UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31 , 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number**: 001-40691**

Robinhood Markets, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**46-4364776**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

85 Willow Rd

Menlo Park , CA 94025

(Address of principal executive offices, including zip code)

(844) 428-5411

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
Class A Common Stock - $0.0001 par value per share	**HOOD**	**The Nasdaq Stock Market**

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yeso No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ý No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý Accelerated filer o Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ý

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. o

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☒

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant as of June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $ 16.3 billion (based on the closing price of the registrant's Class A common stock on the Nasdaq Global Select Market on that date). Shares of common stock owned by executive officers and directors have been excluded in that such persons may be deemed to be affiliates. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose.

As of February 12, 2025, the numbers of shares of the issuer's Class A and Class B common stock outstanding were 767,947,897 and 117,512,743 .

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Report, to the extent not set forth herein, is incorporated herein by reference from the registrant's definitive proxy statement relating to the Annual Meeting of Stockholders to be held in 2024, which definitive proxy statement shall be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Report relates.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (this "Annual Report") of Robinhood Markets, Inc ("RHM" and, together with its subsidiaries, "we", "Robinhood", or the "Company") 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 Annual Report includes, among others, forward-looking statements regarding:

- our expectations regarding legal and regulatory proceedings and investigations;
- our intent to continue to invest in technology;
- our expectations about our ability to rapidly adopt and introduce new tools relating to artificial intelligence ("AI"), including building complex AI agents and AI-native advisory products;
- our expectations about our ability to lead in cryptocurrency and blockchain technology;
- our plans to launch new products and features that drive tokenization in the future;
- our expectations about becoming the number one retail trading platform across all asset classes;
- our plans to keep investing in our existing products and features while also launching new products and services like Robinhood Legend, index options, futures, and event contracts;
- our expectations of making Robinhood Legend the most state-of-the art desktop platform for trading; our plan to launch a more comprehensive event contract product in response to customer demand;
- our expectations about becoming number one in wallet share for the next generation;
- our belief that as our customers grow their wealth, they will continue to expand their relationship with our platform, providing an increased opportunity to meet their growing financial needs;
- our expectations regarding products related to wealth management and advisory, including our plan to focus on multigenerational advisory in our future product roadmap;
- our plan to continue expanding the coverage of Robinhood Gold;
- our belief that there is a significant opportunity for Robinhood to grow internationally and our intent to continue expanding our operations outside of the United States, including our plan to continue the expansion of our United Kingdom ("U.K.") brokerage product offering, including option trading, in 2025, and our plan to open an office in Singapore as our APAC headquarters;
- our plan to consider factors such as population size and demographics, legal and regulatory environments, and general investing attitudes and the competitive landscape in potential new markets prior to pursuing such expansion;

- our expectations about adapting our product and service offerings to reflect local regulatory requirements, customer preferences, and other location-specific factors when pursuing such expansion;
- our expectations with respect to our pending acquisitions of Bitstamp (as defined below) and TradePMR (as defined below);
- our current expectations with respect to the timing of our Repurchase Program (as defined below); and
- our expectations about the sufficiency of our primary sources of liquidity being adequate to meet our current liquidity needs for the next 12 months.

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 Annual 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 rapid and continuing expansion, including continuing to introduce new products and services on our platforms as well as geographic expansion;
- the difficulty of managing our business effectively, including the size of our workforce, and the risk of declining or negative growth;
- the fluctuations in our financial results and key metrics from quarter to quarter;
- our reliance on transaction-based revenue, including payment for order flow (“PFOF”), the risk of new regulation or bans on PFOF and similar practices, and the addition of our new fee-based model for cryptocurrency;
- our exposure to fluctuations in interest rates and rapidly changing interest rate environments;
- the difficulty of raising additional capital (to provide liquidity needs and support business growth and objectives) on reasonable terms, if at all;
- the need to maintain capital levels required by regulators and self-regulatory organizations (“SROs”);
- the risk that we might mishandle the cash, securities, and cryptocurrencies we hold on behalf of customers, and our exposure to liability for processing, operational, or technical errors in clearing functions;
- the impact of negative publicity on our brand and reputation;
- the risk that changes in business, economic, or political conditions that impact the global financial markets, or a systemic market event, might harm our business;
- our dependence on key employees and a skilled workforce;
- the difficulty of complying with an extensive, complex, and changing 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 need to innovate and acquire or invest in new products, services, technologies and geographies in order to attract and retain customers and deepen their engagement with us in order to maintain growth;
- our reliance on third parties to perform some key functions and the risk that processing, operational or technological failures could impair the availability or stability of our platforms;
- the risk of cybersecurity incidents, theft, data breaches, and other online attacks;
- the difficulty of processing customer data in compliance with privacy laws;
- our need as a regulated financial services company to develop and maintain effective compliance and risk management infrastructures;
- the risks associated with incorporating AI technologies into some of our products and processes;
- the volatility of cryptocurrency prices and trading volumes;
- the risk that our platforms and services could be exploited to facilitate illegal payments; and
- the risk that substantial future sales of Class A common stock in the public market, or the perception that they may occur, could cause the price of our stock to fall.

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 this Annual Report titled “Risk Factors” and our other filings with the U.S. Securities and Exchange Commission (“SEC”), which are available on the SEC’s web site at 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 we file this Annual 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. Except as required by law, Robinhood assumes no obligation to update any of the statements in this Annual Report whether as a result of any new information, future events, changed circumstances, or otherwise. You should read this Annual Report with the understanding that our actual future results, performance, events, and circumstances might be materially different from what we expect.

PART I

ITEM 1. BUSINESS

Company Overview

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 technology to provide access to the financial system in a way that is simple and convenient for our 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. Over the last decade, we have disrupted and changed the industry, becoming the first U.S. retail broker to offer commission-free stock trading with no account minimums, which was subsequently adopted by the rest of the industry. In recent years, we have continued to build relationships with our customers by introducing new products and diversifying our services that further expand access to the financial system, including focusing on products and tools for more seasoned investors. 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.

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. We create with care, make changes thoughtfully, and obsess over details. We don't compromise regulatory requirements to move fast, and when we see something amiss, we move quickly to correct it. We take risks responsibly with safety as the foundation of innovation.
- *Radical Customer Focus*. Customers are at the center of our company. We listen to them, design for their needs, and aim to make our user experience simple and intuitive. We put what's best for customers at the center of decision-making. When there are customer pain points, we fix them quickly.
- *Participation Is Power*. We empower a new generation of investors. We seek to enable everyone to participate in the financial system and we deliver products to help them accomplish their long-term financial goals. We educate and empower our customers and strive to make the financial industry more inclusive. We were founded on the ideal that the rich shouldn't get a better deal, so we treat people fairly and strive to deliver exceptional value.
- *One Robinhood.* We're all invested in the same mission. We earn the trust of our colleagues by being honest, inclusive, and transparent. We invite diverse perspectives, support each other, and engage in lively but kind debate in pursuit of our path forward. When decisions are made we move in unison with an ownership mentality. We hold ourselves accountable but never point the finger or evade responsibility, and we treat everyone with respect and grace.
- *High Performance.* Our first instinct is to take action. We strive for improvement and push for progress; and when something is broken, we fix it. We are driven by impact and constantly go

after big opportunities. We are making Robinhood a place people want to be by investing in our employees, leveraging diverse perspectives, and rewarding top performance.

- *First-Principles Thinking*. We are inventors, dreamers, and problem solvers. We question assumptions and seek creative solutions rather than just following the crowd. We use data and experiments to inform our decisions, but we also make bold bets, challenge the status quo, and are often a first mover. And ultimately, we bravely do what's right even when it's scary and hasn't been done before.

- *Lean and Disciplined.* We do more with less. We pursue operational excellence so that we can deliver exceptional value to customers. We set ambitious goals, monitor progress, and regularly benchmark our performance to increase efficiency and effectiveness. We are respectful of each other's time, so when we change course we do so intentionally after weighing the tradeoffs.

Our Products And Features

We understand that millions of our customers have used Robinhood to enter the financial markets for the first time, and we take our responsibility to them seriously. 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 continue to create an ecosystem of financial products and services that will enable people across the world to become investors. We believe our products can transform the relationship people have with the financial system and that the products on our roadmap will go a long way toward making that a reality.

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 new asset classes, products and features, while also growing internationally to better serve our customers. We designed our mobile platform to be an elegant, intuitive investing interface that provides our customers with trading functionality and market information such as historical prices, valuation multiples, recent news, analyst ratings, advanced charts, and more, at no additional cost. During the fourth quarter of 2024, we introduced Robinhood Legend. Built specifically for active traders, Robinhood Legend is a new powerful, sleek browser-based desktop trading platform that is fully customizable and available at no additional cost to anyone with a Robinhood account. We are in the process of scaling Robinhood Legend to all supported asset classes and capabilities, with the goal of making it the most state-of-the-art desktop platform for trading.

Each capability we have added has been the result of a continuous focus on our customers' needs and feedback, which has guided our product development decisions throughout our history.

The core tenet of the Robinhood offering—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.

Brokerage

United States

- *Investing*. Our platforms allow our customers to invest commission-free in U.S.-listed stocks and exchange traded funds ("ETFs"), as well as related options and American Depository Receipts ("ADR").

- *Options Trading.* We review eligibility for our customers who wish to trade options, including disclosure of investment experience and knowledge, investment objectives and financial information. Subject to approval from Robinhood, customers can access basic options strategies (Level 2), which permits buying calls and puts and selling covered calls and puts, or more advanced options strategies (Level 3), which permits fixed-risk spreads (such as credit spreads

and iron condors) and other advanced trading strategies, depending on their individually disclosed preparedness. We conduct regular reviews of our customers' eligibility and take action to revoke access to trading options as appropriate, to ensure our customers are accessing the level of options strategies that are appropriate for them based on information such as their trading experience, investment objectives and financial situation. During the fourth quarter of 2024, we announced index option trading and made it available to all customers in January 2025. Index option trading allows our customers to trade options on diversified indices like the S&P 500 and VIX, while gaining access to potential tax benefits and one of the lowest contract fees among leading brokerages.

- *Fractional Trading*. Fractional trading allows customers to invest in fractions of a share of stock, rather than requiring them to buy and sell whole shares. This service enables customers to build a diversified portfolio regardless of their budget and removes a barrier to investing in higher-priced stocks, thereby providing access to a much greater selection of equities with as little as $1.

- *Recurring Investments.* Our recurring investment feature enables our customers to automatically buy shares of equities and certain ETFs on a set schedule, allowing them to build positions over time and establish regular investing habits, even with small contributions. Our customers can also elect to automatically reinvest dividend income back into the underlying respective shares.

- *Access to Investing on Margin.* Subject to approval upon meeting eligibility criteria set by Robinhood, customers can invest on margin. This allows eligible customers to borrow a limited amount of funds from Robinhood to use as additional investing capital. Robinhood decides whether to extend margin to each customer who applies for access based on information regarding customer activity, portfolio equity or net worth criteria, investment objectives, and investing experience reported by the customer. In 2024, we began to offer an industry-leading tiered margin structure where customers now receive a single low interest rate based on their total margin balance, replacing the floating interest rate that was offered previously.

- *Fully-Paid Securities Lending.* Under our Fully-Paid Securities Lending program ("Fully-Paid Securities Lending"), a customer can earn passive income on their stock portfolio once they give Robinhood permission to lend out any fully paid stocks in their portfolio. Robinhood does the work of finding interested borrowers and customers get paid a share of the interest revenue earned when their shares have been loaned to borrowers.

- *Cash Sweep*. Our cash sweep program ("Cash Sweep") provides additional value to our brokerage customers by allowing them to earn interest on uninvested brokerage cash swept to our partner banks. The interest compounds daily and is then paid out by the partner banks monthly, with customers able to track how much they've earned directly within the app. Cash deposited at these banks is eligible for Federal Deposit Insurance Corporation ("FDIC") insurance.

- *Instant Withdrawals*. Our instant withdrawals feature enables eligible customers to withdraw money from their Robinhood accounts and instantly deposit it to their bank accounts or debit cards with a fee.

- *Robinhood Retirement.* We are making it easy and accessible to start saving for retirement through a traditional Individual Retirement Account ("IRA") or Roth IRA and are expanding options for the growing population of freelance and gig workers without access to employer-based matching programs. Customers' eligible contributions to their retirement account can earn a percentage match by Robinhood, subject to a five-year holding period. We offer customer IRA instant deposits up to $1,000, which allows customers to immediately start investing. Customers can also get a custom recommended portfolio, build their own, or do both, all commission-free.

- *24 Hour Market*. We were the first U.S. broker to offer around-the-clock trading of individual stocks, 24 hours a day, 5 days a week. We also offer around-the-clock trading of ETFs. It allows our customers to better manage their risk and take advantage of opportunities, no matter what time of day they arise.

- *Joint Investing Accounts.* Our joint investing accounts allow customers to seamlessly manage investments with their partner while keeping their shared assets in one place. The joint account provides shared access for account holders that allows them to combine funds and increase their investment power as they work towards their financial goals. Gold Subscribers can also extend certain Robinhood Gold benefits to a joint account at no additional cost.

- *Event Contracts.* An event contract is a type of financial derivative that allows traders to speculate on the outcome of a specific event. These contracts are generally structured around “Yes” or “No” outcomes, and fluctuate in price based on the projected outcome of the event. Event contracts then pay out if the position held matches the correct outcome of the event; otherwise, they expire with no value. Event contracts are offered through our Futures Commission Merchant (“FCM”) license regulated by the Commodity Futures Trading Commission (“CFTC”). During the fourth quarter of 2024, we were one of the only companies offering presidential election event contracts for the U.S. presidential election, which allowed customers to trade based on their prediction for which candidate would win the election. We believe event contracts give people a tool to engage in real-time decision-making, unlocking a new asset class. Following the success of our presidential election market, we plan to launch a more comprehensive event contract product in response to customer demand.

- *Futures.* A futures contract is a legal agreement between two parties to buy or sell a set amount of an asset at an agreed-upon future date with the price set today. We started to make futures trading available to customers beginning January 2025 and expect full availability to all customers in the first quarter of 2025. Our futures trading allows customers to trade stock indexes, energy, currency, metals, and crypto at the speed of a tap with our sleek new trading ladder, while gaining access to potential tax benefits and one of the lowest commissions rates among leading competitors. In addition, our futures trading has no pattern day trading rules.

