

2021 Impact and DEI report

Integrating social impact and antiracism into our business





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Letter from the CEO

At Twilio, we believe business should leave society better than we found it.

That's not some lofty aspiration. It's a fundamental part of the contract between businesses and society, created when we agreed corporations could enjoy the same rights as people. That contract says a piece of paper filed in Delaware or Dublin can own property, enter into deals, and employ people, because we believe it will make society better. It will create jobs, goods and services, grow markets and enrich our communities. That's the ideal at the heart of every single business.

In reality, society's expectation that businesses make our communities better goes unfulfilled too often.

History is littered with examples of corporations that single-mindedly pursued profit at society's expense. That said, we're living in one of the most exciting eras in business, because stakeholders are getting off the sidelines to remind companies that they do not have an intrinsic right to exist - it has to be earned or they'll take their business somewhere else. Employees are voting with their feet when their company doesn't uphold their stated corporate values. Customers are beginning to choose products and services with responsible practices. Investors are calling for stricter ESG reporting and increased transparency with an eye on long-term impact. New movements like the Long Term Stock Exchange are reimagining how business can generate long term value for multiple stakeholders, rather than just short term profit. While this momentum makes me hopeful, in order to make good on the social contract, businesses have to rise to the occasion before they're called to the mat.

We need more examples of companies showing from day one that they're here for society, not just shareholders. As business leaders, this takes a mindset shift: it's not enough to offset negative with positive impact on society. A business' responsibility to society should actually shape the business from inception.

That's why I'm so proud of the work Twilio is doing.

We integrate our social impact directly into the way we run the business, so that as we scale, our positive impact scales. In the past year, we leveraged our products, employees, and resources to do good inside the company and in our communities. We partnered with more than 7,500 social impact organizations globally and helped them use the power of digital engagement to change more than half a billion lives. We made a commitment to get one billion people vaccinated against COVID-19 and scaled up our efforts to build vaccine equity around the world. We made progress building a more equitable workplace through our continued commitment to antiracism. We encouraged employees to engage their communities through WePledge 1%, and helped peer companies adopt the same model to multiply their employee impact. During yet another year that tested the limits of our resilience, I'm immensely proud of how Twilio is working to deliver on the promise to leave society better than we found it. I believe this is just the beginning.

Onward!

JEFF LAWSON



We're living in one of the most exciting eras in business because stakeholders are getting off the sidelines to remind companies that they do not have an intrinsic right to exist – it has to be earned or they'll take their business somewhere else.

JEFF LAWSON (HE/HIM)

—
CEO & CO-FOUNDER, TWILIO

Building our impact

Connecting people, solutions, and ideas for good

We believe business should leave society better than we found it, and the most effective approach is integrating social impact into our business so that our success ripples outward. 2021 marked another year of upheaval in the world, one in which digital engagement and connection became more central to people's lives.

Applying our integrated approach to impact, we used our products, team, and funding, to serve our communities, employees, and customers. We made progress on our journey to build an antiracist organization, encouraged employees to give back in their communities, and helped bring vaccines to 324 million people around the world. Here's how we did.

Social impact

511M

people helped by 7,624 social impact organizations using Twilio (+92% YoY)

\$66M

provided in grants, donations, product credits and discounts to social impact organizations (+106% YoY)

Antiracism

86% of VPs and above went through an in-depth

antiracism workshop

83%

of Twilions

understand how Twilio is becoming an antiracist company (based on our Q4 2021 employee engagement survey)

People

7,553 volunteered by **Twilio employees** through WePledge 1%

donated

to charitable causes by Twilio employees and matched by Twilio



Section 02

Serving our communities

Learn how Twilio is supporting builders and mission-driven organizations in their quest to change the world for the better





About Twilio.org

In an age of rising inequality, catastrophic disasters, and myriad causes to support, effective communication plays a critical role in helping nonprofits meet the increased demand for their services. Twilio helps social impact organizations increase their capacity to serve through our digital engagement platform, which provides products to send and receive messages over text, voice, video, and more.

We started Twilio.org to be the engine behind the social impact organizations, helping them use our digital engagement tools and grants to scale their mission. We offer product discounts, employee volunteering, and grant funding to help nonprofits deliver support in a crisis, connect people with life-changing resources, and inspire action for good. We partner with over 7,500 social impact organizations globally that use communication technology to reach more than 500 million people each year.

And we won't stop there. Our goal is to reach 1 billion people annually. We know that when organizations pair their local, first-hand expertise with the scale of technology, more people around the world have the opportunity to thrive.

Sparking change with Twilio.org

Unlocking the imagination of social impact builders

Twilio's mission is to unleash the imagination of builders. As a company, we've long been inspired by the imagination of builders tackling complex social problems. Twilio.org, Twilio's social impact team, was created to empower social impact innovators to reach more people through digital engagement technology. We serve nonprofits, social enterprises, international NGOs, and local governments with product discounts, technical expertise, and opportunities for grant funding and employee volunteers.

Helping organizations innovate amid rapid change

As the scale and frequency of global crises increase, nonprofits are innovating to serve their communities and treat people as individuals with dignity. Organizations are building solutions that increase their capacity to listen, understand, and even predict an individual's specific needs. Adding to traditional in-person services, impact organizations are building more of these connections over digital channels like SMS, WhatsApp, email, video, and voice.

Giving helping hands a longer reach

Twilio products enable organizations to build their digital engagement solutions that are tailored to the moment, community, and individual. In this section, we share how nonprofits are using Twilio technology and funding to help more people. From providing vaccinations, to sourcing housing, to tackling food insecurity, service organizations are engaging people around the world to build the future they want. We'll also share how our employees are getting involved in giving back.

Our three focus areas at Twilio.org

Responding to crises

In times of crisis, the right communication at the right time can mean the difference between safety and danger, between life and death. Twilio is focused on supporting nonprofits to support people experiencing crises from the COVID-19 pandemic to natural disasters, armed conflicts, and thoughts of self-harm.

Building better lives

Systemic racism, poverty, and inequity mean that not everyone has the same access and opportunities to live a prosperous life. We empower nonprofits to help people build the futures they want with education, financial services. healthcare, and other resources.

Inspiring action for good

Communications play a key role in engaging people to take action to change the world for good. Whether organizing communities, advocating for causes, or contacting public officials, this impact area mobilizes people to create positive social change.

2021 program highlight

Our approach

to social change

Vaccine equity:

Working toward the bold goal of helping 1 billion people get vaccines and trusted information

Impact investing:

Community-led tech solutions that address equity gaps

WePledge 1%:

Inspiring a movement of employee giving and impact

We Invest



Product: Impact Access Program

Twilio tech, discounts, credits, technical support and partnerships



People: WePledge 1%

Employee giving and volunteer programs



Capital: Impact Fund

Grants and investments

To Empower







Our social impact partners

Nonprofit organizations and social enterprises committed to creating positive social change

To Help

Respond to crisis

People in acute crisis get the help they need right when they need it

Inspire action

People take action to change the world for good

Build better lives

People at risk connect with resources to build better lives



2021 social impact results

Product

511M

people helped by 7,624 social impact organizations using Twilio (+92% YoY)

17B

messages sent for good using Twilio across 195 countries

Capital

\$66M

provided in grants, donations, product credits and discounts to social impact organizations (+106% YoY) \$124M

provided in all time grants, donations, product credits and discounts to social impact organizations

People

7,553
hours

volunteered by Twilio employees through WePledge 1%

to charitable causes by Twilio employees and matched by Twilio

Responding to crises

OUR GOAL
PROVIDE LIFE-SAVING RESOURCES
IN TIMES OF CRISIS

Digital communications and engagement provide critical tools for helping people in times of crisis. This is true for personal crises like mental health and sexual assault, and it's also true for large-scale public health crises like the COVID-19 pandemic.

Matching people with relevant, timely resources

In times of crisis, we at Twilio want to connect people with voices of hope and help them find resources and service providers. Organizations like the National Alliance on Mental Illness (NAMI), the Netherlands Red Cross, and Child Helpline International leverage Twilio-powered communications to help people recover from crises of mental health, natural disasters, public health, and exploitation.



SECTION 02 : SERVING OUR COMMUNITIES

Program highlight

Building vaccine equity

OUR GOAL
HELP 1B PEOPLE ACCESS COVID-19
VACCINES AND TRUSTED INFORMATION

Vaccinating the world

As the COVID-19 pandemic raged on, due to low vaccination rates and the emergence of new variants, Twilio set a bold goal of helping 1 billion people get vaccines and related information over two years. Communications are key to getting people to the vaccines and building vaccine confidence, so we are leveraging our products to support the effort. In addition, we committed \$18 million USD to build vaccine equity. These funds support large global organizations and smaller grassroots nonprofits—each of which plays a vital role in bringing vaccines to marginalized and underserved communities.



324M
people helped
access vaccines
and COVID-19
communications

1,270
organizations
using Twilio products
to support
vaccine outreach

\$18M in funding committed to 11 organizations

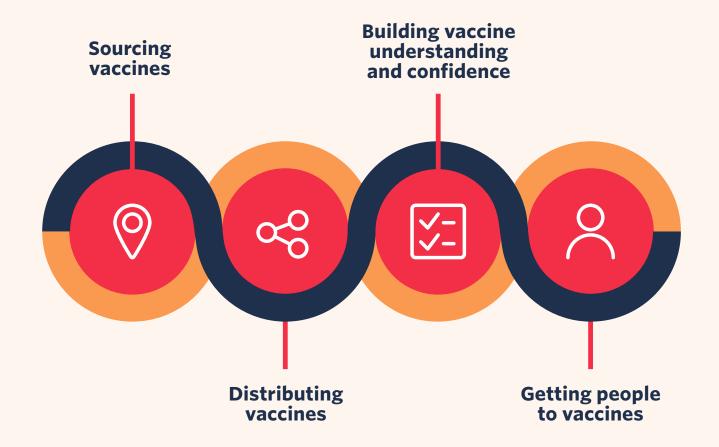
1,000
Twilion

volunteer hours committed

Driving better outcomes across the vaccine lifecycle

Helping people get vaccinated is a multi-step process—one that depends on clear, relevant, and timely communication. Collectively, we must source and distribute vaccines for the world's population, communicate that vaccines are safe and available, address hesitancy and disinformation, and help people get their shots.

Vaccine lifecycle











Sourcing vaccines

While high-income countries have plentiful vaccine supplies, low-income countries have not been able to obtain the vaccines they need to build widespread immunity.

Twilio has contributed \$10 million USD to **Gavi, the Vaccine Alliance** in support of COVAX—the only global multilateral initiative to provide COVID-19 vaccines to populations in low and middle income countries. With over 1 billion doses delivered so far to 144 economies, COVAX is the largest and most complex rollout of vaccines in history.



