kelp sequestration carbon removal units from Running Tide. Kelp sequestration of carbon dioxide is a natural process that removes carbon from the atmosphere. This purchase is equivalent to Robinhood's total office natural gas usage.

### Reforestation

Robinhood also invested in reforestation to further reduce our impact on the environment. We have purchased 3,000 tCO<sub>2</sub>e of reforestation units from WithOneSeed and CommuniTrees from reforestation projects located in Timor-Leste and Nicaragua, respectively. These investments help to build financial security for smallholder farmers and support reforestation of underused land.

### Renewable Energy Certificates

To reduce the indirect emissions associated with Robinhood's office electricity usage in 2021, we procured 2,881 MWh of wind RECs. Robinhood purchased RECs from a wind project located in Oklahoma. The RECs cover 100% of Robinhood's total office electricity usage and support clean energy projects in the regions in which we operate.

### Future Sustainability

With these initial assessments and efforts, we are in the early stages of understanding how best we can reduce and mitigate our environmental impact. We intend to evaluate how we can reduce emissions across all categories, make choices about the location and characteristics of our operating sites and their energy providers, manage our business travel, and ensure we select third-party providers who have met or set environmental or emissions targets.

It is our intention to create targets, develop an emissions reduction strategy, and continue reporting our progress.



#### What is Carbon Removal?

Carbon Removal is a process by which carbon dioxide (CO<sub>2</sub>) is extracted from the atmosphere and sequestered (stored). Carbon Removal credits help companies to eliminate part or all of their carbon impact to support transition to a Net Zero Future.

# Forward-Looking Statements

This report contains forward-looking statements (as such phrase is used in the federal securities laws), which involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “believe,” “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “estimate,” “predict,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. This report includes, among others, forward-looking statements relating to our business plans and objectives; our strategies and systems for implementing our goals; our commitments to programs and policies; and our expectations and priorities for ESG initiatives. Our forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other factors that may cause our actual future results, performance, or achievements to differ materially from any future results expressed or implied in this report. Reported results should not be considered an indication of future performance. Factors that contribute to the uncertain nature of our forward-looking statements include, among others: our limited operating history; the difficulty of managing rapid growth and the risk of declining or negative growth; the fluctuations in our financial results and key metrics from quarter to quarter; the difficulty of raising additional capital (to satisfy any liquidity needs and support business growth and objectives) on reasonable terms or at all; the need to maintain capital levels required by regulators and self-regulatory organizations; the risk that we might mishandle the cash, securities, and cryptocurrencies we hold on behalf of customers, and our exposure to liability for operational errors in clearing functions; the impact of negative publicity on our brand and reputation; the risk that changes in business, economic, or political conditions, or systemic market events, might harm our business; our dependence on key employees and a skilled workforce; the difficulty of complying with an extensive and complex regulatory environment and the need to adjust our business model in response to new or modified laws and regulations; the possibility of adverse developments in pending litigation and regulatory investigations; the effects of competition; our reliance on third parties to perform certain key functions and the risk that operational or technological failures could impair the availability or stability of our platform; the risk of cybersecurity incidents, theft, data breaches, and other online attacks; the difficulty of processing customer data in compliance with privacy laws; and our need as a regulated financial services company to develop and maintain effective compliance and risk management infrastructures. Because some of these risks and uncertainties cannot be predicted or quantified and some are beyond our control, you should not rely on our forward-looking statements as predictions of future events. More information about potential risks and uncertainties that could affect our business and financial results is included in the section of our Form 10-Q report for the quarter ended March 31, 2022 titled “Risk Factors” and our other filings with the SEC, which are available on the SEC’s web site at [www.sec.gov](http://www.sec.gov). Moreover, we operate in a very competitive and rapidly changing environment; new risks and uncertainties may emerge from time to time, and it is not possible for us to predict all risks nor identify all uncertainties. The events and circumstances reflected in our forward-looking statements might not be achieved and actual results could differ materially from those projected in the forward-looking statements. Except as otherwise noted, all forward-looking statements are made as of the date of this report, and are based on information and estimates available to us at this time. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements.

## Forward-Looking Statements

Except as required by law, Robinhood assumes no obligation to update any of the statements in this report whether as a result of any new information, future events, changed circumstances or otherwise. You should read this report with the understanding that our actual future results, performance, events and circumstances might be materially different from what we expect. The standards of measurement and performance contained in this report are developing and may be based on assumptions, estimates or information collected on a delayed or incomplete basis. The inclusion of information in this report is not an indication that Robinhood deems such information to be material or important to an understanding of the business or an investment decision with respect to Robinhood securities.

All investments involve risk and loss of principal is possible.

Brokerage services are offered through Robinhood Financial LLC, (“RHF”) a registered broker dealer (member [SIPC](#)) and clearing services through Robinhood Securities, LLC, (“RHS”) a registered broker dealer (member [SIPC](#)). Cryptocurrency services are offered through Robinhood Crypto, LLC (“RHC”) (NMLS ID: 1702840). The Robinhood Money spending account is offered through Robinhood Money, LLC (“RHY”) (NMLS ID: 1990968), a licensed money transmitter. The Robinhood Cash Card is a prepaid card issued by Sutton Bank, Member FDIC, pursuant to a license from Mastercard® International Incorporated. RHF, RHY, RHC and RHS are affiliated entities and wholly owned subsidiaries of Robinhood Markets, Inc. RHF, RHY, RHC and RHS are not banks.

Commission-free trading of stocks, ETFs and options refers to \$0 commissions for Robinhood Financial self-directed individual cash or margin brokerage accounts that trade U.S. listed securities and certain OTC securities electronically. Keep in mind, other fees such as trading (non-commission) fees, Gold subscription fees, wire transfer fees, and paper statement fees may apply to your brokerage account. Please see the Robinhood Financial [Fee Schedule](#) to learn more.

The Robinhood debit card is issued by Sutton Bank, member FDIC, pursuant to license from Mastercard® International Incorporated. Cash Management is a added feature to your Robinhood Financial LLC brokerage account. Neither Robinhood Financial LLC nor any of its affiliates are banks.

Fractional shares are illiquid outside of Robinhood and are not transferable. Not all securities available through Robinhood are eligible for fractional share orders. For a complete explanation of conditions, restrictions and limitations associated with fractional shares, see our [Customer Agreement](#) related to fractional shares. All investments involve risks.

Some of the customers have been paid for their testimonials.

IPOs can be risky and speculative investments, and may not be appropriate for every investor. [Learn more](#).

Recurring investments do not ensure a profit or guarantee against a loss. Not all securities on Robinhood are eligible for recurring investments. Recurring investments may result in a purchase of fractional shares, which are illiquid outside of Robinhood and not transferable. For a complete explanation of conditions, restrictions and limitations, visit [www.robinhood.com](http://www.robinhood.com).

© 2022 Robinhood Markets, Inc.