United Kingdom

- In 2024, we began to offer most of our brokerage services to customers in the U.K. through Robinhood U.K. Ltd (“RHUK”), using a separate mobile application that is only available to eligible users in the U.K. Brokerage services available to our U.K. customers include commission-free trading on U.S.-listed stocks and ADR, option trading, fractional share trading, recurring investments, investing on margin, Fully-Paid Securities Lending, Cash Sweep, and 24 Hour Market. We plan to continue expanding our U.K. brokerage product offering in 2025.

Robinhood Crypto

United States

We offer cryptocurrency trading in the United States through Robinhood Crypto, LLC (“RHC”). We have expanded our coverage to Hawaii, Puerto Rico, and the U.S. Virgin Islands, achieving full coverage across all U.S. states and the largest territories. Customers trading in the Robinhood app can choose to have orders routed to non-exchange liquidity providers (“market makers”) commission-free or through exchange liquidity providers (“partner exchanges”) via smart exchange routing for a fee. Orders placed on Robinhood Legend are all routed to the partner exchanges via smart exchange routing.

We currently support trading in the following 22 cryptocurrencies, where available [(1)]:

Aave (AAVE)	Avalanche (AVAX)	Bitcoin (BTC)
Bitcoin Cash (BCH)	BONK (BONK)	Cardano (ADA)
Chainlink (LINK)	Compound (COMP)	Dogecoin (DOGE)
Dogwifhat (WIF)	Ethereum (ETH)	Ethereum Classic (ETC)
Litecoin (LTC)	Pepecoin (PEPE)	OFFICIAL TRUMP (TRUMP)*
Shiba Inu (SHIB)	Solana (SOL)	Stellar Lumens (XLM)
Tezos (XTZ)	Uniswap (UNI)	USD Stablecoin (USDC)**
XRP (XRP)		

[(1)] Not all cryptocurrencies are available in every state. An asterisk indicates a cryptocurrency is not currently available for trading in New York; a double asterisk indicates a cryptocurrency is not currently available for trading in New York or Texas.

We also offer commission-free crypto recurring investments, allowing customers to automatically buy crypto on a schedule of their choice. This feature allows customers to build positions in their favorite cryptocurrencies over time. As an agent, we route all cryptocurrency transactions initiated by customers to third-party market makers or exchange liquidity providers. We never act as a counterparty to our users’ buy or sell transactions. We offer cryptocurrency transfers (“Crypto Transfers”), allowing customers to transfer cryptocurrency into and out of their RHC accounts without commission, where eligible. Additionally, we provide real-time market data for certain cryptocurrencies, including those that are not supported on RHC’s platform, for informational purposes only.

With Robinhood Connect, a fiat-to-crypto on-ramp tool that developers can embed directly into their decentralized applications, customers can fund Web3 wallets without the need to leave decentralized applications, or dApps. This avenue also benefits developers by being able to quickly embed the feature directly into their dApps, allowing their customers to use Robinhood Crypto to buy and transfer crypto, and fund their self-custody wallets.

We also launched the Robinhood Crypto Trading API to our most seasoned crypto traders, which can be used to set up advanced and automated trading strategies that allow them to stay ahead of market trends, react to significant market movements, or simply trade crypto–all without needing to open the Robinhood app.

European Union

We offer cryptocurrency trading in select jurisdictions within the European Union (the “EU”) through Robinhood Europe, UAB (“RHEU”) using a separate mobile application that is only available to eligible users in the EU. Eligible users in select jurisdictions in the EU can currently buy, sell, and hold select cryptocurrencies through RHEU. We charge users a commission each time a user decides to buy or sell certain cryptocurrencies in the EU. The list of cryptocurrencies supported by RHEU for eligible users in select jurisdictions in the EU is available on our website at https://robinhood.com/eu/en/support/articles/about-robinhood-crypto/.

We offer staking exclusively for EU customers on selected cryptocurrencies. Staking allows customers to earn rewards by locking up the cryptocurrencies, subject to the network and cryptocurrency's requirements and bonding periods. In 2024, we also made Crypto Transfers available in the EU, giving EU customers greater flexibility and control over their digital assets.

Custody

We hold all settled cryptocurrencies in custody on behalf of customers in two types of wallets: (i) hot wallets, which are managed online, and (ii) offline cold wallets, which require physical access controls. Our wallets store and transfer all the settled digital assets listed above using an architecture combining multi-party computation and hardware security to eliminate a single point of failure. We do not utilize third-party custodians for settled cryptocurrencies, but we do integrate proprietary technology from a third-party industry-standard vendor into the systems we use to support the custody, transfer and settlement operations to our wallets. In general, the overwhelming majority of cryptocurrency coins on our platforms are held in cold storage, in facilities located in the United States and in the EU with physical security systems that we believe are state-of-the-art, though some coins are held in hot wallets to support day-to-day operations.

We maintain custody of our customers' cryptocurrencies in omnibus wallets on behalf and for the benefit of our customers. Following the purchase of cryptocurrencies from liquidity providers, cryptocurrencies are delivered to the secure omnibus wallet, or in the case of a net sell, cryptocurrencies are moved from such wallet to the liquidity provider's account. We have implemented strict operational protocols and permissions for cryptocurrency movement with our internal operational team to restrict access to customer wallets, and tightly control the movement of cryptocurrencies. More than one person is required to initiate and approve each large transfer, and only a small group of higher-level employees have the necessary privileges to add and authorize new addresses or to release proceeds from wallets. Access to cryptocurrency transfer interfaces is strictly controlled and requires hardware two-factor authentication to log in. To help ensure our security system functions as designed, our systems undergo security audits and are regularly subject to penetration testing.

We maintain a ledger of customers' ownership and account balances of cryptocurrencies. Additionally, the Company's accounting and crypto operations team has established internal control procedures and maintains records to verify the total quantity of each cryptocurrency we custody for our customers that are held in the omnibus wallets. Such controls are periodically tested by the Company's internal financial compliance team.

We currently do not hold significant amounts of cryptocurrency for our own account. The small amounts of cryptocurrency assets we currently hold are purchased to solely support our business operations, and we do not commingle cryptocurrencies with those of our users. We do not engage in lending transactions with cryptocurrencies held on behalf of customers. We do not seek to profit from proprietary trading and only facilitate customer transactions. In addition, we have anti-money laundering and insider trading programs intended in part to prevent self-dealing and other potential conflicts of interest, including with respect to our cryptocurrency services.

Robinhood Wallet

Separately from RHC and RHEU, Robinhood offers a self-custody, web3 wallet (the "Robinhood Wallet") in over 150 countries through our Cayman Islands subsidiary, Robinhood Non-Custodial Ltd., that allows customers to deposit and withdraw cryptocurrencies to and from their wallets. Customers can store and manage cryptocurrencies on the Ethereum, Bitcoin, Solana, Dogecoin, Arbitrum, Polygon, Optimism and Base networks. The Robinhood Wallet gives customers full control over their cryptocurrencies, which means they hold and maintain the private key to their assets, and does not collect any portion of network or "gas" fees imposed by the applicable network. The Robinhood Wallet is a software application that users must access via a separate application. Neither RHC nor RHEU custody any Robinhood Wallet assets.

Robinhood Gold

Our subscription service grants subscribers access to a number of premium features. After an initial 30-day free trial, subscribers pay a flat recurring rate. Our premium features offered to Gold subscribers include:

- *Higher Interest on Cash Sweep.* Subscribers can earn a higher interest rate on the cash swept to participating banks compared to users who do not subscribe to Gold.
- *Higher Match on IRA Contribution.* Subscribers can earn a higher percentage match of 3% on eligible contributions compared to users who do not subscribe to Gold.
- *Bigger Instant Deposits.* Subscribers can immediately access $5,000 to $50,000 of their deposit, depending on their brokerage account balance and status, instantly so they can invest that portion of their deposit right away.
- *Access to Investing on Margin*. No interest is charged on the first $1,000 in margin borrowed by each Robinhood Gold subscriber.
- *Lower Contract Fees or Commissions.* Subscribers can trade index options at a lower contract fee or futures with lower commissions charged compared to customers who do not subscribe to Gold.
- *Professional Research.* Subscribers have unlimited access to in-depth stock research reports provided by Morningstar.
- *Advanced Market Data.* Subscribers have the ability to see greater depth of orders for any given stock or option with Level II Market Data from Nasdaq. The ability to see multiple buy and sell requests helps subscribers understand the availability or desire for a stock at a certain price.

Robinhood Gold Card

Robinhood Gold Card is offered under a program agreement (“Program Agreement”) between Robinhood Credit, Inc. (“Robinhood Credit”) and Coastal Community Bank (“Coastal Bank”), a member of the FDIC. There are no annual fees, and no foreign transaction fees. Robinhood Gold Card is exclusively for qualified Gold Subscribers and offers rewards on each eligible purchase, which are redeemable for travel, gift cards, and shopping, or can be instantly transferred to a Robinhood Gold Card user's brokerage account to invest, earn interest, or withdraw. Robinhood Gold Card users can manage their card activities via a separate mobile application, the Robinhood Credit Card app. We continue to roll out Robinhood Gold Card, now in the hands of nearly [100 thousand] customers.

Education

We believe that 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 customers to grow their financial knowledge:

- *Robinhood Learn*. Robinhood Learn is an online collection of 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*. Our 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 plan to continue to release additional Learn modules to provide customers access to information that can help build financial confidence.
- *Newsfeeds*. Our newsfeeds give customers access to free, premium news from sites such as Barron's, Reuters and Dow Jones.
- *Sherwood Snacks*. Sherwood 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. Building on the success of Robinhood Snacks, we formed Sherwood Media, LLC ("Sherwood Media"), a subsidiary that is the home for news and information about the markets, economics, business, technology, and the culture of money. We offer a suite of new editorial offerings, complementing Robinhood Snacks with more always-on news updates and analysis, original reporting and new newsletter offerings.
- *Crypto Learn and Earn*. Our exclusive in-app educational module available to all RHC and eligible RHEU and Robinhood Wallet customers via Robinhood Learn that educates customers on the basics about cryptocurrency. Customers who complete these courses will be eligible to receive rewards, which will be paid out in cryptocurrency.

Our Technology

The Robinhood apps and Robinhood Legend are the core front-end pathways through which our customers engage with us. Our self-clearing system, order routing system, data platform, and other back-end infrastructure deliver the capabilities that allow our customers to focus on investing, saving and spending, while also enabling us to rapidly develop products that our customers love to use.

Some of our most critical technologies include:

- *Core Infrastructure and Data Platform.* Our core infrastructure and data platform are all built on Amazon Web Services, and our platform enables application developers to define their microservices in a simple, standardized manner while also providing built-in scalability and resiliency.
- *Self-Clearing System.* Our self-clearing services allow us to clear and settle trades across stocks, ETFs, and options without relying on a third-party clearing firm, an approach that provides increased internal visibility and stronger oversight and control over clearing and settlement functions.
- *Order Routing System.* We built a proprietary order routing system that uses statistical models to evaluate past orders and execution quality data, and automatically routes customer orders to the market makers that have historically given customers the best prices. This competition-based system creates an incentive for market makers to provide better prices for our customers, in order to receive more orders in the future. We are committed to seeking a quality execution on every order, and our routing protocols are designed with this in mind.
- *Machine Learning Platform and Artificial Intelligence.* We currently use machine learning and AI to improve our products and processes in certain circumstances. Our machine learning models and AI contribute to multiple capabilities across our business. For example, we use machine learning and AI to increase the efficiency of our in-app chat support, customer support workflows, fraud detection systems, and even to improve the customer experience in our newsfeed by expanding the number of sources we can pull from, parsing and categorizing these articles, and

delivering highly relevant and varied news to our customers for companies, stocks, or cryptocurrencies.

- *Experiments Infrastructure.* To enable our rapid product development cycle, we've built a proprietary experiments infrastructure that enables us to test product changes through the build process and validate research hypotheses. The iterative, customer-centric product development approach that is so core to our success is enabled by this robust internal technology.

Looking ahead, we believe we are strategically positioned at the center of two major platform shifts—AI and cryptocurrency and blockchain technology—which have the potential to transform the industry.

- *Artificial Intelligence*. We currently expect our adoption of AI to occur in three phases: by augmenting internal operations, by enhancing customer-facing products, and by developing sophisticated autonomous financial agents. We have successfully created operational efficiencies and brought in top-tier AI talent, including experts from leading frontier AI labs, to accelerate our advancements in AI. Additionally, we have begun to incorporate early applications of generative AI into our product offerings, such as within our customer service flows. As a technology company, we believe we are able to rapidly adopt new tools on the way to building complex AI agents and expect to introduce significantly more in the coming year, including our first AI-native advisory products.

- *Cryptocurrency and Blockchain Technology* . We believe cryptocurrency and blockchain technology will fundamentally transform financial infrastructure by offering significant efficiencies as the blockchain reduces the need for traditional financial intermediaries, such as clearing houses, transfer agents, and payment processors, leading to lower operational costs. We anticipate that cryptocurrency will increasingly integrate with the traditional financial system, ultimately serving as the new infrastructure for financial services. We expect that this will be driven by tokenization, which enables efficiency gains by moving traditional financial assets onto blockchain. We believe our leadership in crypto trading will position us to lead in this space and expect to continue launching new products and features that drive tokenization in the future.

Our Customers

We are empowering a new generation of financial consumers. Robinhood was built to make the financial system more accessible and transparent for everyone. We have reached customers from a wide variety of social and economic backgrounds and many of our customers have told us that Robinhood was their first brokerage account. We take pride in the fact that we are expanding the market by welcoming new investors into the financial system and helping the next generation of investors build sound long-term investing, saving, and spending habits in their prime wealth building years. We are also laser focused on being the top platform for active traders who trade more actively and use more sophisticated products.

Customer feedback is at the heart of product development at Robinhood. We regularly communicate with our customers—not just to provide support, but also to learn more about their experiences and insights, and to respond to their feedback about our products. This keeps us connected with customers and enables us to understand their expectations, problems and opportunities they face financially. For example, in response to this customer feedback, we launched tax lots, an important feature designed to help customers manage their tax liabilities and give them flexibility when selling stocks. Further, in response to feedback from our active traders to have more tools to better track and manage their portfolio's performance, both past and present, we also introduced the profit and loss chart, which enables our customers to see realized profit and loss information on all trades since January 1, 2024. These launches reflect our ongoing commitment to providing our customers with the insights and resources they need to make informed decisions and plan for the future.