Funding COVAX by organizations such as Twilio means more doses for lower-income countries. With even more private sector support, we can transform the lives of individuals, get on track for global economic recovery, and make the world safer for everyone.

MOZ SIDDIQUI (he/him)

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Head of Private Sector Partnerships and Innovation





Distributing vaccines

Bringing vaccines to people everywhere—not just those in high-income areas—is essential. Twilio grantees and customers are using innovative, on-theground expertise and technology to solve complex distribution challenges, including **WeRobotics** with drone deliveries in Madagascar, **PATH** in Ghana, and **CARE** in Haiti and Bangladesh.

Twilio is supporting the <u>United Nations Children's</u>
<u>Fund (UNICEF)</u> to enable vaccine distribution for
COVID-19 and other preventable diseases to those who
need it most, as well as build long-term digital health
centers providing education and care.



To help protect every child, we need to protect the people around them. UNICEF won't stop until the fight against the pandemic is won, and our partnership with Twilio will help us increase trust in vaccines and get more doses to at-risk populations around the world.

MICHAEL J. NYENHUIS (he/him)

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President and CEO









Building vaccine understanding and confidence

Many people have questions about the vaccine, may have had negative experiences with healthcare systems and governments, or may have received disinformation that makes them cautious about getting a shot. Twilio partners with community organizations in the US and abroad that are working to provide education and help build trust—including <u>Civic</u> Nation's Made to Save campaign, Mobile Pathways, <u>Partners In Health</u>, and <u>CareMessage</u>.

When COVID-19 vaccines became available, international NGO <u>Save the Children</u> found that many people living in India, Bangladesh, Kenya, and the Philippines had questions and concerns—so they used Twilio to build an informational chatbot on SMS, WhatsApp, and Voice that answers common questions about side effects, vaccine access, and more.



For me, Twilio has been the stand-out technology company that has really put action behind words to support vaccine equity. The company has led not only through substantive funding, but equally through the team's energy, creativity and sheer dedication to get a product to market that actually aims to change things for the better.

JANTI SOERIPTO (she/her)

President &
Chief Executive Officer





Getting people to vaccines

The final hurdles involve letting people know when vaccines are available in their region, helping them book appointments, and reminding them to come in for subsequent shots. Organizations around the world are using Twilio to drive up vaccination rates, including the **Department of Veteran Affairs** in the US, **MACC** health care network in Sweden, **St. Luke's University Health Network**, and **North Carolina Department of Health and Human Services.**

Mobile Pathways leads a coalition of local nonprofits to serve immigrant communities across the US. The organization uses Twilio-powered SMS to drive vaccine adoption, awareness, and education in many languages while staging local vaccine pop-up clinics funded by Twilio.org.



Immigrant communities depend on mobile phones for information and connection—which is why Twilio is so essential to our mission of ensuring vaccine equity. Our vaccine coalition reaches communities where they are, and on the channels and languages each person prefers.

BART SKORUPA (he/him)

Co-Founder and
Development Director



Building better lives

OUR GOAL
SUPPORT PEOPLE IN IMPROVING THEIR
LONG-TERM OUTCOMES AND WELLBEING

When people can easily access the information and resources they need, ask questions, and take action for themselves and the people they love, they are more likely to succeed. To help make this happen, Twilio offers resources such as our open-source social impact app library, makes purposeful investments, and provides tools and technology to social impact organizations.

Building customized support

Social impact organizations know that the people they serve are not merely recipients of aid, but active participants in building the lives they want. To unlock access to the information, resources, and services provided by their programs, nonprofits use Twilio to build chatbots, hotlines, and apps that allow them to seek input from program participants and provide custom responses.

Spurred by the in-person limitations of the pandemic, nonprofits accelerated their efforts to deliver support to people via digital technology—which expanded their impact, scale, and accessibility.



Innovation that improves outcomes

Organizations use digital communications to put program participants in the driver's seat, rather than taking a "top down" and "one-sizefits-all" approach to delivering support. By offering multiple communication channels to increase accessibility, deploying global contact centers for human support, and making resources available on demand using bots and automation, nonprofits scale their services to help more people in less time.



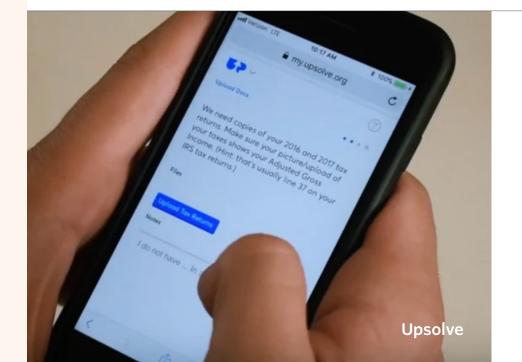
University of Michigan: Digital communications remove barriers to access

The University of Michigan's Center for Digital Curricula bridged the gap between in-person and distance learning with an online platform that allowed more than 4,000 students and 200 teachers to communicate in real-time. Maintaining that human connection was vital at a time when many students were close to falling behind.

Partnership to End Addiction: Behavioral prompts nudge people in positive directions

The Partnership to End Addiction built an interactive messaging system that engages families of those struggling and those attempting to overcome addiction with tailored behavioral nudges that improve long-term outcomes. Based on research, the Partnership designed their family support and recovery messaging systems to lower the barriers to get started and encourage small personalized wins. In a randomized controlled trial, their personalized alcohol reduction messaging program significantly reduced overall alcohol consumption by nearly 15 drinks a week in persons seeking help remotely.





Upsolve: Services at scale help more people

Upsolve simplifies the process of filing for bankruptcy for families, allowing them to access a financial lifeline when they need it most. Using SMS, they're able to scale personalized 1:1 communication with people to help them navigate the often confusing process. Using messaging, Upsolve builds trust and momentum throughout an often emotional process, resulting in more than \$440 million in debt relief for their clients.

Communityled solutions address equity gaps

Teams and builders that empower their own communities know the people they serve best—and we believe the best approach is to give them the tools and financial capital they need to build the right solutions.



CodeExchange for Good

In 2021, Twilio.org launched CodeExchange for Good, an opensource social impact app library that offers packaged code and apps for developers and teams all around the world who want to start helping people right away. By helping developers get started faster, and opening up contributions to the community, we hope to encourage teams to innovate further, quickly scale their impact, and help more people.

Investing in BIPOC founders

Twilio invested \$1 million in Fund III, a new fund launched by venture-capital fund, Kapor Capital. Portfolio companies are committed to closing gaps of access, opportunity, and outcomes for low-income communities and communities of color in the US. The fund serves mission-driven companies building solutions for education, healthcare, and tech access. In addition to the impact investment, we'll be offering product credits, technical help, and pro bono support.





Fast Forward Accelerator

Twilio supported Fast Forward Accelerator, an investment fund focused exclusively on scaling organizations that combine the best tech with sustainable nonprofit business models. Its 2021 cohort of eleven tech nonprofits included FreeWorld, Lemontree, and Rocket Learning. The cohort was extremely diverse—91% have a founder who is a person of color, and 73% have a founder who is a woman—all of whom received funding, mentorship, and connections to help them scale.

Inspiring action for good

OUR GOAL
ACTIVATE HUMAN GENEROSITY AND
INNOVATION TO CREATE LASTING
POSITIVE SOCIAL IMPACT

Twilio leverages our products and capital—both within Twilio and at other organizations—to connect, inform, and mobilize people to do good for their communities. From civic engagement to remote volunteering to fundraising, organizations use Twilio to mobilize people at a global scale through channels that help them make the greatest impact for a given need.

Taking it personally

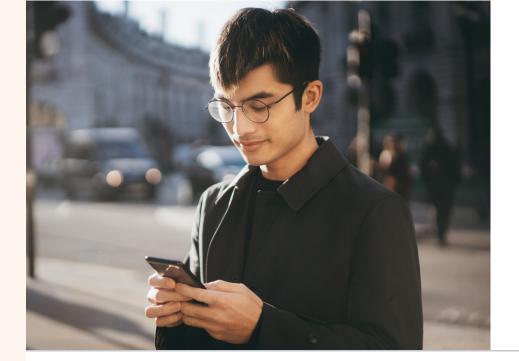
In addition to supporting advocacy and organizing through our engagement platform, Twilio.org engages our employees to support causes they care about. Through our employee impact program, WePledge 1%, Twilions pledge 1% of their time or resources to doing good. Now we're expanding the program to more than 25 companies.



DonorsChoose

A culture of service helps communities thrive

As the pandemic stretched on, it made societal challenges more complex. Limited personal interactions further heightened existing social and economic tensions. Yet through all the uncertainty, one thing was clear: People and companies want safe and effective ways to uplift and support the diverse needs of their communities.



CommunityConnect Labs: Supporting equal representation

Census data influences policymaking and funding across the United States, but census participation decreased 15% over the past 40 years. By building communication tools for local and state governments to engage constituents, CommunityConnect Labs helps public officials increase census participation among underrepresented populations.

DonorsChoose: Empowering high impact giving

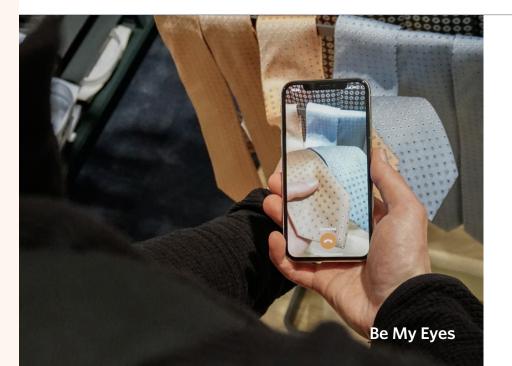
Whether learning happens at home, in the classroom, or a mix of both, DonorsChoose powers individual-led philanthropy to help teachers put resources in the hands of students who need them most. By strategically engaging its donor base with personalized messages, the organization has built one of the most successful email programs in the nonprofit sector, raising more than \$25 million annually.





Be My Eyes: **Bridging connection in times of isolation**

Be My Eyes is a mobile app that uses Twilio Video to help blind and low-vision people access volunteer support to manage tasks large and small. Like the father who can select the right ingredients from the pantry to cook a meal for his family. The teenager who can reorganize her music collection. Or the woman who can get the results of her pregnancy test in private. More than 5 million volunteers use Be My Eyes to support people globally.



SECTION 02 : SERVING OUR COMMUNITIES

WePledge 1%: Employees giving back

WePledge 1% empowers individuals to build positive change in our communities and around the world by contributing 1% of your time, income, or resources to causes you care about.

Helping Twilions make a difference

From poverty to homelessness, climate change, racial and social inequity, and so much more, WePledge 1% encourages Twilions to give in a way that aligns with their intentions, interests, and abilities. We support them by providing volunteer time off, accessible volunteer opportunities, matching gifts, and the opportunity to donate money and/or company equity.