Our Growth Strategies

Our growth strategies are built around three key focus areas designed to meet increasing demand from our customers and further our mission of democratizing finance for all. We believe we are still in the early stages of this journey and remain committed to expanding access to financial services through innovative products.

Establishing Ourselves as the Number One Platform for Active Traders

Our focus has been on systematically resolving issues that would lead an active trader to consider using another platform, with a particular emphasis on innovation and speed. We track our progress here by Notional Trading Volume (as defined in Part II, Item 7 of this Annual Report, “Glossary Terms”) market share. Our strategy for being number one in active traders is centered on three main priorities:

- new product innovations not yet available from all of our competitors such as our 24 Hour Market;
- expansion of asset classes such as index options, futures, and event contracts; and
- improving our tools, latency and charting to be best-in-class, particularly on Robinhood Legend.

With the launch of Robinhood Legend, along with a range of new capabilities and features that we have built and released, and plan to continue building and releasing in the future, we believe in our path to becoming the number one retail trading platform across all asset classes.

Becoming the Number One in Wallet Share for the Next Generation

Many of our customers are just beginning their financial journeys. As our next generation customers grow their wealth, we believe they will continue to expand their relationship with our platform, providing an increased opportunity to meet their growing financial needs. We believe that these needs may come in a number of forms, from helping new investors grow into long-term investors to providing other financial services such as saving, spending, or facilitating payments. We are committed to deepening strong relationships with our customers and we track our progress here by Robinhood Gold Subscribers and Net Deposits (each as defined in Part II, Item 7 of this Annual Report, “Key Performance Metrics”). Our strategy for being number one in wallet share for the next generation is centered on three main priorities:

- build new products that cover the next generation’s remaining core financial needs, such as wealth management and advisory. We expect multigenerational advisory to be a big focus area in our future product roadmap, including via our pending acquisition of TradePMR (refer to Note 3 - Business Combinations to our consolidated financial statements in this Annual Report for more information);
- innovate on incentives, particularly through Robinhood Gold, to provide our customers with greater value as their assets grow with us. Robinhood Gold has accelerated our growth in wallet share with our customers and we plan to continue expanding its coverage to include more of our products; and
- reduce withdrawals and increase deposits by further streamlining the process for customers to onboard, deposit funds, and transfer assets into Robinhood.

Building the Number One Global Financial Ecosystem

We believe there is a significant opportunity for Robinhood to grow internationally. We have leveraged our strengths as a technology and innovation leader in the U.S. and expanded our reach globally in the U.K. with brokerage services and in the EU with cryptocurrency trading. We have also taken our first steps in the business-to-business and institutional markets through our pending acquisitions of Bitstamp and TradePMR (Refer to Note 3 - Business Combinations to our consolidated

financial statements in this Annual Report for more information). Our strategy for building a global financial ecosystem is centered on three main priorities:

- extend and adapt products that we have already built for U.S. consumers, such as our planned 2025 launch of options trading in the U.K.;
- prioritize functionality that creates value for our customers across our platforms globally, and not just focusing on one individual market, such as multicurrency accounts and integration with foreign exchanges like the London Stock Exchange; and
- introduce market-specific functionality, such as individual saving accounts and self-invested personal pensions in the U.K.

We consider factors such as population size and demographics, legal and regulatory environments, general investing attitudes and the competitive landscape in potential new markets prior to pursuing such expansion. This drove our decision to open an office in Singapore as our APAC headquarters. Our plans to pursue international expansion are dependent on a variety of external factors, including, among other things, our obtaining required regulatory approvals, authorizations, licenses and consents, our obtaining and protecting intellectual property rights abroad, and the identification of, and successful entry into new business partnerships with third-party service providers that would be necessary to provide our products and services in the relevant local market.

Competition

We believe that we are changing the consumption patterns for financial products and services and growing the market, but will continue to face competition from other firms including large legacy financial institutions, large technology companies, and smaller, new financial technology entrants.

We believe that the key competitive factors in our market include:

- product innovation, including features, quality, and functionality;
- operating efficiency;
- engineering talent;
- brand recognition;
- security and trust;
- cloud-based architecture;
- regulatory licenses; and
- vertical integration.

We seek to differentiate ourselves from competitors primarily through our vertically integrated mobile and desktop platforms, and focus on accessibility, customer experience, and trust. We believe that our ability to innovate quickly further differentiates our platforms from our competition. We believe we compete favorably across all key competitive factors and that we have developed a business model that is difficult to replicate.

Our Competitive Advantages

We believe we have a number of competitive advantages that position us well to serve an increasing portion of the population and the broader global financial ecosystem.

Creative Product Design

We believe archaic, cumbersome digital platforms reinforce legacy barriers to participation in the financial system. We put design at the center of our product with the goal of building long-term relationships with customers. We involve our talented product designers early and often throughout our product development process to create intuitive and elegant experiences that efficiently address our customers' needs. Our customer-centric approach has made our platform easy to use, informative, and familiar in look and feel for a generation of mobile-first customers. For example, we seamlessly integrate information into our platform through Robinhood Learn and our newsfeed, which offers free news from trusted sources including *Barron's*, *Reuters,* and *Dow Jones*. In addition, we continue to work to deliver an intuitive product experience including developing and implementing designs to celebrate investing milestones of our customers in a responsible way. While many of our products are designed mobile-first, allowing us to offer attractive investing, spending, and saving experiences as more people shift their daily financial services activities to the palm of their hands, we have also introduced Robinhood Legend, which we are in the process of scaling to all supported asset classes and capabilities.

Category-Defining Brand

We believe Robinhood today is a symbol of retail investing and finance in America, and we are committed to expanding our reach globally. By taking a fresh, people-centric approach and creating a delightful, engaging customer experience, we believe we have built a trusted, category-defining brand that has made investing socially relevant for the next generation.

The relationship we have built with our customers has led many to want to talk about Robinhood and share their experience with their friends and family. We believe the excitement around Robinhood demonstrates how our innovative approach to financial products has built deep, loyal customer relationships and positioned us well to continue attracting new people to our platform, and sharing new product experiences with our customers.

Financial Services at Internet Scale

Our people-centric approach has driven customer enthusiasm and engagement, resulting in rapid adoption of our products. We designed our platform to provide our customers with relevant, accessible information when they need it most. Being an investor involves following a regular cycle of events—news releases, earnings announcements, transaction executions—that creates a regular cadence of content and information. We use our platform, from push notifications to widgets, to provide seamless customized updates to our customers. This engenders trust, creates enduring long-term relationships, and has resonated with our customers.

Vertically Integrated Platform

We design our own products and services and deliver them through app-based and desktop platforms supported by proprietary technology that has been cloud-based from the start. We are a licensed introducing broker-dealer, a licensed clearing broker-dealer, a licensed money-transmitter, and a registered futures commission merchant. Our digitally-native technology stack also gives us control over our product development from end-to-end, enabling faster development times, better customer experiences, stronger unit economics, greater flexibility, and a robust and dynamic risk management framework. Our vertically integrated platform has enabled us to rapidly introduce new products and services such as index options, futures, and event contracts, while also supporting our ability to scale.

Operating Efficiency

We believe our operating efficiency and disciplined approach to managing fixed costs, along with our technology-first approach to product development and customer service, creates a cost advantage that allows us to competitively price our offerings while profitably serving our customers.

Seasonality

Our business can be subject to seasonal fluctuations due to such factors as retail interest in investing, overall number of market participants and trading volumes, varying numbers of trading days from quarter-to-quarter, declines in trading activity around holidays, and proxy and investor communications activity during proxy season. Seasonal trends may be superseded by market or macroeconomic events, which can have a significant impact on equity and cryptocurrency valuations and trading activity.

Human Capital

Our Employees and Culture

In order to pursue our ambitious product roadmap we need to foster a great culture. At Robinhood, that means focusing our human capital strategy on building a high performance culture, building community, and investing in top talent.

High Performance Culture

We design our talent programs to motivate, recognize, and reward high performance. We maintain a lean organizational structure to provide internal development opportunities, set clear goals, and assess performance based on impact. We support job-specific capabilities and training to help develop behavioral and leadership capabilities for all employees.

Top Talent

We are dedicated to attracting and retaining the top talent in our industry. We prioritize hiring great leaders and industry talent with deep functional expertise, we set high standards for performance and we are committed to our employees' professional and technical development so we can grow together as we transform the future of finance.

We work to attract the best talent from a range of backgrounds and experiences in order to meet the current and future demands of our business. As of December 31, 2024, we had approximately 2,300 full-time employees.

Community

Robinhood aims to build an inclusive workplace where everyone feels valued and empowered to do their best work. We invest in high quality tools and resources for the employee experience, especially in our office locations. We also value the benefits of working in person and create office environments that foster collaboration and connection.

We also aim to support an inclusive community through ten Employee Resource Groups ("ERGs") that, as of December 31, 2024, engage about 60% of our employees: Asianhood, Black Excellence, Christianhood, Divergent, Latinhood, Parenthood, Rainbowhood, Sisterhood, Veterans at Robinhood, and Women in Tech.

Employee Incentives and Benefits

We offer highly competitive compensation for employees and benefits for themselves and their families. To help foster our high performance culture, all employees are eligible for variable incentive pay

(bonus and/or equity) and all of our compensation programs are directly linked to individual and/or company performance. Our comprehensive benefits are designed to attract the best talent and to ensure Robinhood employees are supported. Where applicable, eligibility also extends to domestic partners and their children; our approach aims to support the diverse needs of our employees. Some notable benefits that our employees value include fertility benefits, a flexible lifestyle wallet that can be used for wellness, education or a number of other benefits, generous paid family leave, retirement savings with employer match, and employer-paid health benefits.

Intellectual Property

Our success and ability to compete are significantly dependent on our core technology and intellectual property. We rely on trademarks, patents, copyrights, trade secrets, know-how and expertise, registered domain names, intellectual property assignment agreements, confidentiality procedures, license agreements, and non-disclosure agreements to establish and protect our intellectual property and proprietary rights, although we do not consider any individual piece of our intellectual property to be material to our business, taken as a whole. We seek to protect our intellectual property and proprietary rights, including our proprietary technology, software, know-how and brand, by relying on a combination of federal, state, and common law rights in the United States and other countries, as well as on contractual measures. However, these laws, agreements, and procedures provide only limited protection. It is our practice to enter into confidentiality, non-disclosure, and invention assignment agreements with our employees, consultants, contractors and other third parties, and into confidentiality and non-disclosure agreements with other third parties, in order to limit access to, and disclosure and use of, our confidential information, trade secrets, know-how, and proprietary technology. We do not believe that our proprietary technology is dependent on any single or group of patent(s), trademark(s), copyright(s), domain name(s), license(s), assignment agreement(s), or any other form of intellectual property.

Though we rely in part upon these legal and contractual protections, we believe that factors such as the skills and ingenuity of our employees and the functionality and frequent enhancements to our solutions are larger contributors to our success in the marketplace. Any of our intellectual property rights might be successfully challenged, opposed, diluted, misappropriated, or circumvented by others or invalidated, narrowed in scope or held unenforceable through administrative process or litigation in the U.S. or in non-U.S. jurisdictions. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain and any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our trade secrets and intellectual property rights. Our efforts to enforce our intellectual property rights might also be met with defenses, counterclaims, and counter-suits attacking the validity and enforceability of our intellectual property rights.

We have an ongoing trademark, service mark, and copyright registration program pursuant to which we register our brand names and solution names, taglines, designs, and logos in the United States and certain other jurisdictions to the extent we determine appropriate and cost-effective. We are the registered owners of U.S. and international trademarks, trademark applications, and registrations and domain names in the U.S. and foreign countries that include the primary brand “Robinhood,” including variations thereof, as well as brands, tag lines, and other branding elements for other Robinhood products and services, such as our Snacks newsletter and media content. We also have common law rights in certain unregistered trademarks and copyrights that were established over years of use. Additionally, we have an ongoing patent registration program pursuant to which we register and acquire certain design and utility patents in the United States and certain other jurisdictions to the extent we determine appropriate and cost-effective. We are the authorized user of a variety of social media handles, pages, and profiles that reflect our primary brand. In addition, we have a suite of defensively registered domain names. We believe that the protection of our trademark rights is an important factor in product recognition, protecting our brand, combating fraud, and maintaining goodwill. We believe the duration of our patents, trademarks, copyrights, and licenses is adequate relative to the expected lives of our products. Litigation or proceedings before the U.S. Patent and Trademark Office or other governmental authorities and

administrative bodies in the United States and abroad may be necessary in the future to enforce our trademark rights and to determine the validity and scope of the trademark rights of others.

Despite our efforts to obtain, maintain, protect, defend, and enforce our intellectual property rights, we cannot be certain that the steps we have taken will be sufficient or effective to prevent the unauthorized access, use, copying, or the reverse engineering of our technology and other proprietary information, including by third parties who might use our technology or other proprietary information to develop services that compete with ours, and our intellectual property rights might not be respected in the future or might be invalidated, circumvented, or challenged. Although we do not consider any individual piece of our intellectual property to be material to our business, taken as a whole, see “Risk Factors—Risks Related to Our Intellectual Property” for a more comprehensive description of risks related to our intellectual property and proprietary rights.

Regulation

U.S. and non-U.S. laws and regulations apply to many key aspects of our current business operations and future business plans. Failure to comply with these requirements may result in, among other things, revocation of required licenses or registrations, loss of approved status, private litigation, administrative enforcement actions, sanctions, civil and criminal liability, and constraints on our growth or ability to continue to operate. For additional information relating to regulation and regulatory actions, see “Risk Factors—Risks Related to Regulation and Litigation,” “Risk Factors—Risks Related to Cybersecurity and Data Privacy,” and “Risk Factors—Risks Related to Cryptocurrency Products and Services.”

Broker-Dealer Regulation

As broker-dealers, our subsidiaries Robinhood Securities, LLC (“RHS”) and Robinhood Financial LLC (“RHF”) are subject to extensive regulation by federal, state and SROs, and are subject to laws and regulations covering all aspects of the securities industry. Federal, state and SROs, including the SEC and Financial Industry Regulatory Authority (“FINRA”), can, and in some cases have in the past, among other things, investigate, censure or fine us, issue cease-and-desist orders or otherwise restrict our operations, require changes to our business practices, products or services, limit our marketing or acquisition activities or suspend or expel a broker-dealer or any of its officers or employees. Similarly, state attorneys general and other state regulators, including state securities and financial services regulators, can bring and have in the past brought legal actions on behalf of the residents of their states to assure compliance with state laws. In addition, criminal authorities such as state attorneys general or the U.S. Department of Justice (the “DOJ”) may institute civil or criminal proceedings against us for violating applicable laws, rules, or regulations.