Scaling WePledge 1% for broader impact

Twilio recently made the <u>WePledge 1% program</u> available to other companies that want to grow their employee impact. A company principle at Twilio is to 'Empower Others,' and making this signature program available to like-minded companies such as Asana, Box, and Headspace is one small step in empowering employees to generate an outsized impact on their communities.

3,389
Twilions
participated in giving and

volunteering (+72% YoY)

7,553
volunteer hours
logged by Twilons

\$2M donated by Twilions and matched by Twilio

2,827
social impact organizations
supported by Twilions
through WePledge 1%

25
organizations
bringing WePledge 1% to their companies



Employee voices



Working to establish equal representation for the next generation



Twilions around the world regularly combine their passions, unique skills, and resources

to support and champion change within their communities—whether through dedicated volunteer time, financial contributions, or working with Employee Resource Groups (ERGs)

How Twilions are acting on their values

to act as catalysts for social causes they care about.

I joined the Black Twilions ERG because of their incredible work to build pathways for young women of color to thrive in tech. As our ERG's External Affairs lead, I've spearheaded community service initiatives to support organizations like <u>Black Girls Code</u> that introduce computer programming and other tech skills to young women of color globally. From raising over \$10,000 for <u>Color for Change</u> during Juneteenth to building a virtual library of books highlighting underrepresented groups for schools, we in the Black Twilion community want to build a more equitable society and help open access to careers and opportunities in tech.

TANYA MUSHOHWE (SHE/HER) | Growth Account Executive



Reviving the Irish heavy metal scene while supporting children



When Ireland implemented severe lockdown measures last year, it killed our live music scene. As a heavy metal musician and enthusiast, I wanted to help keep the music going in my community—so I gathered over 120 Irish metal musicians together to record an album. I set up a fundraiser for it, with all the proceeds going to Barnardo's, a children's charity. For even more fun, I also set up a coding hackathon for the Irish metal scene and invited other Twilions to participate—combining two things I love into a way to give back.

DARRAGH O'CONNOR (HE/HIM) | Security Analyst for Customer Trust

A study in launching WePledge 1%: Atlassian Foundation

Atlassian Foundation launched WePledge 1% in July 2021, welcoming its first cohort of 160 employees who achieved their goals in the previous fiscal year. The company has since developed a rewards system, along with a 'WePledge 1% community of champions' who are passionate about giving back.

After just one quarter, they added 310 new champions to the community who had completed 10 hours of volunteering in the first quarter.



We built our WePledge 1% community not only to increase the number of hours our people were dedicating to giving back to causes they care about, but also to create a space where they could share insights, learn from each other, and act as catalysts for change. This has allowed us to grow and scale the program considerably in a short amount of time.

TESA PAGULAYAN (SHE/HER) | Social Impact Specialist, Atlassian Foundation









Active Twilio.org Impact Fund grant recipients, investments, and donations in 2021

CARE

CareMessage

Child Helpline International

Chinese for Affirmative Action

Civic Nation

Fast Forward Accelerator

Gavi

Good Call

International Rescue Committee

Jacaranda Health

Kapor Capital Fund III

Mobile Pathways

National Alliance on Mental Illness

National Domestic Workers Alliance

National Women's Law Center

Norwegian Refugee Council

Operation Fistula

Partners In Health

PATH

Pledge 1%

Polaris

Rape, Abuse, & Incest National Network (RAINN)

Save the Children

Tarjimly

Tech Matters

The Trevor Project

Trans Lifeline

Trek Medics International

United Nations Children's Fund (UNICEF)

United Ways of California

U.S. Digital Response

USA for the United Nations High Commissioner for Refugees (UNHCR)

Vibrant Emotional Health

WeRobotics

Lessons learned

Our learnings from 2021 inform our impact strategy moving forward

Adapting our vaccine initiative for sustained action

Vaccines brought hope of "ending" the COVID-19 pandemic in 2021. However, insufficient vaccination rates in high-income countries and unequal vaccine access across the world resulted in continued spread and mutation of the virus. As we look forward, Twilio plans to continue supporting vaccine equity globally, as vaccines remain our greatest asset in fighting severe disease and death from COVID-19. At the same time, we must work with our nonprofit customers and grantees to understand and support the strategies needed to adapt to long-term management of the virus.

Reimagining employee impact with long-term flexible work

It's no surprise that knowledge workers around the world are feeling disconnected and craving team bonding heading into the third year of the pandemic. Employees also want to take action to address the many social challenges facing their communities and our world. However, traditional models for employee impact and volunteering, based on in-person group activities, don't meet the needs of distributed teams or our nonprofit partners. Looking into 2022, we need to reimagine employee impact activities that reach across the screen, reflect the interests of our global hybrid workforce, and deliver real support for our impact partners.

Building our impact outside of North America

We have made considerable progress toward our bold goal of helping 1 billion people through our products. We measure this through each individual phone number that has received messages from any of our social impact customers. We've learned that many people are engaging with multiple nonprofits over many conversations, though a significant portion are concentrated in the U.S. and Canada. To ascend to the next level of impact and help 1 billion people connect with the services they need, we must expand our team and access to our products globally.



Section 03

Building an antiracist organization

How we promote equity and antioppression for all communities, and support our employees



Our approach to DEI

The evolution of Diversity, Equity & Inclusion

The early days of Diversity, Equity, and Inclusion (DEI) manifested as affirmative action policies and compliance training to mitigate legal risks. In the last 20 years, the work evolved into a more prominent business function through the rise of DEI positions, Employee Resource Groups (ERGs), and a data-driven business case for diversity.

We believe antiracism is the future of DEI

Twilio defines antiracism as an umbrella term for actively identifying and eliminating racism/oppression by changing systems, organizational structures, policies, practices, and attitudes, so that power is shared equitably.

As a company pioneering an antiracism-focused approach to DEI, we no longer need to justify that this work matters or that it needs proper resourcing. We are ready for widespread transformation in our leaders, in our teams, and in how we conduct our business. We are ready to address all forms of discrimination in the workplace and to disrupt systems, policies, and behaviors that have led to the oppression of many for generations.

From commitment to roadmap

In 2021, Twilio began translating our 2020 <u>commitment to becoming</u> <u>an antiracist company</u> into an operational company-wide strategy.

We built a global DEI team with a refreshed approach based on **antiracism** principles. To drive DEI across all parts of the business, we set company-wide goals with a framework unique to Twilio that captures goals in terms of Big Picture, Priorities, and Measures (BPMs).



Our goals across each area of DEI



Building diverse teams

Diversify the composition of teams at all levels through hiring and retention every year.

E

Creating equitable experiences

Sustain yearly improvement of equitable promotion, advancement, and reward of our diverse teams at all levels.

Cultivating inclusive environments

Make yearly improvements in the inclusion index scores of our diverse teams at all levels.

Navigating the antiracism journey

Along the journey this year, we set important, necessary groundwork and aligned the team on a vision for a more diverse, equitable, and inclusive company—and how antiracism will enable us to get there. Knowing that antiracism is very U.S.-centric, we also worked to socialize how antiracism as a framework can promote equity for all communities globally.





Being antiracist results from a conscious decision to make frequent, consistent, equitable choices daily. These choices require ongoing self-awareness and self-reflection as we move through life. In the absence of making antiracist choices, we (un) consciously uphold aspects of white supremacy, white-dominant culture, and unequal institutions and society. Being racist or antiracist is not about who you are; it is about what you do.

IBRAM X. KENDI

AUTHOR OF HOW TO BE AN ANTIRACIST

How we lived our antiracism values in 2021

Implementing a new approach to DEI requires thoughtful engagement across leadership and employees, and extends to how we respond to external events and how we make business decisions. This past year, we explored how to instill the principles of antiracism into our company-wide values, the Twilio Magic, so it can become part of our culture's DNA. We also promoted antiracism in our business and workplace through various initiatives.

Activating more Twilions

To advance DEI at the team level, we are equipping team leaders with comprehensive quarterly reports, including data-driven action plans. More broadly, we know Twilions still need space and time to understand what antiracism means and how they can engage in antiracist behaviors in the workplace. To this end, we have been leveraging internal and external channels to provide antiracism education. Based on our Q4 2021 employee engagement survey results, 83% of all Twilions understand how Twilio is becoming an antiracist company.

Educating our leaders

Antiracism only works when it's supported from the top down, so it's important Twilio leaders not only understand what antiracism means, but also actively promote it within their teams, programs, and policies. To support these efforts, we invested in antiracism education for our executives and VPs. including multiple workshops and learning sessions.

Expanding strategic partnerships

We've established new DEI partnerships with global organizations to help us find, grow, and keep diverse talent in various demographics, regions, and countries. Our 2021 partners include Out Leadership, Advancing Women in Tech and The Alumni Society, among many others.

Leveraging our response framework

In 2021, several news-making events impacted our employees. When incidents like these occur, our leadership explicitly addresses what's happened and why it goes against our values—part of our commitment to speaking up about injustice. Our response also prioritizes employee wellbeing by promoting benefits and resources available to them and, when needed, hosting safe spaces where they can come together and process. In some cases, we also made sizable donations to organizations on the frontlines, including \$100K donations to **Stop AAPI Hate** amid the rise of hate crimes against the AAPI community and the National Women's Law Center to support their work in protecting reproductive rights.

Taking a mindful approach to expansion

As we scale our footprint across the globe, we want to be thoughtful about entering new markets and regions. We've introduced a due diligence process to understand the landscape of social and human rights issues, assess the potential risks and impacts to Twilio conducting business in a particular area, and identify investments and actions needed to foster a workplace that is reflective of our antiracism values and commitment.

2021 DEI program highlights

Our holistic approach to Diversity, Equity, and Inclusion is supported by programs in each of our key goal areas. We have and continue to invest in these programs through an antiracism lens to ensure they evolve in a way that vields transformative change and creates spaces for all Twilions to learn, grow, and act.

Building diverse teams



Creating equitable experiences



Cultivating inclusive environments



Building diverse teams

These initiatives are designed to regularly instill accountability and equitable access in how we grow our team

Inclusion Rule

This internal recruitment policy ensures there is a diverse slate of candidates at the onsite stage of the interview process. This policy applies to all roles globally, including executive level positions.

Bar Raiser

This program works to mitigate bias in our hiring process by introducing a trained interviewer who focuses on our culture, Twilio Magic, and antiracism values. This program is implemented for all roles, including executive level positions.

Hatch

This six-month software engineering apprenticeship program is open to individuals with nontraditional or underrepresented backgrounds. In 2021, 100 percent of Hatch apprentices converted to full-time employees, and Twilio successfully expanded this program globally, with new cohorts in Madrid and Bengaluru.





Creating equitable experiences

These focus areas promote career growth opportunities for underrepresented/marginalized communities and pay equity for all Twilions

BetterUp

This online coaching program is offered to all people managers. As part of our 2020 Racial Justice and Equity initiatives, we extended the program to all Black and LatinX Twilions. In 2021, 216 Black and LatinX Twilions from around the globe participated in BetterUp, resulting in a 100 percent average coaching satisfaction score.

RiseUp

This 12-month program supports leadership development and career advancement for Black and LatinX Twilions. In 2021, we retained 94.5 percent of this cohort and 62.5 percent of participants were promoted or made lateral moves.

Leadership development

To support their success and career growth, we enrolled eight Black Twilions in the Executive Leadership and Manager Accelerator programs offered by McKinsey & Company and six Black Twilions in leadership programming hosted by the Executive Leadership Council (ELC).

Pay parity

Twilio continues to maintain healthy pay parity, ensuring that employees with the same job and location are paid fairly relative to one another, regardless of gender or race.

Cultivating inclusive environments

These programs help us to build a culture of learning and to empower all Twilions to think and operate more inclusively

Employee resource groups

Twilio's Employee Resource Groups (ERGs) are voluntary, employeeled and Twilio-sponsored groups created to support, promote, and celebrate the shared life experiences of communities that are typically underrepresented and/or marginalized. Twilio has nine ERGs and in the past year, we have expanded chapters globally, including Spectrum (LGBTQ+) chapters in APJ and EMEA and a Women@ chapter in APJ.

Safe spaces

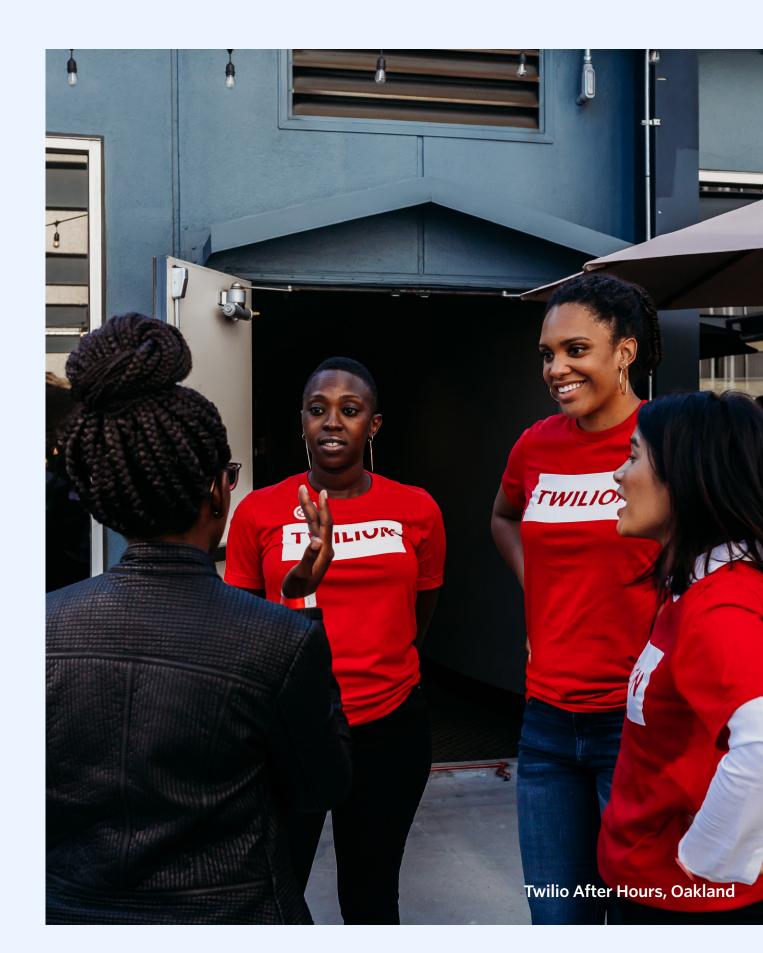
Through this program, we are able to establish spaces for Twilions to come together and have vulnerable conversations about what's happening in and out of the workplace. In 2021, we hosted a number of sessions for ERGs, HRBPs, and Twilions globally.

Listening circles

To better understand Black and LatinX experiences at Twilio, we hosted listening circles to gather honest feedback from employees and translated that into insight and action plans for leaders. In 2021, we hosted three listening circles each for LatinX and Black Twilions and will be incorporating insights into our quarterly reporting to leaders and DEI education for key stakeholder groups, including executives and HRBPs.

Transformational learning

We hosted spaces globally to educate Twilions on the importance of DEI and antiracism, including several antiracism book clubs for VPs, executive leadership, and regional teams. We also coordinated DEI-focused events that featured speakers like Former First Lady Michelle Obama, Netflix VP of Inclusion Strategy Vernā Myers, Shang-Chi star and writer Simu Liu, NYT Best-Selling Author Heather McGhee and Roma actor and activist Yalitza Aparicio.



2021 representational data

Let's move, not prove

In the DEI industry, companies commonly report representational data to show transparency into their internal makeup. Unfortunately, this data is often used to prove whether or not a company is doing well. Instead, we believe in using our data to examine how we can move these measures and improve. This is what we call our "move, not prove" philosophy. We share our data for transparency, but as a team, we are more focused on how we can use this information to continuously guide and refine our programs through an antiracism framework.

Our DEI data also enables us to look beyond representation. Meaning, we examine the full employee lifecycle including hiring rates, promotions, and comparative attrition, in addition to representation. We want to see increasing hiring rates and don't want to see our underrepresented and marginalized communities leaving Twilio at a higher rate than the average. Based on how we're doing, we shift our efforts and leverage initiatives like RiseUp and listening circles to support specific populations at Twilio.

Our 2021 DEI data will guide us in building a comprehensive plan that addresses areas where we can support the advancement of underrepresented and marginalized communities at Twilio.

Hiring rates

Global Women

49%

(+1pt from EOY 2020)

US Asian

24.8%

(+2.8pts from EOY 2020)

US Black

8.8%

(+1.8pts from EOY 2020)

US LatinX

7.7%

(-2.3pts from EOY 2020)

Leadership representation (Director+)*

Global Women

38.3%

(-2.5pts from EOY 2020)

US Asian

22.5%

(+2.4pts from EOY 2020)

US Black

4.1%

(+1.6pts from EOY 2020)

US LatinX

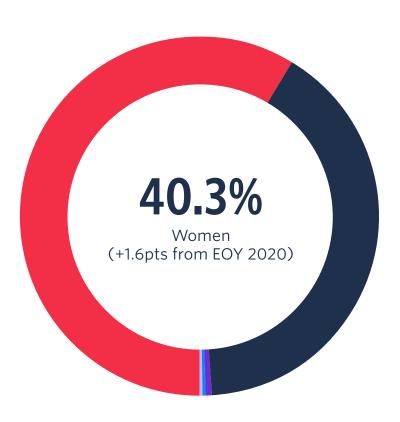
4.8%

(-0.3pts from EOY 2020)

Following Equal Employment Opportunity Commission (EEOC) guidelines, we focused our data measures and reporting on Global Women and US Black, US LatinX and US Asian employees, given these populations are statistically large enough for us to effectively generate insights and action plans. In 2022, we plan to expand our employee data and measurements to include sexual orientation, veterans, people with disabilities, and global race/ethnicities populations.

*Director+ includes employees who are Director-level and above. This group does not include our Board of Directors.

Workforce representation by gender (global)



Men: 58.7%

Nonbinary: 0.3%

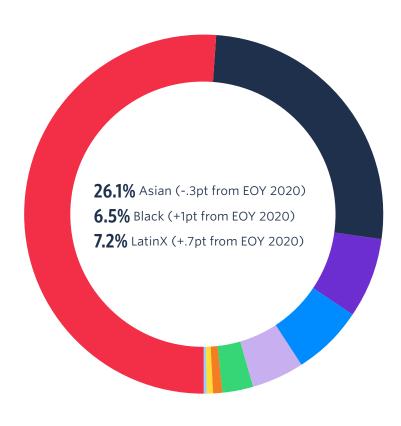
Other: 0.1%*

Undeclared: 0.5%

Women: 40.3%

*Other denotes additional employee-defined categories

Workforce representation by race/ethnicity (United States)



Asian: 26.1% **Black:** 6.5% **LatinX:** 7.2%

Native American/Alaska Native: 0.2%

Native Hawaiian or Other Pacific Islander: 0.4%

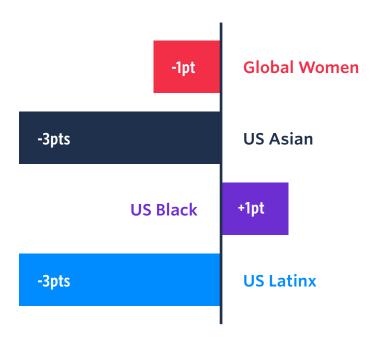
Other: 0.8%

Two or More Races: 3.0%

Undeclared: 4.5%

White: 51.3%

Attrition rates



Overall company attrition rate

Overall, the attrition rates for our biggest populations are in a good place. However, our US Black population is 1pt higher than our overall company average and has a 4pt difference to our US Asian and US LatinX populations. In assessing our attrition data, we are taking steps to "move" this data by supporting Black Twilions through internal development programs like BetterUp, listening circles where we can amplify Black voices and gather insights and community programming through our robust Black Twilions Employee Resource Group, with CEO Jeff Lawson as the executive sponsor. This is a starting point, but an important one, that will allow us to expand our efforts to ensure Black Twilions are excited to stay and build their careers at Twilio.

2021 progress markers

Evolving our mindset to push for better representation

By embedding antiracism into how we operate and think about our business, we made important shifts this year that position us to bolster diverse representation across all levels and communities.

Use workforce data for good

We believe data should be used to **move—not prove—progress.** So when we pull reports to understand the makeup of our workforce at all levels, it's an opportunity for us to better understand where we should direct our efforts.

Reframe the hiring process

We are now positioning our recruiting efforts as "hiring decisions." We do this to acknowledge that individual, human decisions determine who becomes part of the Twilio team. Because we all have deeply rooted biases, it's important to emphasize that part of the work of building diverse teams is to recognize and mitigate bias in our hiring decisions.

Improve employee experiences

Across the industry, many companies are experiencing higher attrition as part of the Great Resignation. For many employees, this is a time of reflection and transition. We are closely reviewing our attrition data this year and we are determined to make Twilio a desirable place to work by putting employee needs first. We will also continue to look at employee survey feedback to guide and, where needed, shift our efforts.