The SEC and FINRA have stringent rules and regulations with respect to the maintenance of specific levels of net capital by regulated entities. Generally, a broker-dealer’s capital is its net worth plus qualified subordinated debt less deductions for certain types of asset. Rule 15c3-1 (the “Net Capital Rule”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) specifies that at least a minimum part of a broker-dealer’s assets be maintained in a relatively liquid form. Changes to or expansion of the Net Capital Rule, or an unusually large charge against our broker-dealer’s net capital, could limit our operations. See “—Risks Related to Our Business—We might need additional capital to provide liquidity and support business growth and objectives, and this capital might not be available to us on reasonable terms, if at all, might result in stockholder dilution, or might be delayed or prohibited by applicable regulations.” A large charge or operating loss against our net capital could adversely impact our ability to maintain or expand current business, which could have a material adverse impact on our business and financial condition. If one of our regulated entities fails to maintain its required net capital, it may be subject to suspension or revocation of its registration by regulatory authorities and suspension or expulsion by these regulators could lead to the entity’s liquidation.

Money-Transmitter Regulation

As money transmitters, our subsidiaries RHC and Robinhood Money, LLC ("RHY") are subject to regulation, primarily at the state level. We are also subject to regulation by the Consumer Financial Protection Bureau (the "CFPB"). We have obtained or are in the process of obtaining licenses to operate as a money transmitter (or as another type of regulated financial services institution, as applicable) in the United States and in the states and territories where this is required. As a licensed money transmitter, we are subject to obligations and restrictions with respect to the investment of customer funds, reporting requirements, bonding requirements, and inspection by state regulatory agencies concerning those aspects of our business considered money transmission. Evaluation of our compliance efforts, as well as the questions of whether and to what extent our products and services are considered money transmission, are matters of regulatory interpretation and could change over time. There are substantial costs and potential product and operational changes involved in maintaining and renewing these licenses, certifications, and approvals, and we could be subject to fines, other enforcement actions, and litigation if we are found to violate any of these requirements. There can be no assurance that we will be able to (or decide to) continue to apply for or obtain any such licenses, renewals, certifications, and approvals in any jurisdictions. In certain markets, we might rely on local banks or other partners to process payments and conduct foreign currency exchange transactions in local currency, and local regulators might use their authority over such local partners to prohibit, restrict, or limit us from doing business. The need to obtain or maintain these licenses, certifications, or other regulatory approvals could impose substantial additional costs, delay or preclude planned transactions, product launches or improvements, require significant and costly operational changes, impose restrictions, limitations, or additional requirements on our business, products, and services, or prevent us from providing our products or services in a given market.

Anti-Money Laundering and Counter-Terrorist Financing

We are subject to anti-money laundering ("AML") laws and counter-terrorist financing laws and regulations in the United States, the U.K. and the EU. Under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "USA Patriot Act"), broker-dealers and money transmitters are required to "know your customer" and to monitor their customers' transactions for suspicious transactions. In the U.K., the Financial Services and Markets Act 2000 is the primary regulation for all financial services in the U.K. This law designates the Financial Conduct Authority as the main AML regulator and provides guidelines for its duties.

As required by the USA Patriot Act and other rules, we have established comprehensive AML, customer identification and transaction surveillance designed to prevent our financial services from being used to facilitate money laundering, terrorist financing, and other illicit activity. Our program is also designed to prevent our products and services from being used to facilitate business in countries, or with persons or entities, included on designated government sanctions lists, including lists promulgated by the U.S. Department of the Treasury's Office of Foreign Assets Controls ("OFAC"), Specially Designated Nationals and Blocked Persons lists, and equivalent foreign lists. Additionally, we have designed and implemented restrictions to prevent certain types of high-risk activity, including account opening fraud, and systems to identify potentially manipulative patterns of trading or higher risk patterns of money movements, and report such activities and transactions, where appropriate. Our AML compliance program includes policies, procedures, reporting protocols, and internal controls, including the designation of AML compliance officers. This program is designed to address these legal and regulatory requirements, while managing risk associated with money laundering and terrorist financing. Anti-money laundering regulations are constantly evolving, thus we actively monitor our compliance with AML rules and regulations and industry standards, and continuously implement policies, procedures, and internal controls in light of current legal requirements.

Cryptocurrency Regulation

As noted above, in the U.S., states primarily regulate RHC as a money transmitter. RHC also is registered with the Financial Crimes Enforcement Network. The laws and regulations applicable to

cryptocurrency are evolving and subject to interpretation and change. Therefore, our current and future cryptocurrency services may be or become subject to additional licensing and regulatory requirements by other state and federal authorities. Failure to comply with these requirements may result in, among other things, revocation of required licenses or registrations, loss of approved status, private litigation, administrative enforcement actions, sanctions, civil and criminal liability, and constraints on our ability to grow or to continue to operate.

Data Privacy and Security

We are also subject to a variety of federal, state, local, and non-U.S. laws and regulations regarding data privacy and security. In the U.S., federal law, such as the Gramm-Leach-Bliley Act of 1999 and its implementing regulations, restricts certain collection, processing, storage, use and disclosure of personal data, requires notice to individuals of privacy practices and provides individuals with some rights to prevent the use and disclosure of nonpublic or otherwise legally protected information. These rules also impose requirements for the safeguarding and proper destruction of personal data through the issuance of data security standards or guidelines. The U.S. government, including Congress, the Federal Trade Commission and the Department of Commerce, has also announced that it is reviewing the need for greater regulation for the collection, use, and other processing of information concerning consumer behavior on the internet, including regulation aimed at restricting some targeted advertising practices, and numerous states, including but not limited to California through the California Consumer Privacy Act, as modified by the California Privacy Rights Act, have enacted or are in the process of enacting state-level data privacy laws and regulations governing the collection, use, and other processing of state residents' personal data. The New York State Department of Financial Services ("NYDFS") also issued Cybersecurity Requirements for Financial Services Companies, which took effect in 2017, and which require banks, insurance companies, and other financial services institutions regulated by the NYDFS including RHC, to establish and maintain a cybersecurity program designed to protect consumers and ensure the safety and soundness of New York State's financial services industry. We are also subject to, or expect to be subject to, the General Data Protection Regulation, the Digital Operational Resilience Act, the ePrivacy Directive (including its national implementations), and other privacy, data security, and data protection laws and regulations in connection with our expansion into the U.K., the EU, and other jurisdictions. Failure to comply with these requirements may result in, among other things, revocation of required licenses or registrations, loss of approved status, private litigation, administrative enforcement actions, sanctions, civil and criminal liability, and constraints on our ability to continue to operate.

Communications Regulation

We send texts, emails, and other communications in a variety of contexts, such as when providing digital transaction confirmations and marketing. Communications laws and regulations, including those promulgated by the Federal Communications Commission, apply to certain aspects of this activity in the United States and elsewhere.

Credit Card Regulation

Robinhood Credit is a financial technology company that offers customers access to credit cards and rewards program. Robinhood Credit is not a bank, and its credit card is issued by Coastal Bank, member FDIC, pursuant to a license from Visa U.S.A. Inc. Because of its role in offering customers access to a credit card, Robinhood Credit is subject to the jurisdiction of the CFPB. The CFPB has broad authority over Robinhood Credit's business, including authority to write regulations under federal consumer financial protection laws such as the Truth in Lending Act ("TILA") and the Equal Credit Opportunity Act ("ECOA"), and to enforce those laws against and examine large financial institutions, such as Coastal Bank, for compliance. The CFPB is authorized to prevent "unfair, deceptive or abusive acts or practices" through its regulatory, supervisory and enforcement authority. Robinhood Credit is subject to the regulatory and enforcement authority of the CFPB, as a facilitator, servicer or acquirer of consumer credit. As a vendor to Coastal Bank, Robinhood Credit is also subject to examination by federal banking regulators, such as the Federal Reserve Board, with respect to the marketing, customer screening and

servicing activities undertaken by Robinhood Credit on Coastal Bank's behalf. In addition, Robinhood Credit may be considered to qualify as a "debt collector" and federal, state and local statutes establish specific guidelines and procedures which debt collectors must follow when collecting consumer receivables. The Fair Debt Collections Practices Act ("FDCPA") and comparable state and local laws establish specific guidelines and procedures which debt collectors must follow when communicating with consumers, including the time, place and manner of the communications. Robinhood Credit has policies and procedures in place to comply with the applicable provisions of the TILA, ECOA, FDCPA and other applicable federal law and comparable regulations in all of its activities. Failure to comply with these laws and regulatory requirements applicable to Robinhood Credit's business may, among other things, subject Robinhood Credit to damages, revocation of required licenses, class action lawsuits, administrative enforcement actions, and civil and criminal liability, which may harm Robinhood Credit's business and its ability to maintain its partnerships and product offerings.

Finally, Robinhood Credit's activities are subject to certain state licensing requirements. Because of its partnership with Coastal Bank for the issuance of credit card accounts, Robinhood Credit believes in most states it operates it is exempt from or satisfies relevant licensing requirements with respect to the origination of credit card accounts that Robinhood Credit facilitates. However, Robinhood Credit may need one or more state licenses to broker, acquire, service and/or enforce loans. As needed, Robinhood Credit has and will continue to endeavor to apply and obtain the appropriate licenses. Although Robinhood Credit will periodically evaluate the need for licensing in various jurisdictions, there is a risk that, at any given time, Robinhood Credit will not have the necessary licenses to operate in all relevant jurisdictions or that Robinhood Credit will not be in full compliance with all applicable requirements. If Robinhood Credit is found to not have complied with applicable laws, regulations or requirements in any jurisdiction, Robinhood Credit could lose one or more of its licenses, become subject to a consent order or administrative enforcement action, need to modify or suspend certain of its business practices (including limiting the maximum Annual Percentage Rates offered to credit card applicants), or be required to obtain a license in such jurisdiction, any of which may harm Robinhood Credit's business.

Authorized Activities in the U.K.

RHUK is authorized and regulated by the Financial Conduct Authority ("FCA") in the U.K. to carry on certain regulated activities related to the provision of investment services. The FCA regulates the financial services industry in the U.K. Its role includes securing an appropriate degree of protection for consumers, protecting and enhancing the integrity of the U.K. financial system, and promoting effective competition in the interest of consumers. If RHUK and/or its personnel fail to meet FCA standards, including, but not limited to, RHUK's compliance with its obligations under Consumer Duty rules and guidelines, the FCA has a range ofenforcement powersthat it can use, including among other things, withdrawing a firm's authorization, prohibiting and suspending firms and individuals from undertaking regulated activities, issuing fines, and bringing criminal prosecutions.

Cryptocurrency Regulation in the European Union

RHEU offers cryptocurrency services to eligible customers in select jurisdictions in the EU and is registered according to the regulatory requirements of the Republic of Lithuania as a virtual currency exchange and virtual currency depository wallet operator. RHEU is supervised by the Lithuanian Financial Crime Investigation Service under the Ministry of the Interior of the Republic of Lithuania. RHEU is also registered under the applicable Polish, Italian, and Spanish laws as a virtual assets service provider in the Register of Virtual Currency Activities maintained by the Director of the Tax Administration Chamber in Poland, the Register of Bureaux de Change maintained by the Organismo Agenti e Mediatori in Italy, and the Registry of Providers of Virtual Currency Exchange Services for Fiat Currency and Custody of Electronic Wallets maintained by the Bank of Spain. RHEU is in the process of obtaining necessary authorizations and licenses to operate in other countries in the EU. RHEU also intends to expand its offerings. Failure to comply with applicable Lithuanian rules and regulations, and similar laws, rules and regulations in other EU countries could result in fines or other legal consequences for RHEU. In addition, EU-level legislation imposing additional regulatory requirements in relation to crypto-related activities is

also expected to take effect in the near term, due to the adoption of the Markets in Crypto-Assets Regulation ("MiCA"). Among other provisions, MiCA introduces a comprehensive authorization and compliance regime for crypto asset service providers and a disclosure regime for the issuers of certain crypto assets, which is expected to impact our operations in the EU.

Futures and Commodity Industry Regulations

The principal operations of our subsidiary Robinhood Derivatives, LLC ("RHD") are to facilitate trading of futures contracts, event contracts, and options on futures contracts for our customers. RHD is registered with the CFTC as an FCM and is a member of the National Futures Association (the "NFA"). RHD is also a registered swap firm with the CFTC for trading cleared swaps. RHD is required to comply with a wide range of requirements imposed by the CFTC and the NFA. The commodity futures, commodity options, and the cleared swaps industries in the U.S. are subject to regulation under the U.S. Commodity Exchange Act (the "CEA"). The CFTC is the U.S. federal agency charged with the administration of the CEA. RHD is subject to the margin rules issued by the CFTC. RHD is also subject to NFA regulation, including requirements pertaining to cybersecurity and supervision.

The CFTC has stringent rules and regulations with respect to the maintenance of specific levels of net capital required by regulated entities. RHD is subject to the CFTC's minimum financial requirements under the CEA. Generally, a FCM's capital is its net worth plus qualified subordinated debt less deductions for certain types of assets. See "—Risks Related to Our Brokerage Products and Services— Our exposure to credit risk with customers, market makers, and other counterparties could result in losses." A large charge or operating loss against RHD's net capital could adversely impact its ability to maintain or expand current business, which could have a material adverse impact on its business and financial condition. If RHD fails to maintain its required net capital, it may be subject to suspension or revocation of its registration by regulatory authorities and suspension or expulsion by these regulators could lead to the entity's liquidation.

Anti-Bribery and Anti-Corruption Regulations

We are subject to anti-bribery and anti-corruption regulations imposed by the Foreign Corrupt Practices Act ("FCPA") in the U.S. and the U.K. Bribery Act 2010 ("the Bribery Act"), which generally prohibit companies and those acting on their behalf from making improper payments to foreign government officials for the purpose of obtaining or retaining business. The Bribery Act also prohibits improper payments between private entities and persons. Additionally, the FCPA requires issuers to maintain accurate books and records and have a system of internal controls sufficient to, among other things, provide reasonable assurances that transactions are executed and assets are accessed and accounted for in accordance with management's authorization.

The sanctions for FCPA and Bribery Act violations can be significant. The SEC may bring civil enforcement actions against issuers and their officers, directors, employees, stockholders, and agents for violations of the anti-bribery or accounting provisions of the FCPA. Companies and individuals that have committed violations of the FCPA may have to disgorge their ill-gotten gains plus pay prejudgment interest and substantial civil penalties. Companies may also be subject to oversight by an independent consultant. In the U.K., the Serious Fraud Office has also published various policies and internal guidance documents for investigators and prosecutors considering bribery offenses. The consequences for individuals and organizations found guilty of an offense under the Bribery Act can be serious. The maximum sentence is 10 years for individuals who commit such offenses. Organizations are liable for an unlimited fine; removal of tainted proceeds; debarment from public sector contracts/tenders, as well as the disruption and cost of a law enforcement investigation; and directors may be disqualified from acting as a director for up to fifteen years.

Environmental Regulation

We are subject to applicable federal, state, local and foreign laws and regulations relating to climate risk and environmental impact, including those required by the U.S. Environmental Protection Agency. In addition, we are, or may become, subject to various climate disclosure regimes regulating the disclosure of green house gas ("GHG") emissions and related information, such as the EU's Corporate Sustainability Reporting Directive, California's Climate Corporate Data Accountability Act and Climate Related Financial Risk Act, and the SEC's final rules under SEC Release No. 34-99678 and No. 33-11275 entitled "The Enhancement and Standardization of Climate-Related Disclosures for Investors." The interpretation and enforcement of such climate disclosure regimes remains uncertain, and compliance may require the investment of significant resources, increase our costs, disrupt our business operations and pose reputational and other risks.

AI Regulation

As we continue to expand into a global financial ecosystem, we are subject to laws, regulations, and industry standards that develop in response to the use of AI. The EU's AI Act, which became effective on August 1, 2024, governs the development, marketing, and use of AI in the EU and could impose significant additional costs on us to comply or we may face significant fines for failing to comply. On a state level, in 2024 California enacted a range of laws regulating the use and development of AI, which generally relate to transparency, privacy and fairness, among other concerns, which may impact us. The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including with respect to intellectual property ownership and licensing rights, cybersecurity, and data protection laws.

Available Information

On our investor relations website, investors.robinhood.com, we post the following filings after they are electronically filed with or furnished to the SEC: Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Beneficial Ownership Reports on Forms 3, 4, and 5, and amendments to those reports filed or furnished pursuant to Sections 13(a), 15(d), or 16 of the Exchange Act. All such filings are available, free of charge, on our website as soon as reasonably practicable after we file such material electronically with, or furnish it to, the SEC. The SEC also maintains a website that contains our SEC filings. The address of the site is www.sec.gov.

We webcast our earnings calls and certain events we participate in or host with members of the investment community on our investor relations website. Additionally, we provide notifications of news or announcements regarding our financial performance, including SEC filings, investor events, press and earnings releases, and blogs as part of our investor relations website. We use the "Overview" tab of our Investor Relations website (accessible at investors.robinhood.com/overview) and its Newsroom (accessible at newsroom.aboutrobinhood.com), as means of disclosing information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure. Investors should routinely monitor those web pages, in addition to our press releases, SEC filings, and public conference calls and webcasts, as information posted on them could be deemed to be material information. The contents of our websites are not intended to be incorporated by reference into this Annual Report or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

ITEM 1A. RISK FACTORS

A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider the risks and uncertainties described below, as well as the other information included in this Annual Report, including our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our business,

financial condition, results of operations, and prospects could be materially and adversely affected by any of these risks or uncertainties. In that case, the trading price of our Class A common stock could decline, and you could lose all or part of your investment. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we currently see as immaterial might also adversely affect our business. Some statements in this Annual Report, including statements in the following risk factors, constitute forward-looking statements. Please refer to "Cautionary Note Regarding Forward-Looking Statements."

Summary of Risk Factors

Our business is subject to a number of risks and uncertainties including those described at length in the Risk Factors section below. We consider the following to be our most material risks:

- *We might not grow in line with historical rates.*
- *We have expanded and continue to expand our operations rapidly, including continuing to introduce new products and services on our platforms as well as geographic expansion, which subjects us to a number of uncertainties, risks, and difficulties that could adversely affect our business.*
- *Our results of operations and other operating metrics fluctuate from quarter to quarter, which makes these metrics difficult to predict.*
- *In most full year periods since our inception, we have incurred operating losses and might not be profitable in the future.*
- *Factors that affect transaction-based revenue — such as reduced spreads in securities pricing, reduced levels of trading activity generally, changes in our business relationships with or disruption in the services provided by market makers, and any new regulation of, or any bans on, PFOF and similar practices — might result in reduced profitability, increased compliance costs, and negative publicity.*
- *We are directly and indirectly exposed to fluctuations in interest rates, and rapidly changing interest rate environments have in the past and could in the future reduce our net interest revenues and otherwise result in reduced profitability.*
- *As registered broker-dealers, we are subject to "best execution" requirements under SEC guidelines and FINRA rules. We could be penalized if we fail to comply with these requirements and these requirements might be modified in the future in a way that could harm our business.*
- *Unfavorable media coverage and other events that harm our brand and reputation could adversely affect our revenue and the size, engagement, and loyalty of our customer base.*
- *Our business has been and might continue to be harmed by changes in business, economic, or political conditions that impact global financial markets, or by a systemic market event.*
- *Our future success depends on the continuing efforts of our key employees and our ability to attract and retain senior management and other highly skilled personnel.*
- *We currently operate in certain international markets and plan to further expand our international operations, which exposes us to significant new risks, and our international expansion efforts might not succeed.*

- *Our business is subject to extensive, complex and changing laws and regulations, and related regulatory proceedings and investigations. Changes in these laws and regulations, or our failure to comply with these laws and regulations, could harm our business.*
- *We have been subject to regulatory investigations, actions, and settlements and we expect to continue to be subject to such proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a materially adverse manner.*
- *We are involved in numerous litigation matters that are expensive and time consuming, and, if resolved adversely, could expose us to significant liability and reputational harm.*
- *We operate in highly competitive markets, and many of our competitors have greater resources than we do and may have products and services that are more appealing than ours to our current or potential customers.*
- *If we fail to retain existing customers or attract new customers, or if our customers decrease their use of our products and services, our revenue will decline.*
- *If we fail to provide and monetize new and innovative products and services that are adopted by customers, our business may become less competitive and our revenue might decline.*
- *Our products and services rely on software and systems that are highly technical and have been, and may in the future be, subject to interruption, instability, and other potential flaws due to software errors, design defects, and other processing, operational, and technological failures, whether internal or external.*
- *We rely on third parties to perform some key functions, and their failure to perform those functions could adversely affect our business, financial condition and results of operations.*
- *We are incorporating AI technologies into some of our products and processes. These technologies may present business, compliance, and reputational risks.*
- *Our business could be materially and adversely affected by a cybersecurity breach or other attack involving our computer systems or data or those of our customers or third-party or fourth-party service providers.*
- *If we do not maintain the net capital levels required by regulators, our broker-dealer business may be restricted and we may be fined or subject to other disciplinary or corrective actions.*
- *Our compliance and risk management policies and procedures as a regulated financial services company might not be fully effective in identifying or mitigating compliance and risk exposure in all market environments or against all types of risk.*
- *The prices of most cryptocurrencies are extremely volatile. Fluctuations in the price of various cryptocurrencies might cause uncertainty in the market and could negatively impact trading volumes of cryptocurrencies, and we may not effectively identify, prevent or mitigate cryptocurrency market risks, any of which would adversely affect the success of our business, financial condition and results of operations.*
- *In the United States, any particular cryptocurrency's status as a "security" is subject to a high degree of uncertainty and if we have not properly characterized one or more cryptocurrencies, we might be subject to regulatory scrutiny, investigations, fines, and other penalties.*

- *Cryptocurrency laws, regulations, and accounting standards are often difficult to interpret and are rapidly evolving in ways that are difficult to predict. Changes in these laws and regulations, or our failure to comply with them, could negatively impact cryptocurrency trading on our platforms.*

- *The offering of consumer credit cards through Robinhood Credit increases our exposure to customer defaults and credit risk and could result in losses.*

- *Our support for Crypto Transfers, Robinhood Wallet, Robinhood Connect, the Robinhood Cash Card, Robinhood Credit, Spending Account, and other payments and spending services increases the risk that our platforms could be exploited to facilitate illegal payments, potentially resulting in loss of customer assets, customer disputes, and other liabilities, which could harm our reputation and adversely impact trading volumes and transaction-based revenues.*

- *The multi-class structure of our common stock has the effect of concentrating voting power with our founders, which limits your ability to influence the outcome of matters submitted to our stockholders for approval. In addition, the Founders' Voting Agreement (as defined below) and any future issuances of our Class C common stock could prolong the duration of our founders' voting control.*

Risks Related to Our Business

We might not grow in line with historical rates.

We have grown rapidly since our founding. However, the circumstances that accelerated the growth of our business in the past, including an extended period of general macroeconomic growth in the U.S., as well as growth in the financial services and technology industries, have slowed in recent years and may not exist in the future. You should not rely on our revenue or key business metrics for any previous quarterly or annual period as any indication of our revenue, revenue growth, key business metrics or key business metrics growth in future periods.

We might experience declines in the growth of our business (or negative growth) as a result of a number of factors, including slowing demand for our platforms, insufficient growth in the number of customers that utilize our platforms, declines in the level of usage of our platforms by existing customers, macroeconomic factors, increasing competition, a decrease in the growth of our overall market, or our failure to continue to capitalize on growth opportunities, including as a result of our inability to scale to meet such growth and economic conditions that have, in some instances, and could continue to reduce financial activity and the maturation of our business, among others. We also may not realize the intended benefits of acquisitions of, or investments in, other companies, products or technologies intended to grow our business. Any failure to successfully address these risks and challenges as we encounter them, will negatively affect our growth. If our revenue growth rate continues to decline, investors' perceptions of our business and the trading price of our Class A common stock could be adversely affected.

We have expanded and continue to expand our operations rapidly, including continuing to introduce new products and services on our platforms as well as geographic expansion, which subjects us to a number of uncertainties, risks, and difficulties that could adversely affect our business.

We have expanded and continue to expand our operations rapidly, including continuing to introduce new products and services on our platforms as well as geographic expansion, which makes it difficult to evaluate our current business and future prospects, and subjects us to a number of uncertainties, including our ability to plan for, model, and manage potential future growth and risks. For example, we have undertaken multiple restructurings in recent years, including significant workforce reductions, and scaled back hiring plans. These actions were driven by a general downturn in economic and market conditions. While these steps were taken to improve operational efficiency, there can be no assurance

that further restructuring or workforce reductions will not be necessary in the future. As part of our ongoing efforts in the normal course of business, we also continuously evaluate whether we are appropriately staffed to be cost efficient. From time to time we have reduced our staff in certain departments as we saw increased productivity and opportunities for greater efficiency under a leaner operating model while continuing to deliver great service and innovation for our customers.

Such efforts to control costs have in the past resulted, and might in the future continue to result in reduced productivity and deteriorating workforce morale, which can cause our business initiatives to suffer. However, if market conditions improve, we also face a risk that renewed business growth could strain our existing resources, or that we are not able to effectively scale up in response, and we could experience ongoing operating difficulties in managing our business across numerous jurisdictions, including difficulties in hiring, training, and managing a dispersed employee base.

We have also encountered, and will continue to encounter, risks and difficulties frequently experienced by companies in rapidly changing and heavily regulated industries, including challenges associated with achieving market acceptance of our products and services, attracting and retaining customers, and complying with laws and regulations (particularly those that are subject to evolving interpretations and application), as well as increased competition and the complexities of managing expenses as we expand our business. Additionally, as our business operations continue to expand, we have had and may continue to have difficulties meeting customer demand and expectations. We might fail to adequately address these and other challenges we may face, and our business might be adversely affected if we do not manage these risks successfully.

Our results of operations and other operating metrics fluctuate from quarter to quarter, which makes these metrics difficult to predict.

Our results of operations are heavily reliant on the level of trading activity on our platforms and Net Deposits. In the past, our results of operations and other operating metrics have fluctuated from quarter to quarter, including due to movements and trends in the underlying markets, changes in general economic conditions, interest in investing, and fluctuations in trading levels generally, each of which is outside our control and will continue to be outside of our control. As a result, period-to-period comparisons of our results of operations might not be meaningful, and our past results of operations should not be relied on as indicators of future performance. Further, we are subject to additional risks and uncertainties that are frequently encountered by companies in rapidly evolving markets. Our financial condition and results of operations in any given quarter can be influenced by numerous factors, including the occurrence of any of the risks described elsewhere in this Risk Factors section, many of which we are unable to predict or are outside of our control. Factors contributing to quarterly fluctuations could include, among others:

- *our ability to retain and engage existing customers and attract new customers;*
- *the timing and success of new product and service introductions by us or our competitors, or other changes in the competitive landscape of our market;*
- *volatility in the market generally or the occurrence of so-called "meme" trading in equities, options, cryptocurrencies, or futures (which includes options on futures, swaps, and event contracts ("Futures")) which can cause our trading volumes to fluctuate;*
- *fluctuations in interest rates;*
- *increases in marketing, sales, compensation (for example, due to increased hiring competition for highly skilled personnel), cloud infrastructure, and other operating expenses that we might incur to grow and expand our operations and to remain competitive;*

- *the timing and amount of non-cash expenses, such as share-based compensation ("SBC") and asset impairments;*
- *the success of our expansion into new markets or acquisitions ;*
- *trading volume and the prevailing trading prices for cryptocurrencies, which can be highly volatile;*
- *ceasing support for certain cryptocurrencies on our RHC platform that the SEC or a court has asserted or determined are securities or proactively removing certain cryptocurrencies because they share similarities with such cryptocurrencies;*
- *changes in the public's perception, adoption, and use of cryptocurrencies and other asset classes;*
- *any inability of customers to place trades, due to system disruptions, outages, or trading restrictions;*
- *any events that damage customer confidence in Robinhood, such as breaches of security or privacy;*
- *the impacts of public health threats (including pandemics such as COVID-19), unemployment, and inflation; and*
- *changes in tax laws or judicial or regulatory interpretations of tax laws, which are recorded in the period such laws are enacted or interpretations are issued, and might significantly affect the effective tax rate of that period.*

Any of the factors above or listed elsewhere in this Risk Factors section, or the cumulative effect of some of those factors, could result in significant fluctuations in our results of operations.

In most full year periods since our inception, we have incurred operating losses and might not be profitable in the future.