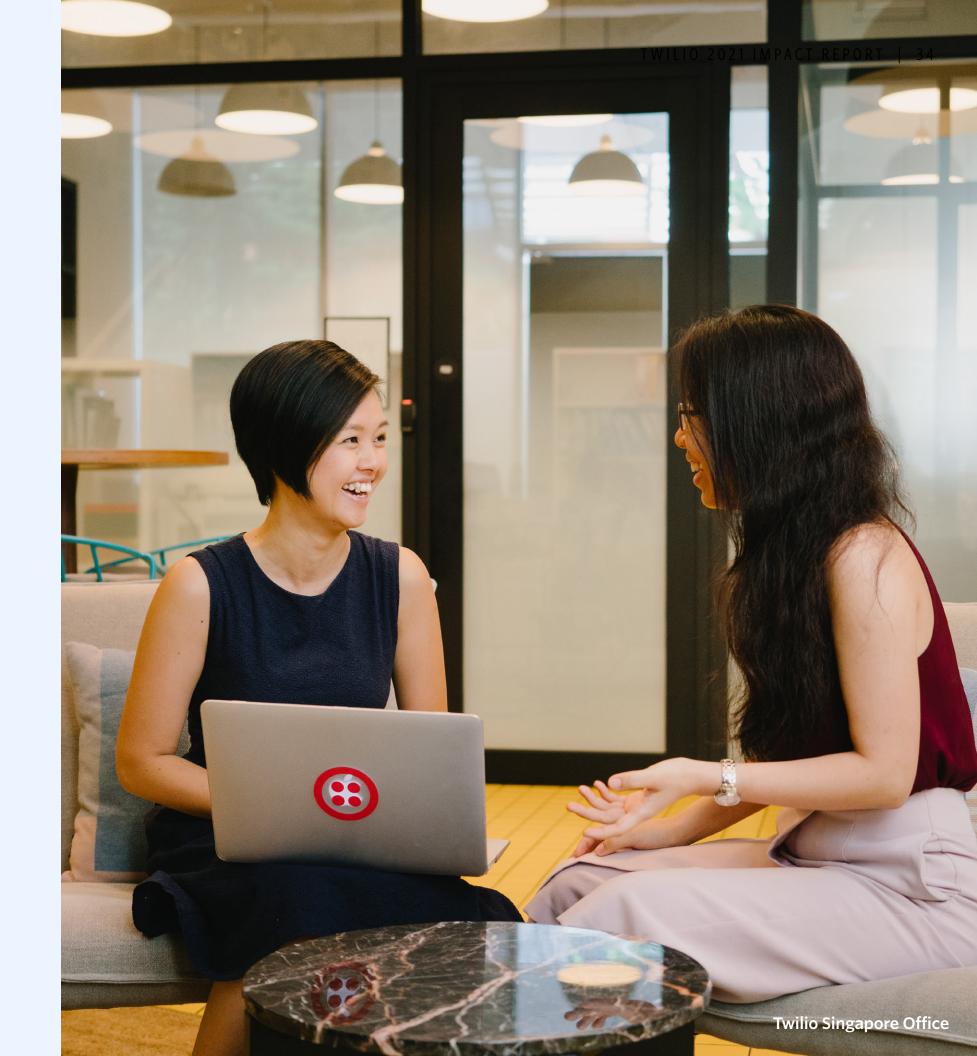
Continued transformation on a global scale

In 2022, we will advance our journey by offering continued learning opportunities for all Twilions and dedicating tools and resources to develop our leaders into ambassadors for antiracism and anti-oppression. We believe if our leaders can model and do this work as an extension of our DEI values (and team), it will trickle down to all parts of our business.

2021 public policy actions

In addition to actions we took inside the company, Twilio worked to influence governments to support diverse communities in 2021. In line with our values, we activated our public policy efforts to support STEM education, workforce training, voting access, and broadband access.

- Science and technology education: Advocating for science, technology, engineering, and mathematics (STEM) education through our technology associations and letters to Health and Human Services, Education, & Related Agencies Appropriations Subcommittee leaders. We recommended funding for the federal Education, Innovation, and Research (EIR) program, which provides grants to local education agencies to bolster America's STEM pipeline by providing students of all backgrounds with a robust, evidenced-based computer science education.
- **Workforce training:** Joining more than 100 companies and industry groups in calling on U.S. congressional leaders to increase public investment in workforce training and reskilling programs while promoting more equitable economic mobility.
- **Voting and democracy:** Joining more than <u>200 companies</u> in expressing a nonpartisan commitment to equality and democracy—based on our belief in the fundamental ability of every eligible U.S. voter to have fair and equal access to cast a ballot.
- **Broadband access:** Advocating for closing the digital divide and expanding broadband access to all communities, including those that are unserved and underserved.





Section 04

Supporting Twilions around the globe

How we help our people be their best selves and create a flexible work environment where everyone can thrive



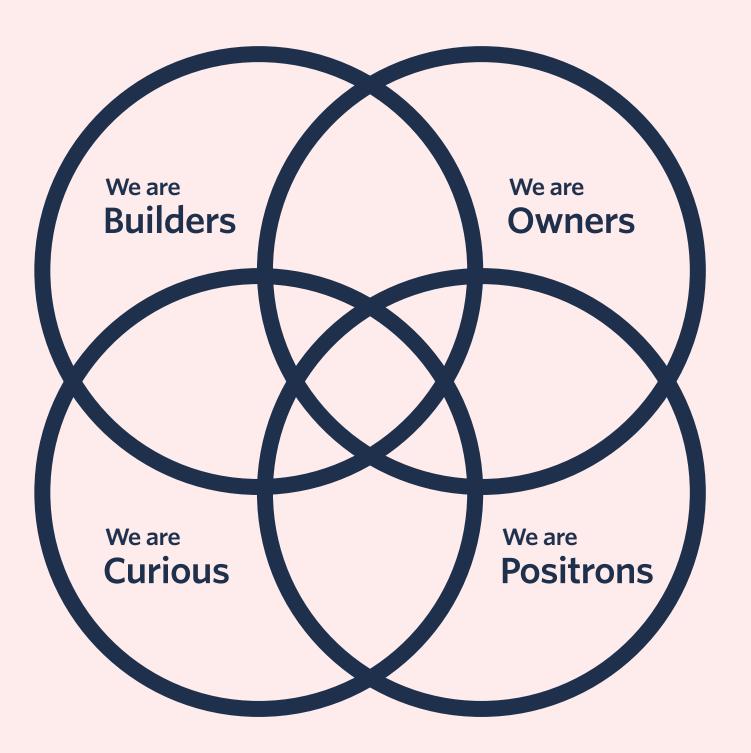
The new world of work

2021 was a year of continued uncertainty, as the pandemic continued on and new variants nixed many return-to-office plans. As months passed, people began to approach work differently and rethink what they wanted from their employers and their careers—including here at Twilio. Employees want the opportunity to work flexibly, so they can integrate work into their outside responsibilities and hobbies. They want the option to work remotely and to build connections in-person throughout the year. Employees seek companies with a value system they share that guides how work gets done. With these preferences in mind, we've built our employee programs to cater to attract, engage, and grow the best talent.

Our people are our top priority

At Twilio, we know that to build the leading customer engagement platform, we must enable our employees to unlock their full potential and imagination as builders. We aim to be the best place to work for builders by creating an environment that truly takes care of our employees, prioritizes their wellbeing, and allows them to innovate and grow in meaningful ways. This is why we have such an intense focus on Twilions. We strive to foster a culture of inclusivity while providing the resources and flexibility our employees need to be productive, creative, and collaborative. We use our unique value system, the "Twilio Magic," to help unlock the full potential and imagination of our people and teams to build, learn, and make a positive impact on the company and the world around them.

Our four core values



Our values: The Twilio Magic

The Twilio Magic is our core operating system—it's what separates us from other companies, what connects us to each other, and what forms the blueprint for how Twilions make an impact. As the company continues to scale, we need to ensure the Twilio Magic grows along with us.

A fresh take on Twilio Magic

We started a project last year focused on how we could more fully embed the Twilio Magic into our company practices, ensuring all Twilions know and use the values to make decisions. But during the work, we realized that we needed to first upgrade and enhance the Twilio Magic framework into something clearer and more actionable with demonstrable behaviors, mechanisms, and practices.

We updated Twilio Magic this year to reflect where we are today. Our new version is more accurate, memorable, and actionable. At the heart of Twilio Magic 2.0 are our four core values—a distillation of what makes us unique. These are the things that must never change, regardless of fluctuations in our size, structure, or strategies.

Our four core values

We are **Builders**

We love hard problems and believe in the indomitable power of people's ability to create a better world through ingenuity and resourcefulness. We reject the "can't be done" attitude and believe bold ideas and fearless iteration can resolve the most challenging problems for our customers and the world they operate in.

We are **Owners**

We take accountability and see things through. We take the long view, sweat the details, and think about how our work makes Twilio better every day. We recognize that we and others do our best work when we feel both empowered and accountable for outcomes.

We are **Curious**

We see ourselves as works in progress. We know that we don't have all the answers, humbly seek the truth, and strive to get better every day. As individuals, as a company, and in our products we seek continual progress over perfection and acknowledge shortcomings as a matter of fact. Progress comes not from avoiding mistakes or hard truths, but learning from them.

We are **Positrons**

A positron is a positively charged electron. We are optimists who believe that positive energy is contagious and caring is critical. We are genuinely excited to serve and help others. We seek to be bright spots for the people around us in every interaction, and we stand up and work for what we believe is good and right for our customers, our company, our communities, and the world at large.

Creating an environment where flexible work thrives

We know employees crave work-life integration and the opportunity to choose how they work. So, we developed an initiative called Open Work to guide the evolution of how we work at Twilio. At its simplest, Open Work means most employees can choose where and how they want to work. It's also a strategic shift that enables the growth of global, diverse talent, which ultimately serves our customers and strengthens our business. This program is a testament to our belief that if we continue to hire and empower talented people, great things will happen.

Goals of Open Work



Enable Twilions to be productive, have an equitable work experience, and feel connected to their teams and the company.



Better serve customers. Employees comfortable in their work environment, with the flexibility to customize their schedule to best meet their customers' needs, will drive better business outcomes.



Open new talent pools by empowering managers who are building out their teams to look for the best person for the job, no matter where they live.

To create an equitable work experience, we need to ensure all Twilions can be productive and have access to the same opportunities, regardless of location, region, or workplace category. For example, where someone works will not impact their performance reviews or their chances of being promoted. Additionally, Open Work means our teams have the ownership and tooling to enable them to work well together virtually and asynchronously. Working together should be easy and seamless, no matter where someone is located in relation to their teammates or customers. We're testing all of our future ways of working programs and policies through this lens.

Cultivating talent and growing employee satisfaction

How employees experience the workplace is impacted by many different factors, which is why we work to provide value in a number of ways. We conduct a twice-annual employee engagement survey, share the results, and refocus our work based on Twilion feedback.

Employee support

Benefits that go beyond the basics

Opportunities to disconnect and recharge

External recognition that validates the work

Career growth

Programs that help people learn and grow

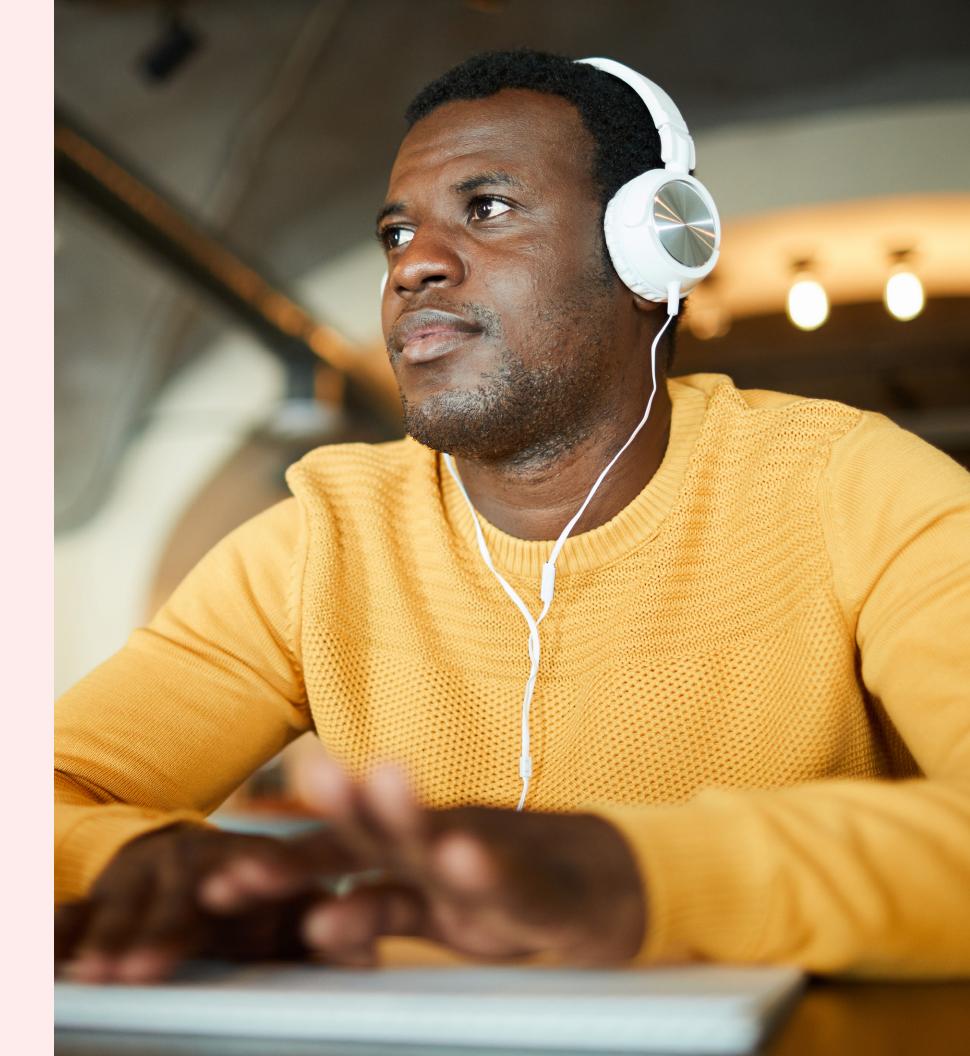
Making connections while working flexibly

Pay equity actions that help close gaps

Talent acquisition

Raising the bar with every hire

Creating a frictionless candidate experience



Benefits that go beyond the basics

All Twilions have access to mental health provider visits through our Employee Assistance Program (EAP) and an inclusive family-forming benefit up to \$10,000 USD per year that allows Twilions to choose their route to parenthood (via fertility, surrogacy, and/ or adoption). We also have monthly stipends to support wellness and lifelong learning and to ensure employees are equipped to work from home. More recently, we launched access to back-up care and established a caregiver reimbursement (\$500 USD). To help employees settle in when returning from leave of absence, we launched a four-week flexible return to work program. These benefits are all worldwide, for all Twilions.

Opportunities to disconnect and recharge

In 2021, we provided Twilions with three company-wide breaks in April, September, and December to rest and catch up on the things that bring them joy. We also launched "Think Week," a week with no internal meetings, to provide Twilions with valuable, protected time for deep, thoughtful, reflective work. We received such positive feedback that we're bringing the breaks and Think Week back again this year.

External recognition that validates the work

In 2021, Twilio was recognized on several Best Workplaces lists: Fortune 100 Best Companies to Work For, Fortune Best Workplaces for Women, Fortune's Best Workplaces for Parents, Fortune Best Workplaces for Millennials, Fortune Best Workplaces in Technology, Fortune Best Workplaces in the Bay Area, and PEOPLE Companies that Care. This year, Twilio was named #14 on Glassdoor's Best Places to Work list.

Programs that help people learn and grow

We provided full access for all Twilions to the complete LinkedIn Learning library. We also offer six months of 1:1 coaching through BetterUp to all managers and to all Black and LatinX Twilions globally. Further, all Twilions have access to on-demand coaching throughout the year through Bravely.

Making connections while working flexibly

As vaccination rates increased in many places where Twilions work this year, we introduced Twilio Hubs to build community in locations across the globe. Our Hubs held more than 200 events virtually and in person, welcomed new hires to their local community, provided an opportunity to build informal networks and created a two-way feedback mechanism to understand how folks were feeling while distributed. Twilions around the world participated in cooking classes, sound baths, talent shows and scavenger hunts all the while re-energizing the Twilio Magic.

Pay equity actions that help close gaps

Twilio has always been committed to promoting equity in our policies and systems. Every year, we engage a third-party vendor to assess employee compensation on a global basis through rigorous statistical analysis. Our results have shown pay parity across our employee populations year over year. Further, according to the external firm that conducts the analysis, our results are at or better than the other companies conducting similar analysis.

Raising the bar with every hire

Our teams hired more than ever in 2021, and interviewers from our Bar Raiser Program helped us make sure that we never sacrificed our hiring process or candidate experience because of a short-term business need. Serving as neutral interviewers, our 650+ Bar Raisers are skilled at assessing behaviors that align with our company values and bring an unbiased lens to our interview and hiring processes.

Creating a frictionless candidate experience

In 2021, we looked for ways to make the hiring process more transparent and human throughout. We built new creative approaches to present relevant and useful content, like interview prep guides and inclusive job descriptions, to candidates at each stage. We implemented an experience survey platform to capture candidate experiences in real-time to improve our interview process and uplevel how we train our teams.

Employee voices

How Twilions are finding belonging and purpose at work



Celebrating and growing our LatinX community



Before Twilio, I always felt a little out of place as a Latina in tech, because there were either such a small representation of other LatinX folks, or we were silently undervalued. At Twilio, I've found a really supportive and empowering community within the LatinX @ Twilio employee resource group. These are the folks who I've cried with, cheered on in their own work, and connected with to help me through tougher times of the pandemic. I want to continue to grow our LatinX community at Twilio — both with identifying members and allies. I'm excited to continue celebrating my culture at my company and beyond!

LUPITA URIBE (SHE/HER)

Senior Manager, Internal Communications



Raising the bar by living the **Twilio Magic**



When I was selected to be a Bar Raiser, I felt so proud to contribute to building a special team based on our values. Bar Raisers bring a critical lens to our hiring process to ensure that our interviews are conducted in a thoughtful and objective way and to make sure that when we bring new Twilions aboard, they are intrinsically stewards of our Twilio Magic values. Our company is only as great as the people we hire, and Twilio's Bar Raiser Program helps us hire the very best. This is Twilio! This is Twilio Magic!

FRANCIANE TEÓFILO FENÓLIO (SHE/HER)

Senior Business Operations Manager

Lessons learned

We closed out 2021 with key learnings that will inform our work next year and beyond

Antiracism is about transformational change and is not interchangeable with DEI

For the past 20 years, diversity and inclusion work has focused on creating change through programming at the company level, which led to the creation of the Chief Diversity Officer role, hiring and retention programs, and employee resource groups. Antiracism is about transformational change at an individual level, which is especially important for leaders who hold power and make decisions that impact the workplace experiences of marginalized communities. It's a new way of approaching DEI. For Twilions to understand this distinction, we must further elaborate how antiracism, and by extension anti-oppression, is different from the standard practice of DEI and will result in transformational change that will dismantle barriers and lead to the co-liberation of all Twilions.

Antiracism must be incorporated into our company values

In 2021, we shared our intention to embed antiracism into everything we do at Twilio. Company values play an important role in how we operate in the workplace, so when Twilio began the process to refresh its company values, we saw an opportunity to integrate antiracist thinking and behaviors into our company operating model. Our new "We are Positrons" value speaks to how important it is to "stand up and work for what we believe is good and right." It specifically includes "Be Antiracist" as a behavior that is necessary for Twilions to engage as positrons. Being a positron isn't just about bringing a positive attitude, it includes questioning our approach and applying antiracist principles to our work. Embedding antiracism into our values also creates accountability in our journey to become an antiracist organization because each Twilion's performance is evaluated based on the Twilio Magic.

Attracting the best talent means we must provide flexible work

Twilio strives to become the best place to work for builders. To unlock the full potential of our people and our teams, we need to understand how and where Twilions do their best work. Twilions expect flexibility more than ever before. They want to choose when to go into the office and when to work from home. They want to meet in person to build connections with structured meetings and events. For Twilio to continue to refine our employee experience and compete in the talent market, we need to provide flexible work and in-person moments. We must build equitable opportunities for Twilions to connect and progress in their careers regardless of their work location.



Section 05

Integrating impact into our business

Our approach to advancing ESG activities, integrating social impact and antiracism into our operations, protecting customers on our platform, and limiting our environmental footprint



We believe business should leave society better than we found it

Corporations exert enormous influence on society, and it is our responsibility at Twilio to make sure that our impact is a net positive. Doing good is and has always been a part of our DNA—but we know good intentions aren't enough. As we scale, our impact on the world scales, and so does our ability to create long-term value for all of our stakeholders: our employees, our customers, the communities around us, and our shareholders.

Putting our beliefs into action

Rather than creating a side initiative or taking actions primarily for brand value, Twilio integrates our social impact and antiracism work directly into how we run our business, structure our teams, and measure our success.

Modernizing our executive team

We have a Chief Social Impact Officer and a Chief Diversity Officer. They sit on our executive team and impact company-wide decisions and strategy.

Integrating impact into our core business

We've found that reinvesting revenue from social impact sales into support for nonprofits helps generate impact more quickly and sustainably.