We generated positive full year GAAP net income for the first time in 2024. However, in most full year periods since our inception, we have incurred operating losses. We might not be able to maintain or increase our revenue and/or maintain or further reduce our operating expenses by sufficient amounts to continue to generate positive GAAP net income on a quarterly or yearly basis in the future.

Factors that affect transaction-based revenue — such as reduced spreads in securities pricing, reduced levels of trading activity generally, changes in our business relationships with or disruption in the services provided by market makers, and any new regulation of, or any bans on, PFOF and similar practices — might result in reduced profitability, increased compliance costs, and negative publicity.

A large portion of our revenue is transaction-based, in that we receive consideration in exchange for routing our users' equity, option, and cryptocurrency trade orders to market makers for execution. With respect to equities and options trading, such fees are known as payment for order flow, or "PFOF." With respect to cryptocurrency trading, currently we receive "Transaction Rebates." Our transaction-based revenue is sensitive to and dependent on trading volumes and therefore tends to decline during periods in

which we experience decreased levels of trading generally. Computer-generated buy/sell programs and other technological advances and regulatory changes in the marketplace might continue to tighten spreads on transactions, which could also lead to a decrease in our PFOF earned from market makers. For example, the SEC's recently adopted final rules (the "September 2024 Final Rules") to, among other things, adopt an additional minimum pricing increment, or "tick size," for the quoting of certain national market system ("NMS") stocks under Rule 612 of Regulation NMS, reduce the access fee caps for protected quotations under Rule 610 of Regulation NMS and enhance the transparency of better priced orders. While the SEC granted a partial stay of the effectiveness of the final rules in December 2024 pending the completion of judicial review of the petition for review, it did not stay the effective date of the quote transparency rules. The quote transparency rules will make the information about smaller-sized orders publicly available and result in the contraction of spreads across several securities, which we expect will lead to a decrease in the PFOF earned from such orders once the rules go into effect in November 2025. In addition, the regulatory landscape involving cryptocurrencies is subject to change and is experiencing rapid evolution, and future regulatory actions or policies, including for instance, the assertion of jurisdiction by domestic and foreign regulators and governments over cryptocurrency and cryptocurrency markets, could reduce demand for cryptocurrency trading and might materially decrease our revenue derived from Transaction Rebates in absolute terms and as a proportion of our total revenues. In addition, to the extent that the SEC or a court asserts or determines that any cryptocurrencies supported by our RHC platform are securities, we might not continue to facilitate trading of those cryptocurrencies in the U.S. (including ceasing support for certain such cryptocurrencies on our RHC platform) or it might cause us to proactively remove certain cryptocurrencies from our RHC platform because they share similarities with such cryptocurrencies.

Risks Related to our Business Relationships with Market Makers

Our PFOF and Transaction Rebate arrangements with market makers are a matter of practice and business understanding and are often not documented under binding contracts (as is generally the case with market makers in equities and options). If any market makers were unwilling to continue to receive orders from us or to pay us for those orders (including, for example, as a result of unusually high volatility), we might have little to no recourse and, if there are no other market makers that are willing to receive such orders from us or to pay us for such orders, or if we are unable to find replacement market makers in a timely manner, our transaction-based revenue would be negatively impacted. This risk is particularly heightened for cryptocurrencies because fewer market makers are currently able to execute cryptocurrency trades. For instance, in May 2023, two prominent market makers announced their respective decisions to limit their offerings in cryptocurrency trading within the United States. Although we have established relationships with third-party exchanges that may provide additional access to market makers that are able to execute cryptocurrency trades, without additional market makers supporting cryptocurrencies entering the industry in the United States, the risk that we may be unable to find suitable market makers to support cryptocurrencies is increasingly heightened. Additionally, this risk is heightened for brokerage orders executed outside of regular market hours through Robinhood 24 Hour Market, as currently all brokerage trades executed overnight are routed through one market maker — Virtu Financial, Inc. ("Virtu"). If Virtu becomes unwilling or unable to do business with us in the future, we may be unable to find additional market makers to support Robinhood 24 Hour Market, which could negatively impact our transaction-based revenue. Furthermore, if any of our market makers decide to alter our fee structure, our transaction-based revenue could significantly decrease.

Additionally, disruptions in the services provided by market makers, whether due to technical malfunctions, operational mishaps, or financial instability of the market makers, or external factors such as regulatory changes or market volatility, have in the past, and may in the future impair our ability to execute our client's orders. Should a market maker experience downtime or diminished performance, particularly during peak trading hours, our ability to execute customer orders could be compromised and could have an adverse impact on our business, financial condition, and results of operations.

Risks Related to Regulation of PFOF

PFOF practices have drawn heightened scrutiny from the U.S. Congress, the SEC, state regulators, and other regulatory and legislative authorities. For example, in December 2020, we settled an SEC investigation into our best execution and PFOF practices and are defending putative class actions in federal district courts relating to the same factual allegations. Additionally, since July 2023, we have been cooperating with an investigation being conducted by the New York Attorney General concerning brokerage execution quality. We also face the risk that the SEC, other regulatory authorities, or legislative bodies might adopt additional regulation or legislation relating to PFOF practices as a result of such heightened scrutiny or otherwise. For instance, in December 2022, the SEC proposed four separate equity market structure rules (the "December 2022 Rule Proposals") related to (i) best execution; (ii) order competition, including requiring certain retail equity orders to be exposed in auctions before being internalized; (iii) order execution disclosure; and (iv) order tick size and access fee caps. In March 2024, the SEC adopted amendments to enhance order execution disclosures under Rule 605 of Regulation NMS, which will apply for the first time to RHF and RHS beginning in December 2025. In September 2024, the SEC also adopted rules related to order tick size and access fee caps (the "Tick Size and Access Fee Cap Rules").

Beginning in December 2025, the Order Execution Disclosure Rules will require brokers, including RHF and RHS, to make new, publicly available execution quality disclosures that will allow customers, regulators, academics, the press and others to compare execution quality between brokers. Execution quality of brokers may vary based on the trading characteristics of the broker's customers, including, but not limited to, the average number of shares traded, the types of securities (e.g., large cap, small cap, more liquid or less liquid, average spread size, etc.), what types of orders customers submit (e.g., market or limit) and when customers place their trades (e.g., market open, during the regular session or market close). Depending on how our order execution quality compares to other brokers, we could be subject to negative press or critical academic studies that could result in regulatory scrutiny or civil actions which could harm our brand and reputation.

Beginning in November 2025, the Tick Size and Access Fee Cap Rules will make information about smaller-sized orders publicly available and is likely to result in the contraction of spreads across many securities, which we expect will lead to a decrease in the PFOF earned from such orders. Although these final and remaining proposed rules related to market structure design do not ban PFOF, the remaining December 2022 Rule Proposals introduce new requirements and will have the indirect effect of making PFOF more difficult or impossible to earn and condensing the revenues we could theoretically earn. Any new or heightened PFOF regulation, including the September 2024 Final Rules and the remaining December 2022 Rule Proposals if adopted as proposed, will result in increased compliance costs and otherwise could materially decrease our transaction-based revenue, might make it more difficult for us to expand our platforms in certain jurisdictions, and could require us to make significant changes to our revenue model, which changes might not be successful. Because some of our competitors either do not engage in PFOF or derive a lower percentage of their revenues from PFOF than we do, any such heightened regulation or a ban of PFOF could have an outsized impact on our results of operations. Furthermore, depending on the nature of any new requirements, heightened regulation could also increase our risk of potential regulatory violations and civil litigation, which could result in fines or other penalties, as well as negative publicity.

Risks Related to Negative Publicity Associated with PFOF or our Market Makers

Additionally, any negative publicity surrounding PFOF or Transaction Rebate practices generally, or our implementation of these practices, could harm our brand and reputation. For example, as a result of the Early 2021 Trading Restrictions (as defined in Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report), we faced allegations that our decision to temporarily prevent our customers from purchasing specified securities was influenced by our relationship

with certain market makers. Furthermore, as registered broker-dealers, market makers must comply with rules and regulations that are generally intended to prohibit them from taking advantage of information they obtain while executing orders (e.g., through the prohibition on “front running”). Market makers also have a duty to seek “best execution” of customers’ equity and option orders we send to them. If the market makers we use to execute our customer’s equity and option trades were to violate such rules and regulations and use this data for their own benefit in violation of applicable rules and regulations, it could result in negative publicity for us by association. Developments in any proposals related to the regulation of PFOF or market structure design have generated and might continue to generate negative publicity associated with PFOF. For example, the intra-day trading price of our Class A common stock fell as much as 5.3% on December 14, 2022, the day the December 2022 Rule Proposals were announced.

Additionally, if our customers or potential customers believe that they might get better execution quality (including better price improvement) directly from stock exchanges or from our competitors that have different execution arrangements, or if our customers perceive our PFOF practices to create a conflict of interest between us and them, or if they begin to disfavor the specific market markers with which we do business due to any negative media attention, they might come to have an adverse view of our business model and might decide to limit or cease the use of our platforms. Some customers might prefer to invest through our competitors that do not engage in PFOF or Transaction Rebate practices or engage in them differently than do we. Any such loss of customer engagement as a result of any negative publicity associated with PFOF or Transaction Rebate practices could adversely affect our business, financial condition, and results of operations.

RHC is in the process of allowing customers to choose a fee-based model in lieu of our current liquidity provider rebate-based model (under which RHC receives payments akin to PFOF from liquidity providers) for cryptocurrency orders. This shift may lead to negative publicity due to potential differences in total costs for customers under the two models. Depending on the nature of these cost differences, concerns might arise about (i) the use of PFOF with respect to other asset classes like equities and options and/or (ii) the replacement of liquidity provider rebates by customer fees for orders in cryptocurrency routed for execution via exchanges. Any negative publicity associated with adopting this model may have an adverse impact on our business, financial condition and results of operations.

We are directly and indirectly exposed to fluctuations in interest rates, and rapidly changing interest rate environments have in the past and could in the future reduce our net interest revenues and otherwise result in reduced profitability.

A portion of our revenue comes from interest income earned from our corporate cash and investment portfolio, our securities lending activities, cash sweep, and from interest-rate sensitive assets, including receivables from users’ margin-borrowing and other assets underlying the customer balances we hold on our balance sheets as customer accounts. Interest rates are the key driver of our net interest income and are subject to many factors beyond our control. Reductions in interest rates have negatively impacted, and a return to a low interest rate environment would negatively impact (and the Federal Reserve lowering interest rates since September 2024 has and will negatively impact) our total net revenues, net income (loss), and cash flows, prior to any income tax effects, and adversely impact our customers’ returns on their cash deposits. Changes to the level or mix of interest earning balances could also negatively impact our total net revenues, net income (loss), and cash flows, prior to any tax income effects, if customers react to the rising interest rate environment by moving cash that would have otherwise been spent on services or products with higher revenue potential for Robinhood into Robinhood accounts that offer customers high interest rates. For a more detailed discussion of interest rate risk and an estimate of how hypothetical 50, 100 or 150 basis point increases or decreases in interest rates to the period end balances of our interest-earning assets and liabilities could affect our total net revenues, net income (loss), and cash flows, prior to any income tax effects, see “Quantitative and Qualitative Disclosures about Market Risk—Interest Rate Risk” elsewhere in this report.

Higher interest rates also lead to higher payment obligations by our customers to us and to their creditors under mortgage, credit card, and other consumer and merchant loans, which might reduce our customers’ ability to satisfy their obligations to us, including failing to pay for securities purchased, meet

minimum credit card payments, deliver securities sold, or meet margin calls, and therefore lead to increased delinquencies, charge-offs, and allowances for loan and interest receivables, which could have an adverse effect on our net income (loss). Fluctuations in interest rates could adversely impact our customers' general spending levels and ability and willingness to invest and spend through our platforms.

As registered broker-dealers, we are subject to "best execution" requirements under SEC guidelines and FINRA rules. We could be penalized if we fail to comply with these requirements and these requirements might be modified in the future in a way that could harm our business.

As registered broker-dealers, we are subject to "best execution" requirements under SEC guidelines and FINRA rules, which requires us to obtain the best reasonably available terms for customer orders. We have in the past and continue to be subject to investigations related to our best execution practices. We face additional investigations and/or a risk of penalties in the future related to our best execution practices.

We also might be adversely affected in the future by regulatory changes related to our obligations with regard to best execution. In particular, receipt of PFOF and best execution requirements have drawn heightened scrutiny from the U.S. Congress, the SEC, and other regulatory and legislative authorities, who have at times alleged that PFOF arrangements, like those we have with our market makers, can result in harm to customer execution quality. For instance, one of the remaining December 2022 Rule Proposals relates to best execution and proposes to enhance the existing regulatory framework concerning the duty of best execution by, among other things, requiring additional policies and procedures for broker-dealers engaging in certain conflicted transactions with retail customers. There is a risk that these bodies might adopt additional regulation relating to PFOF practices and best execution requirements as a result of such heightened scrutiny or otherwise. Any such regulations could have a material adverse impact on our business and one of our primary sources of revenue.

We might need additional capital to provide liquidity and support business growth and objectives, and this capital might not be available to us on reasonable terms, if at all, might result in stockholder dilution, or might be delayed or prohibited by applicable regulations.

Maintaining adequate liquidity is crucial to our securities brokerage and our money services business operations, including key functions such as transaction settlement, custody requirements, and margin lending. The SEC and FINRA also have stringent rules with respect to the maintenance of specific levels of net capital by securities broker-dealers. We meet our liquidity needs primarily from working capital and cash generated by customer activity, as well as from external debt and equity financing. Despite these resources, increases in the number of customers, and fluctuations in customer cash or deposit balances, as well as market conditions or changes in regulatory treatment of customer deposits, could affect our ability to meet our liquidity needs. We might be adversely affected by regulatory changes related to our obligations with regard to capital maintenance requirements. For example, in December 2024, the SEC adopted amendments to the broker-dealer customer protection rule (SEC Rule 15c3-3) to require certain broker-dealers to compute their customer and broker-dealer reserve deposit requirements, and to make any required deposits, daily rather than weekly. These amendments, which require broker-dealer compliance by December 2025, will make it more difficult for us to comply with our obligations with regard to capital maintenance requirements. Additionally, there is no definitive guidance on whether or how these rules may apply to cryptocurrencies, and we might be adversely affected in the future if the SEC determines that they do.

In addition, our clearing and carrying broker-dealer is subject to cash deposit and collateral requirements under the rules of the clearinghouses in which it participates (including DTC, National Securities Clearing Corporation ("NSCC"), and OCC), which requirements fluctuate significantly from time to time based upon the nature and volume of customers' trading activity and volatility in the market or individual securities. If we fail to meet any such deposit requirements, our ability to settle trades through the clearinghouse may be suspended or we might be forced to restrict trading in certain stocks in order to

limit clearinghouse deposit requirements. For example, from January 28 to February 5, 2021, due to increased deposit requirements imposed on our clearing and carrying broker-dealer by NSCC in response to unprecedented market volatility, particularly in certain securities, we implemented the Early 2021 Trading Restrictions. This resulted in negative media attention, customer dissatisfaction, reputational harm, litigation, and regulatory and U.S. Congressional inquiries and investigations, as well as capital raising by us in order to lift the trading restrictions while remaining in compliance with our net capital and deposit requirements. We face a risk that similar events could occur in the future and, if we are unable to satisfy our deposit requirements, the clearinghouse may cease to act for us and may liquidate our unsettled clearing portfolio. We also need to hold capital and make deposits with respect to certain event contracts in accordance with applicable CFTC regulations and ForecastEx, LLC, Kalshi Klear LLC, and KalshiEx LLC's Rulebooks for Robinhood Derivatives, LLC.

A reduction in our liquidity position could reduce our customers' confidence in us, which could result in the withdrawal of customer assets and loss of customers, or could cause us to fail to satisfy broker-dealer or other regulatory capital guidelines, which may result in immediate suspension of securities activities, regulatory prohibitions against certain business practices, increased regulatory inquiries and reporting requirements, increased costs, fines, penalties or other sanctions, including suspension or expulsion by the SEC, FINRA or other SROs or state regulators, and could ultimately lead to the liquidation of our broker-dealers or other regulated entities. Factors which might adversely affect our liquidity positions include temporary liquidity demands due to timing differences between brokerage transaction settlements and the availability of segregated cash balances, timing differences between cryptocurrency transaction settlements between us and our cryptocurrency market makers and between us and our cryptocurrency customers, fluctuations in cash held in customer accounts, a significant increase in our margin lending activities, increased regulatory capital requirements, changes in regulatory guidance or interpretations, other regulatory changes, or a loss of market or customer confidence resulting in unanticipated and/or excessive withdrawals or redemptions, or a suspension of redemptions or withdrawals of customer assets.

We might also need additional capital to continue to support our business and any future growth and to respond to competitive challenges, including the need to promote our products and services, develop new products and services, enhance our existing products, services and operating infrastructure, acquire and invest in complementary businesses and technologies, and to fund payments on our obligations at the parent company level, such as the income tax withholding and remittance obligations that arise upon the vesting and/or settlement of our outstanding restricted stock units ("RSUs"), and any debt obligations we might incur. To meet liquidity needs at the parent level, we might need to rely on dividends, distributions and other payments from our subsidiaries. Regulatory and other legal restrictions might limit our ability to transfer funds to or from some subsidiaries. For example, under FINRA rules applicable to RHS, a dividend of over 10% of a member firm's excess net capital must not be paid without FINRA's prior written approval.

When available cash is not sufficient, we might seek to engage in equity or debt financings to secure additional funds. However, such additional funding might not be available on terms attractive to us, or at all, and our inability to obtain additional funding when needed could have an adverse effect on our business, financial condition, and results of operations. If we issue equity or convertible debt securities, our stockholders could suffer significant dilution, and the new shares could have rights, preferences and privileges superior to those of our current stockholders. Any debt financing could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which might make it more difficult for us to obtain additional capital and to pursue future business opportunities.

Unfavorable media coverage and other events that harm our brand and reputation could adversely affect our revenue and the size, engagement, and loyalty of our customer base.

Our brand and our reputation are two of our most important assets. Our ability to attract, build trust with, engage, and retain existing and new customers might be adversely affected by events that harm our

brand and reputation, such as public complaints and unfavorable media coverage about us, our platforms, and our customers, even if factually incorrect or based on isolated incidents.

We receive a high volume of media coverage, which has included, and might continue to include, negative coverage regarding our products and services and the risk of our customers' misuse or misunderstanding of our products and services, inappropriate or otherwise unauthorized behavior by our customers and litigation or regulatory activity. In addition, given our public profile, any unanticipated system disruptions, outages, technical or security-related incidents, or other performance problems relating to our platforms, such as the November 2021 Data Security Incident (as defined in Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report) are likely to receive extensive media attention. Furthermore, any negative experiences our customers have in connection with their use of our products and services, including as a result of any such performance problems, could diminish customer confidence in us and our products and services, which could result in unfavorable media coverage or publicity. For example, we received customer complaints and significant media attention as a result of the Early 2021 Trading Restrictions.

Damage to our brand and reputation could also be caused by:

- *cybersecurity attacks, privacy or data security breaches, or other security incidents, payment disruptions or other incidents that impact the reliability of our platforms;*
- *actual or alleged illegal, negligent, reckless, fraudulent or otherwise inappropriate behavior by our management team, our other employees or contractors, our customers or third-party service providers or partners as well as complaints or negative publicity about such individuals or companies;*
- *future restructurings or any similar such reductions or activities in the future;*
- *any repeat imposition of temporary trading restrictions (similar to our Early 2021 Trading Restrictions), or any outright failure to meet our deposit requirements;*
- *litigation, regulatory actions, settlements, or investigations involving our platforms or our business;*
- *regulators requesting or requiring us to cease offering specific products or services;*
- *any failures to comply with legal, tax and regulatory requirements;*
- *any perceived or actual weakness in our financial strength or liquidity;*
- *any regulatory action or settlement that results in changes to, or prohibits us from offering, certain features, products or services;*
- *any new policies, features, products, or services, or changes to our policies, features, products, or services, that customers or others perceive as overly restrictive, unclear, inconsistent with our values or mission, or not clearly articulated;*
- *a failure to operate our business in a way that is consistent with our values and mission;*
- *inadequate or unsatisfactory customer support experiences;*
- *negative responses by customers or regulators to our business model or to particular features, products or services;*

- *a failure to adapt to new or changing customer preferences;*
- *our decision to offer products viewed by some as controversial;*
- *our inability to successfully expand into new markets or make successful acquisitions of, or investments in, other companies, products or technologies;*
- *a prolonged weakness in popular equities or cryptocurrencies specifically or in U.S. or international equity and cryptocurrency markets generally, or a sustained downturn in the U.S. or international economies;*
- *negative claims or publicity involving our culture or businesses, regardless of whether such claims are accurate; and*
- *any of the foregoing with respect to our competitors, to the extent the resulting negative perception affects the public's perception of us or our industry as a whole.*

These and other events could negatively impact the willingness of our existing customers, and potential new customers, to do business with us, which could adversely affect our trading volumes and number of Funded Customers, as well as our ability to recruit and retain personnel, any of which could have an adverse effect on our business, financial condition, and results of operations, as well as the trading price of our Class A common stock. For instance, on November 8, 2022 (the day that FTX Trading Ltd. ("FTX"), a major international cryptocurrency exchange, halted all non-fiat customer withdrawals from its platform), the intra-day trading price of our Class A common stock fell as much as 18%. Additionally, in December 2022, shortly after FTX filed for bankruptcy on November 11, 2022, and following the bankruptcies of several other major cryptocurrency trading venues and lending platforms earlier in 2022, including Three Arrows Capital, Ltd., Voyager Digital Holdings, Inc., and Celsius Network LLC ("Celsius") (collectively, the "2022 Crypto Bankruptcies"), we received an investigative subpoena from the SEC regarding, among other topics, RHC's cryptocurrency listings, custody of cryptocurrencies, and platform operations.

We could incur substantial losses from our cash and investment accounts if one or more of the financial institutions that we use fails or is taken over by the FDIC.

We maintain cash and investment accounts, as well as restricted cash as certificates of deposits for facility leases and other contractual obligations, at multiple financial institutions in amounts that are significantly in excess of the limits insured by the FDIC. In spring 2023, certain U.S. banks failed and were taken over by the FDIC (the "2023 Banking Events"). If any of the financial institutions where we hold significant deposits were to fail or be taken over by the FDIC, our ability to access such accounts has in the past and could be in the future temporarily or permanently limited, which could adversely affect our business. In particular, while we have taken steps to help ensure that the loss of all or a significant portion of any uninsured amount would not have an adverse effect on our ability to pay our operational expenses or make other payments, the failure of a financial institution where we hold significant deposits has in the past and may in the future require us to move funds to another bank, which could cause a temporary delay in making payments to our vendors and employees, or under other contractual arrangements, and cause other operational inconveniences. Additionally, any losses or delay in access to funds as a result of such events could have a material adverse effect on our ability to meet contractual obligations, earnings, financial condition, cash flows, and stock price.

Our business has been and might continue to be harmed by changes in business, economic, or political conditions that impact global financial markets, or by a systemic market event.

As we are a financial services company, our business, results of operations, and reputation are directly and indirectly affected by elements beyond our control, such as economic and political conditions including unemployment rates, inflation, tax and interest rates, geopolitical conflicts, such as the Russian invasion of Ukraine and ongoing events in the Middle East, financial market volatility (such as we previously experienced during the COVID-19 pandemic or may experience due to recent trade policy shifts such as the potential imposition or escalation of tariffs implemented by the United States, Canada or other governments), significant increases in the volatility or trading volume of particular securities, cryptocurrencies, or Futures (such as we experienced during the meme stock events of early 2021 and the Dogecoin surge of mid-2021), broad trends in business and finance, actual events or concerns involving liquidity, defaults, or non-performance by third-party financial institutions or transactional counterparties (such as the 2023 Banking Events), changes in volume of securities, cryptocurrencies, or Futures trading generally and changes in the markets in which such transactions occur (such as following the 2022 Crypto Bankruptcies), and changes in how such transactions are processed. These elements can arise suddenly and the full impact of such conditions could have an adverse effect on our business results or remain uncertain indefinitely. Because a large percentage of our customers are first time investors, we might be disproportionately affected by declines in investor confidence caused by adverse economic conditions. A prolonged market weakness, such as a slowdown causing reduced trading volume in securities, derivatives, or cryptocurrency markets, has resulted, and could result in the future in reduced revenues and adversely affect our business, financial condition, and results of operations. Conversely, significant upturns in such markets or conditions might cause individuals to be less proactive in seeking ways to improve the returns on their trading or investment decisions and, thus, decrease the demand for our products and services.

Additionally, concerns regarding the U.S. and/or international financial systems, such as in connection with the 2023 Banking Events, could result in less favorable commercial financing terms available to us, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on our access to credit and liquidity sources.

Any of these changes could cause our future performance to be uncertain or unpredictable, and could have an adverse effect on our business and results of operations.

Our future success depends on the continuing efforts of our key employees and our ability to attract and retain senior management and other highly skilled personnel.

Our future success depends, in part, on our ability to continue to identify, attract, develop, integrate and retain qualified and highly skilled personnel. In particular, our CEO, Vladimir Tenev, has been critical to the development and execution of our business, vision, and strategic direction. In addition, we have heavily relied, and expect we will continue to heavily rely, on the services and performance of our senior management team, which provides leadership, contributes to the core areas of our business and helps us to efficiently execute our business. Although we have entered into employment offer letters with some of our key personnel, most of these agreements have no specific duration and are terminable by either party at-will and our senior management team has experienced recent changes. We do not maintain key person life insurance policies on any of our employees.

We also might not be successful in attracting, integrating or retaining qualified personnel to fulfill our current or future needs. In particular, there continues to be particularly high competition in the San Francisco Bay Area for software engineers, computer scientists and other technical personnel. Given our heavy emphasis on SBC, the performance of our stock price has in the past had, and could continue to have, a significant impact on our ability to recruit, retain, and motivate highly skilled personnel. Additionally, our working model may negatively impact our ability to retain and recruit highly skilled personnel, especially to the extent other companies continue to allow more flexible remote working models. Attrition and workforce reorganizations and reductions have also and might continue to adversely

affect our reputation among job seekers, demoralize our remaining employees, and result in a loss of institutional know-how, reduced productivity, slower customer service response, reduced effectiveness of internal compliance and risk-mitigation programs, and cancellations of or delays in completing new product developments and other strategic projects. For example, in the periods immediately following our recent restructurings, we experienced higher rates of voluntary employee attrition and declines in reported employee job satisfaction. We might continue to experience difficulty in hiring and retaining highly skilled employees with appropriate qualifications.

We believe that a critical component of our efforts to attract and retain employees has been our corporate culture of innovation. We have invested substantial time and resources in building our team. As we continue to expand internationally, we will face new challenges to maintain our corporate culture of innovation among a larger number of geographically dispersed and remote employees, as well as other service providers. Failure to preserve our company culture could harm our ability to retain and recruit personnel.

If we are unable to attract, integrate, retain, or effectively replace our key employees and qualified and highly skilled personnel, our ability to effectively focus on and pursue our corporate objectives will decline, and our business and future growth prospects could be harmed.

Future acquisitions of, or investments in, other companies, products, technologies or specialized employees could require significant management attention, disrupt our business, dilute stockholder value, and adversely affect our results of operations.

As part of our business strategy, we have made and might continue to make acquisitions of, or investments in, specialized employees or other compatible companies, products, or technologies. We also have entered into and might continue to enter into relationships with other businesses in order to expand our products and services. Negotiating these transactions can be time-consuming, difficult, and expensive. Our ability to close these transactions might be subject to third-party approvals and customary closing conditions, such as governmental and other regulatory approvals, some of which are beyond our control, and may take longer than expected to be obtained, if at all. If pending transactions are not completed, we have in the past and could in the future be subject to losses from legal fees and other expenses as well as impairment charges.

In general, our efforts to grow through acquisitions are subject to the risks that we might be unable to find suitable acquisition or investment candidates or to complete acquisitions on favorable terms or in a timely manner, if at all. Moreover, these kinds of acquisitions or investments can result in unforeseen operating difficulties and expenditures prior to and following closing, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities and/or compliance obligations, increasing our expenses, and adversely impacting our business, financial condition and results of operations. If we acquire businesses or technologies, we might not be able to integrate the acquired personnel, operations, products, and technologies successfully or face challenges in doing so, or effectively manage the combined business following the acquisition. Moreover, the anticipated benefits of any acquisition or investment might not be realized, the acquisition or investment might not perform in accordance with expectations, and we might be exposed to unknown liabilities.