Becoming an antiracist company

We integrate our antiracist approach into company values for evaluating employee performance, how we support our teammates in building their careers, and how we measure our executives.

Doing right by our customers

At Twilio, we value wearing the customer's shoes. Our data privacy, security, accessible design, and customer trust programs are just a few of the ways we protect customers using our platform.

Building an ethical business

We aim to advance ESG activities across the company. We enforce a code of conduct for both employees and vendors, support human rights, and measure our impact on the environment.



Spotlight: The modern executive team

The C-suite is expanding to reflect shifting priorities of the business world and changing cultural norms. As employees, customers, and investors call for companies to act responsibly and drive more positive impact, new leadership positions are being created to lead the charge at the executive level.

New titles are becoming mainstream

Titles such as Chief Diversity Officer and Chief Purpose Officer reflect these changing expectations. But titles aren't the only shift; structure matters too. Twilio Executives who lead DEI, Purpose, and Social Impact report directly to the CEO. This not only gives them a seat at the table; it also ensures their strategic lens is applied to every major business decision.



Chief Social Impact Officer

Many companies keep their social impact group siloed from their core business to preserve the sanctity of the impact initiatives. We think this is a mistake. At Twilio, we build social impact directly into our business strategy. Effective communication is critical in helping nonprofits listen and engage with the people they serve. That's why we sell our communication products at a discount to these nonprofits. We then reinvest the profit back into our social initiatives. This means as our revenues grow, so does our social impact. This increased revenue translates to more grants, employee volunteering, and technical resources available for nonprofits using technology to advance their missions.

The most effective way to increase impact and create long-term business value is to make the social impact organization a source of revenue. Twilio.org operates like a line of business. Revenue is our oxygen, and we need oxygen to help grow our social impact.

ERIN REILLY (SHE/HER)

Chief Diversity Officer

The landscape of DEI is evolving, and we believe that antiracism is the key to driving change across the business and the industry. Our approach is to shift our thinking and behaviors at the individual level, so that all Twilions, especially our leaders, view their programs, policies, and decisions through an antiracist and anti-oppressive lens. We, therefore, need to invest in antiracist education and ensure that this learning translates across all regions globally. We are also elevating existing programs and developing new ones that will institutionalize support for our underrepresented and/or marginalized communities, including the expansion of employee resource group chapters globally and the development of more equitable policies.

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DEI is an essential part of our business, and it will enable us to create more innovation, better serve our customers, and retain our employees in higher numbers. We want to help Twilions around the globe unlock their potential as antiracist leaders and build a better workplace, a better company, and a better world.

LYBRA CLEMONS (SHE/HER)

Building a virtuous cycle of integrated impact

We believe the most effective way to increase positive social impact is to align social impact and value generation. Yet we also understand that revenue and profit have been dirty words in the world of social impact because they can be associated with exploiting social good organizations for the benefit of the company—something we strive to avoid. As a result, many companies silo their social impact teams to protect the "sanctity" of their work. However, this separation makes it harder for impact teams to do more and secure resources each year.

Twilio's model offers an alternative

Our approach is akin to social enterprise business models that reinvest revenue from a social mission into growing the business and building impact.

YoY people reached

YoY Twilio.org team growth

+105% YoY revenue growth

+106% YoY grants, donations, and product credits growth

of employees in our Q4 2021 Employee Engagement Survey agreed that

"Twiilio's commitment to social impact (e.g. Twilio.org, Diversity, Equity & Inclusion) makes me proud to work at Twilio.

How it works in practice

We make our tools more accessible to nonprofits

Twilio.org sales specialists, together with Twilio's generalist sales team, sell Twilio's software and services to nonprofits at a reduced rate to help them reach more constituents with digital engagement.

Product usage translates to real-world impact

Nonprofits and social enterprises use Twilio products in their work tackling a variety of social problems. From crisis support, to voter engagement, to COVID-19 vaccinations, each connection a nonprofit makes through Twilio means one life is impacted for the better.

We reinvest revenue to create more impact

Twilio.org's Impact Fund was initially funded through Twilio's pledge to donate 1% of equity to social good. Our goal is to build a sustainable impact organization once the 1% pledge is complete—and we are well on our way. We reinvest revenue from nonprofit sales to grow our team and seed our Impact Fund so that we can help more nonprofits and continue to make investments in alignment with our impact focus areas.

We scale the team faster

Because Twilio.org contributes to impact in the world and Twilio revenue, in addition to increased brand affinity and employee engagement, we've been securing resources to grow the team significantly year over year and control our own destiny.

Becoming an antiracist company

Our commitment to becoming an antiracist company requires transformational change, which means embedding antiracism into how we think about and operate our business at the individual level.

That commitment includes:

- Equipping our leaders with antiracist training
 Our leaders are in positions of power and therefore remain
 an area of focus for us, as we invest in their development
 so that we can operationalize antiracism across Twilio. 86%
 of Sr. Twilio Executives have gone through an antiracism
 workshop, with continued learning planned in 2022.
- Expanding our DEI efforts around the world
 We are growing DEI resources and our global footprint to make
 sure DEI scales along with the business. That includes expanding
 the DEI team into both EMEA and APJ and launching ERG chapters
 globally. This will ensure we are translating antiracism into its local
 context and amplifying DEI efforts across all teams and regions.
- Supporting the Black Equity Index
 We are a launch supporter of this new industry-wide set of standards designed to measure and track the progress of racial equity in the workplace.
- Creating more spaces to gather employee insight and feedback
 Part of the antiracist journey is taking the time to hear and
 internalize the experiences of others with a commitment to
 facilitating change. By hosting dedicated safe spaces and listening
 sessions for different communities at Twilio, especially our
 Employee Resource Groups, we are able to share valuable insight
 with leaders that influence how they manage their teams.



Doing right by our customers

Twilio provides a customer engagement platform that powers digital interactions between businesses and their customers at every stage of the relationship. We believe that protecting customers who use our products, and the greater communications ecosystem, is critical to our overall impact strategy. As a result, our company invests in robust data privacy and security, removing bad actors from our platform, and enabling wanted communications.

Security

Acceptable platform use

Accessible design

Data privacy

Trusted communications



Data privacy

Twilio's privacy program is robust and long-standing. We have had both processor and controller <u>BCR's (Binding Corporate Rules)</u> since 2018, which we are audited on annually by a third party. We publish privacy-specific guidance in Twilio's public-facing <u>help center</u> to better demonstrate and clarify our commitment to privacy. We also focus on building intentional privacy operating procedures to ensure that what we say publicly is also what we do behind the scenes, with a robust Privacy Governance team. For example, we require training for all employees, including contractors, and we publicly explain in our <u>API docs</u> how to exercise privacy rights. In addition, we are constantly evaluating our privacy program against peers and established standards such as the Privacy NIST (National Institute of Standards and Technology) Risk Framework and the Privacy Maturity Model.

Security

At Twilio, securing communications is a top priority and at the core of our platform. Twilio strives to maintain the confidentiality, availability, and integrity of data and services by proactively mitigating cybersecurity risks and helping customers meet regulatory demands. Our security program focuses on securing our people, our products, and our data to maintain security in every customer interaction. We follow a set of core security principles to guide our tested security posture. Our security risk management framework ensures ongoing risk identification, assessment, treatment, and reporting, while ensuring continuous delivery of platform products and services. To learn more about our security practices, principles, and certifications, visit our security page.

Acceptable platform use

Twilio's <u>Acceptable Use Policy</u> outlines the rules customers must abide by in order to use Twilio's platform. Twilio's Acceptable Use Policy is geared toward protecting not only Twilio's platform, but also Twilio's customers, recipients of communications, and the public at large. For example, Twilio prohibits any activity on its platform that is illegal or deceptive. Furthermore, customers are prohibited from transmitting communications that are unwanted, abusive, deemed to be criminal misinformation or hate speech, or otherwise pose a threat to the public. Finally, Twilio takes these prohibitions a step further and disallows any hate group from using Twilio's platform.





Accessible design

Twilio's design team is committed to helping everyone at Twilio build inclusive and accessible software. Paste, Twilio's design system, adheres to the international standard Web Content Accessibility Guidelines (WCAG 2.1). The system provides accessibility tips and an inclusive design guide to use while building new products. Paste aims to raise the floor for all Twilio products to start their product development lifecycle with accessibility as a baseline and is currently being rolled out across our product portfolio. To share our learnings, we have open-sourced the Paste design system so our customers can leverage best practices when building their own customer engagement software.

Trusted communications

As consumers, nearly all of us have received robocalls and bogus text messages that we didn't sign up for. Messages like these are not allowed on the Twilio platform because people don't want them and because they are eroding the overall trust in the business messaging ecosystem. To do our part to improve the industry and our customer's experiences, Twilio has engaged in a number of industry-wide and product initiatives that enhance trust and deliverability of wanted messages. Learn more about our commitment to trusted communications.

- Twilio achieved **SHAKEN/STIR** compliance ahead of the Federal Communications Commission (FCC) imposed deadline. SHAKEN/STIR is a protocol mandated by the FCC to combat the rise in unwanted robocalls and unlawful caller ID spoofing. When adopted, carriers can present a trusted signature or checkmark about the caller to the called party.
- Twilio partnered with U.S.-based telecom carriers to stop spam and increase trust in the business-to-consumer text messaging ecosystem (known as A2P 10DLC). Twilio offers a simple registration system as part of the Twilio Trust Hub for customers to quickly and easily register their messaging traffic with U.S. carriers, enabling nonprofits and businesses to reliably send wanted, trusted text messages to the people they serve.
- Twilio co-chaired a working group within a telecommunications trade organization, USTelecom, to develop best practices for notification and redress of harmful telephone call blocking and labeling practices.
- At Twilio's 2021 SIGNAL customer and developer conference, FCC Chairwoman Jessica Rosenworcel spoke with Twilio CEO Jeff Lawson about the importance of broadband access, trusted communications, and the next great thing in communications, including Twilio.

Building an ethical business

ESG oversight

Twilio is committed to sound governance and oversight of our impact on our community and environment. For this reason, our Board's Nominating and Corporate Governance Committee has direct oversight in its charter of our environmental, social, and governance (ESG) activities, programs, and disclosures. For more information on our ESG documents and disclosures, visit our investor website.

Corporate governance

Effective corporate governance practices are important for business execution and are ultimately a benefit for our shareholders. Twilio's Board of Directors is made up of directors with a mix of skill sets, experiences, and backgrounds, all of whom bring unique perspectives to Twilio's management and oversight. Senior executives provide regular updates to the board, and the board regularly engages with executives and the broader company, including attending certain business reviews and company-wide meetings. Our commitment to corporate governance is articulated in our annual Proxy Statement disclosure, which provides detailed information on our board structure and composition, stockholder rights and engagement, executive compensation, and other key governance topics.

Long-Term Stock Exchange

We were one of the first two companies to dual list on the Long-Term Stock Exchange (LTSE), an SEC-registered exchange built for companies and investors who share a long-term vision based on values and principles that go beyond quarterly reports. We listed on the LTSE to strengthen our relationship with long-term investors, align with future-focused peers and new investors, and reiterate our commitment to serving all our stakeholders—employees, customers, and communities.

Code of conduct

Our commitment to ethical business practices is captured in the Code of Conduct, which applies to all Twilio employees across the globe. All employees are also required to complete a series of compliance training courses each year on important topics including ethical business conduct, data privacy, information security, anti-corruption, anti-harassment, how to report ethics and compliance concerns, and our anti-retaliation policy. We actively monitor the activities of our employees across the globe to ensure compliance with the Code of Conduct and company policies, including ensuring accurate business records and appropriate usage of company information systems. On the supplier side, we have created the Twilio Supplier <u>Code of Conduct</u>, which outlines Twilio's ethics, compliance, and legal-related expectations for suppliers and any subcontractors, providers, or agents that they use. Through these efforts, we are demonstrating our commitment to ethical business practices, transparency, and integrity.

Silence No More Act

Speaking up has always been a valued practice at Twilio. We are updating our standard employment agreements globally to make clear that employees can and should speak up about settlement agreements involving all forms of harassment or discrimination. We're making these updates globally because we want to continue to identify and prevent inappropriate and illegal behavior as we scale. We've also chosen to implement the protections under California's Silenced No More Act globally because it aligns with our values and it's the right thing to do.

Human rights

Twilio is committed to furthering human rights and to identifying and mitigating risks that business operations could pose to such rights. Twilio's Human Rights Statement outlines our human rights approach with regards to privacy, labor practices, anti-discrimination, and diversity in the workplace.

Lobbying disclosures

Twilio discloses our U.S. lobbying contributions and activities, which can be found on the House of Representatives and Senate Lobbying Disclosure Act websites.

Measuring our carbon footprint

Twilio believes in conserving natural resources and minimizing our impact on the environment.

Understanding our impact on the planet

Our goal at Twilio is to limit our impact on climate change and to carry out our business activities in a sustainable manner. As a software business, our carbon footprint is relatively smaller than businesses in more carbon-intensive industries like manufacturing and retail, but we still strive to limit our impact on the environment.

Pandemic-related decreases

Our carbon footprint, the amount of greenhouse gasses produced by our business activities, was 11,986.66 metric tons CO₂e in 2020. We measure our footprint in metric tons of carbon dioxide equivalents (MTCO₂e) which streamlines calculations across all greenhouses into the industry-standard metric. In 2020, we reduced our footprint compared to our impact in 2019 of 17,364.16 MTCO₂e mostly due to pandemic-related changes in business operations.

Much of the reduction came from reduced air travel from COVID-19 travel restrictions in 2020. On the flip side, the pandemic increased our emissions from employees' at-home footprint given the shift to remote work. We maintained our office locations and improved our calculations for water consumption across more offices, which is why our water emissions increased. In alignment with our product usage growth, our data center emissions also grew in 2020.

In accordance with the Greenhouse Gas Protocol corporate standard, we measure our emissions by scope. Scope 1 includes direct emissions such as gas used on-site, Scope 2 includes the electricity our offices generate, and our indirect emissions sit in Scope 3. Like many software technology businesses, Twilio's carbon footprint is weighted in Scope 3 emissions.

Moving forward

In 2022, we will invest more heavily in our sustainability programs. We plan to expand the measurement of our greenhouse gas footprint, build a plan to reduce our emissions, and commit to setting science-based climate targets.

Carbon footprint measured in metric tons CO2e

Scope	Activity	2019	2020
Scope 1	Site gas		187.2
	Vehicle fuel usage	1.34	
Scope 1 Subtotal		1.34	187.2
Scope 2	Electricity generation (location-based) ¹	3,845.65	1,383.87
Scope 2 Subtotal		3,845.65	1,383.87
Scope 3	Data centers	1,597.64	6,108.42
	Home workers		2,232.17
	Flights	10,490.89	1,017.34
	Non-controlled site electricity ²	874.65	508.69
	Water and wastewater	38.12	456.78
	Electricity transmission and distribution ³	223.90	84.09
	Taxi travel	158.21	4.23
	Rail travel	52.30	3.86
	Employee owned car travel (gray fleet)	63.62	
	Bus travel (shuttle service)	17.86	
Scope 3 Subtotal		13,517.19	10,415.58
Total metric tons CO₂e		17,364.16	11,986.66



inventory has been prepared in accordance with Part

- 1) Scope 2 2019 electricity generation (location-based) changed from the previous reporting year because non-controlled site electricity has been added to Scope 3.
- 2) Scope 3 2019 non-controlled site electricity changed from the previous reporting year because generation transmission and distribution has been included.
- 3) Scope 3 2019 electricity transmission and distribution changed from the previous reporting year as this now accounts for Twilio leased sites.

Appendix



Methodology

Twilio.org Impact Data:

In the case of Twilio.org customers, we define a "person helped" as an individual who has sent or received a message or phone call through one of our Twilio.org customers. We count each phone number only once, even if they have engaged multiple organizations or received multiple messages. This information is tracked (anonymously) via Twilio's backend system. For Impact Fund grantees and investees who are not Twilio customers, we collect this information via grant applications and reports. Note that Twilio.org does not ask grantees to segregate the contribution of our grant when estimating the number of people helped, due to the burden that this request would place on the organizations. Thus, this data represents the contribution of Twilio.org to helping the grantees' intended beneficiaries, along with the organization's other funding sources.

People helped access COVID-19 vaccines and related communications are a subset of the above focused on COVID-19 support.

Messages for good measure the total number of messages sent through one of our Twilio.org social impact customers. Multiple messages can be sent to one individual.

We define the social impact organizations we work with as those currently signed up for Twilio. org's Impact Access program.

Product Credits includes \$500 USD in product credits for each social impact organization that joins Twilio.org's Impact Access Program, additional credit pools for special programs like COVID-19 response, and product discounts that start at 25 percent.

Twilio employee donations include Twilio's matching donations and rewards.

All grant and donation data is presented in USD.

Diversity, equity, and inclusion data: All employee demographic data is self-reported by Twilions and pulled from Twilio's Workday database as of December 31, 2021. This data does not include ZipWhip employees.

Carbon Footprint: Our carbon footprint was measured by Carbon Footprint Ltd, which is ISO14001:2015 certified for environmental management.

Photo sourcing: Twilio employees at companysponsored events captured in the report were subject to our COVID-19 policies and procedures.

Forward-looking statements

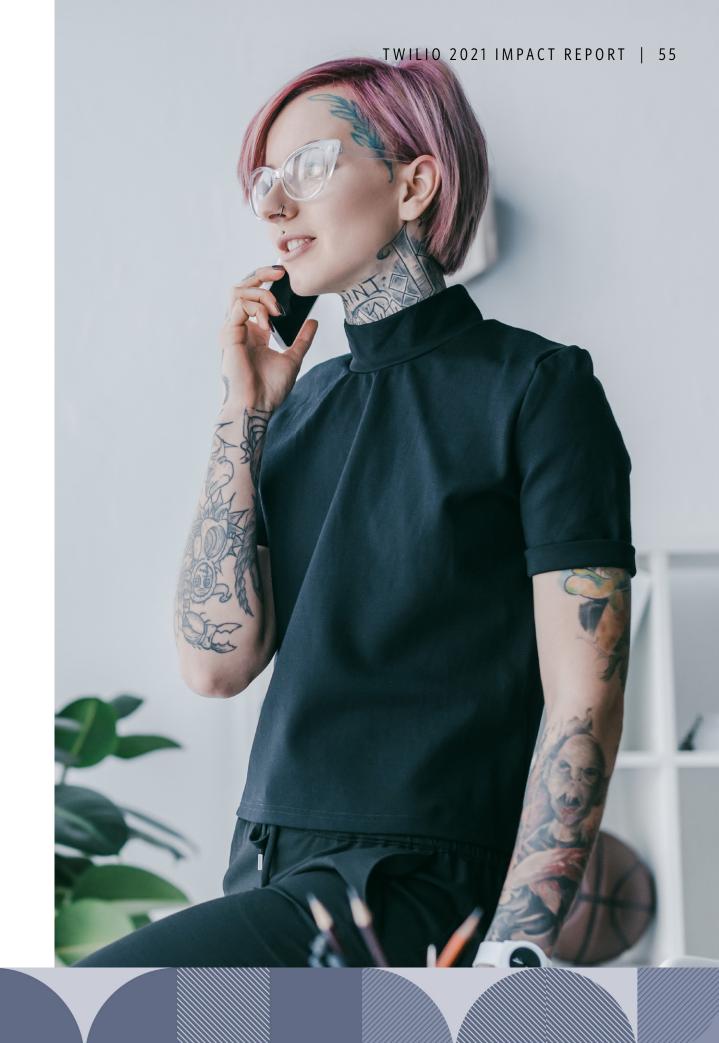
This report contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forwardlooking statements generally relate to future events and can be identified by words such as "may," "can," "will," "would," "should," "expects," "plans," "anticipates," "intends," "could," "target," "projects," "contemplates," "believes," "estimates," "predicts," "forecasts," "potential," or "continue" or the negative of these words or other similar terms or expressions. Forwardlooking statements contained in this report include, but are not limited to, statements about Twilio's ability to achieve its social impact and governance goals, the impact on Twilio and its customers and partners related to COVID-19, Twilio's expectations regarding its ESG and DEI programs and initiatives, including investments in carbon reductions and sustainability, and the future outlook for Twilio's continued efforts to help with response and prevention of crises.

You should not rely upon forward-looking statements as predictions of future events. The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties, and

other factors that may cause Twilio's actual results, performance, or achievements to differ materially from those described in the forward-looking statements, including, among other things: adverse changes in economic conditions; the impact of COVID-19 on Twilio and its employees, customers, and partners; changes in the environmental regulatory landscape; and the impact of social and environmental factors beyond Twilio's control, including social unrest, natural disasters, and similar events. Further information on these and other factors that could affect actual results is included in Twilio's most recent filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and most recent Quarterly Report on Form 10-Q, and other filings that Twilio makes with the Securities and Exchange Commission from time to time.

Forward-looking statements are based on management's beliefs and assumptions only as of the date such statements are made.

Twilio undertakes no obligation to update any forward-looking statements made in this report, whether to reflect new information, future events, or otherwise, except as required by law.



Thank you

to the builders—our customers, grant recipients, employees, and partners—who drove Twilio's social impact in 2021. We couldn't have done any of this without you, and we can't wait to see the good you build next!

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