In connection with these types of transactions, we might issue additional equity securities that would dilute our stockholders, use cash that we might need in the future to operate our business, incur debt on terms unfavorable to us or that we are unable to repay, incur large charges or substantial liabilities, encounter difficulties integrating diverse business cultures, and become subject to adverse tax consequences, substantial depreciation, or deferred compensation charges.

We currently operate in certain international markets and plan to further expand our international operations, which exposes us to significant new risks, and our international expansion efforts might not succeed.

We currently only offer select services to the public outside the United States in certain jurisdictions, including brokerage services in the U.K. through Robinhood U.K., Ltd., crypto services in select jurisdictions in the EU through RHEU, and our Robinhood Wallet, which is available in over 150 countries and offered through our Cayman Islands subsidiary, Robinhood Non-Custodial Ltd. We expect that our pending acquisition of Bitstamp, if completed, will help us accelerate our international expansion, including across the EU, in the U.K. and in certain other countries.

We intend to continue expanding our operations outside of the United States. International expansion requires significant resources and management attention and subjects us to additional regulatory, economic, operational, and political risks on top of those we already face in the United States. There are significant risks and costs inherent in establishing and doing business in international markets, including:

- *difficulty establishing and managing international entities, offices, and/or operations and the increased operations, travel, infrastructure, and legal and compliance costs associated with operations, entities, and/or people in different countries or regions;*
- *the need to understand, interpret and comply with local laws, regulations and customs in multiple jurisdictions, including laws and regulations governing cryptocurrency-related, broker-dealer, money transmitter, or regulated entity practices, some of which might require permissions, registrations, authorizations, licenses or consents, or might be different from, or conflict with, those of other jurisdictions or foreign cybersecurity, data privacy or labor and employment laws;*
- *the additional complexities of any merger or acquisition activity internationally, which would be new for us and could subject us to additional regulatory scrutiny or approvals;*
- *the need to adapt, localize, and position our products for specific countries (also known as "product-market fit");*
- *increased exposure to foreign fraud vectors;*
- *increased competition from local providers of similar products and services;*
- *challenges of obtaining, maintaining, protecting, defending and enforcing intellectual property rights abroad, including the challenge of extending or obtaining third-party intellectual property rights to use various technologies in new countries;*
- *the need to offer customer support and other aspects of our offering (including websites, articles, blog posts, and customer support documentation) in various languages or locations;*
- *compliance with anti-bribery and anti-corruption laws, such as the FCPA and equivalent anti-money laundering and sanctions rules and requirements in local markets, by us, our employees, and our business partners;*

- *the need to recruit and manage staff in new countries and regions to support international operations, and comply with employment law, tax, payroll, and benefits requirements in multiple countries;*

- *the need to enter into new business partnerships with third-party service providers in order to provide products and services in the local market, or to meet regulatory obligations;*

- *varying levels of internet technology adoption and infrastructure, and increased or varying network and hosting service provider costs and differences in technology service delivery in different countries;*

- *fluctuations in currency exchange rates and the requirements of currency control regulations, which might restrict or prohibit conversion of other currencies into U.S. dollars;*

- *double taxation of our international earnings and potentially adverse tax consequences due to requirements of or changes in the income and other tax laws of the United States or the international jurisdictions in which we operate; and*

- *political or social change or unrest or economic instability in a specific country or region in which we operate.*

We have limited experience with international legal and regulatory environments and market practices, and we might not be able to penetrate or successfully operate in the markets we choose to enter. In addition, we might incur significant expenses as a result of our international expansion, and we might not be successful, which could lead to substantial losses.

We are exposed to funding transaction losses due to reversals or insufficient funds.

Some of our products and services are paid for by electronic transfer from customers' bank accounts which exposes us to risks associated with reversals and insufficient funds. Unwinding of funds transfers due to reversals, and insufficient funds could arise from fraud, misuse, unintentional use, settlement delay, or other activities. Also, criminals are using increasingly sophisticated methods to engage in illegal activities, such as counterfeiting and fraud. If we are unable to collect and retain such amounts from the customer, or if the customer refuses or is unable, due to bankruptcy or other reasons, to reimburse us, we bear the loss for the amount of the chargeback, refund, or return.

While we have policies and procedures designed to manage and mitigate these risks, we cannot be certain that such processes will be effective. Our failure to limit returns, including as a result of fraudulent transactions, could lead payment networks or our banking partners to require us to increase reserves, impose penalties on us, charge additional or higher fees, or terminate their relationships with us. These risks may be amplified as we continue to expand our operations internationally and increase our exposure to foreign fraud vectors.

Our working model, which allows a subset of our employees to work remotely, subjects us to heightened operational risks.

We currently have a large segment of employees who work remotely and are not required to come into the office on a daily basis. Allowing employees to work remotely subjects us to heightened operational risks. For example, technologies in our employees' homes might not be as robust or effective as in our offices and could lead to lower productivity and/or increased vulnerability to cybersecurity attacks or other privacy or data security incidents. There is no guarantee that the data security and

privacy safeguards we have put in place will be completely effective or that we will not encounter risks associated with employees accessing company data and systems remotely. Additionally, in June 2024 FINRA's new Residential Supervisory Location Designation Rule became effective, under which the homes of certain of our employees who work remotely could be treated as "residential supervisory locations" subject to inspections on a regular periodic schedule, which in turn has required certain operational changes and compliance adjustments. Non-compliance with the Residential Supervisory Location Designation Rule could subject us to fines, penalties or enforcement actions. We also face challenges due to the need to operate with a dispersed and remote workforce, as well as increased costs related to business continuity initiatives.

Allowing for remote work has in the past made and may continue to make it more difficult for us to preserve our corporate culture of innovation and our employees might have decreased opportunities to collaborate in meaningful ways. Further, we cannot guarantee that requiring a subset of employees to work in-office, or allowing certain employees to continue to work remotely, will not have a negative impact on employee morale or productivity. Any failure to overcome the challenges presented by our working model could harm our future success, including our ability to retain and recruit personnel, innovate and operate effectively, maintain product development velocity, and execute on our business strategy.

Risks Related to Regulation and Litigation

Our business is subject to extensive, complex and changing laws and regulations, and related regulatory proceedings and investigations. Changes in these laws and regulations, or our failure to comply with these laws and regulations, could harm our business.

We are subject to a wide variety of local, state, federal, and international laws, regulations, licensing schemes, and industry standards in the United States, the UK, the EU and in other countries and regions in which we operate. These laws, regulations, and standards govern numerous areas that are important to our business, and include, or might in the future include, those relating to all aspects of the securities industry, financial services, money transmission, the origination, marketing, servicing, and collection of consumer debt, foreign exchange, payments services and products (such as payment processing, settlement services, and credit cards), cryptocurrency, derivatives, trading in shares and fractional shares, fraud detection, consumer protection, anti-money laundering, escheatment, sanctions regimes and export controls, data privacy, data protection, data security, as well as climate risk and environmental impact, including with respect to disclosure of greenhouse gas emissions and other metrics related to climate change.

The substantial costs and uncertainties related to complying with these laws and regulations continue to increase, and our introduction of new products or services, expansion of our business into new jurisdictions or subindustries, acquisitions of other businesses that operate in similar regulated spaces, or other actions that we may take might subject us to additional laws, regulations, or other government or regulatory scrutiny. For example, after launching Sherwood Media, our media subsidiary dedicated to providing news and information about the markets, economics, business, technology, and the culture of money), we received inquiries from FINRA regarding Sherwood Media's relationship to RHF. In addition, after announcing in March 2024 the launch of the Robinhood Gold Card, which is currently offered via invitation only through Robinhood Credit exclusively to Gold Subscribers and provides rewards via the Robinhood Gold Credit Card Rewards Program, we received requests for information from the Massachusetts Securities Division ("MSD") related to the Robinhood Gold subscription service and the Robinhood Gold Card. RHF also received requests for information from the MSD after we began to offer certain event contracts in October 2024. Regulations are intended to ensure the integrity of financial markets, to maintain appropriate capitalization of broker-dealers and other financial services companies, and to protect customers and their assets. These regulations could limit our business activities through capital, customer protection, and market conduct requirements, as well as restrictions on the activities that we are authorized to conduct.

We operate in a highly regulated industry and, despite our efforts to comply with applicable legal requirements, like all companies in our industry, we must adapt to frequent changes in laws and regulations, and face complexity in interpreting and applying evolving laws and regulations to our business, heightened scrutiny of the conduct of financial services firms and increasing penalties for violations of applicable laws and regulations. We might fail to establish and enforce procedures that comply with applicable legal requirements and regulations. We might be adversely affected by new laws or regulations, changes in the interpretation of existing laws or regulations, or more rigorous enforcement. For instance, since we began to offer event contracts, the CFTC has been in the process of appealing the U.S. District Court for the District of Columbia's decision in *KalshiEx LLC v. Commodity Futures Trading Commission* , and should the CFTC succeed on appeal, we may not be able to continue to offer certain event contracts and potentially could be subject to adverse litigation and regulatory actions for doing so. In addition, the CFTC has proposed a rule amendment that has not been finalized—if adopted by the CFTC as proposed, we would likely be prohibited from offering election event contracts (similar to the ones we offered in November 2024) in the future. Our ability to offer certain products may also be impacted by actions taken by government regulators. There is a risk that regulators could request or require us to cease offering specific products or services. Such regulatory actions could lead to the suspension or termination of product offerings, which may result in increased compliance costs, financial losses and negative publicity. For example, in February 2025, the CFTC formally requested that RHD "not permit customers to access" sports event contracts "until staff can complete a review," leading us to suspend the rollout of this product. We also might be adversely affected by other regulatory changes related to our obligations with regard to suitability of financial products, supervision, sales practices, application of fiduciary or best interest standards (including the interpretation of what constitutes an "investment recommendation" for the purposes of the SEC's "Regulation Best Interest" and state securities laws) and best execution in the context of our business and market structure, any of which could limit our business, increase our costs and damage our reputation.

Broker-Dealer and FCM Regulations

As broker-dealers, our subsidiaries RHF and RHS are subject to extensive regulation by federal and state regulators and SROs, and are subject to laws and regulations covering all aspects of the securities industry. Federal and state regulators and SROs, including the SEC and FINRA, can, among other things, investigate, censure or fine us, issue cease-and-desist orders or otherwise restrict our operations, require changes to our business practices, products or services, limit our acquisition activities or suspend or expel a broker-dealer or any of its officers or employees. Our subsidiary RHD, a registered FCM with the CFTC, is also subject to extensive regulation by federal and state regulators and SROs related to offering our customers Futures products. Similarly, state attorneys general and other state regulators, including state securities and financial services regulators, can bring legal actions on behalf of the citizens of their states to assure compliance with state laws. In addition, criminal authorities such as state attorneys general or the DOJ may institute civil or criminal proceedings against us for violating applicable laws, rules, or regulations.

Money-Transmitter Regulation

As money transmitters, certain of our subsidiaries are subject to regulation, primarily at the state level. We are also subject to regulation by the CFPB. We have obtained or are in the process of obtaining licenses to operate as a money transmitter (or as another type of regulated financial services institution, as applicable) in the United States and in the states where this is required. As a licensed money transmitter, we are subject to obligations and restrictions with respect to the movement of customer funds, reporting requirements, bonding requirements, and inspection by state regulatory agencies concerning those aspects of our business considered money transmission. Evaluation of our compliance efforts, as well as the questions of whether and to what extent our products and services are considered money transmission, are matters of regulatory interpretation and could change over time. There are substantial costs and potential product and operational changes involved in maintaining and renewing these licenses,

certifications, and approvals, and we could be subject to fines, other enforcement actions, and litigation if we are found to violate any of these requirements. There can be no assurance that we will be able to (or decide to) continue to apply for or obtain any such licenses, renewals, certifications, and approvals in any jurisdictions. In certain markets, we might rely on local banks or other partners to process payments and conduct foreign currency exchange transactions in local currency, and local regulators might use their authority over such local partners to prohibit, restrict, or limit us from doing business. The need to obtain or maintain these licenses, certifications, or other regulatory approvals could impose substantial additional costs, delay or preclude planned transactions, product launches or improvements, require significant and costly operational changes, impose restrictions, limitations, or additional requirements on our business, products, and services, or prevent us from providing our products or services in a given market.

We have been subject to regulatory investigations, actions, and settlements and we expect to continue to be subject to such proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a materially adverse manner.

From time to time, we have been and currently are subject, and, given the highly regulated nature of the industries in which we operate, we expect that we will be subject in the future, to a number of legal and regulatory examinations and investigations arising out of our business practices and operations, conducted by the DOJ, SEC, FINRA, the CFTC and The National Futures Association or other federal agencies such as OFAC, the FDIC or CFPB, and state regulatory agencies, such as the MSD, the California Attorney General's Office, and NYDFS, among other authorities. These examinations and investigations have in some instances in the past and might in the future lead to lawsuits, arbitration claims, and enforcement proceedings, as well as other actions and claims, that result in injunctions, fines, penalties, and monetary settlements. For example:

- In connection with the Early 2021 Trading Restrictions, we and our employees, including our CEO, Vladimir Tenev, have received requests for information, and in some cases, subpoenas and requests for testimony from the United States Attorney's Office for the Northern District of California ("USAO"), the DOJ, Antitrust Division, the Staff of the SEC (the "SEC Staff"), FINRA, the New York Attorney General's Office, other state attorneys general offices, and a number of state securities regulators. Also, a related search warrant was executed by the USAO to obtain Mr. Tenev's cell phone. We have also received inquiries from the SEC's Division of Examinations and Division of Enforcement and FINRA related to employee trading during the week of January 25, 2021 in some of the securities that were subject to the Early 2021 Trading Restrictions, including GameStop Corp. and AMC Entertainment Holdings, Inc., and specifically as to whether any employee trading in these securities may have occurred after the decision to impose the Early 2021 Trading Restrictions and before the public announcement of the Early 2021 Trading Restrictions on January 28, 2021. We are cooperating with these investigations and examinations. On January 10, 2025, SEC Enforcement advised us in writing that it had closed its investigation into the Early 2021 Trading Restrictions and any contemporaneous employee trading issues.

- In January 2024, we settled a matter with the MSD related to supervision of certain product features and marketing strategies, the service outages on our U.S. stock trading platform on March 2-3, 2020 and March 9, 2020 (the "March 2020 Outages"), and our options trading approval process, as well as the November 2021 Data Security Incident, under which we paid a $7.5 million fine and engaged an independent consultant to review, among other things, implementation of the FINRA independent's recommendations, policies and procedures regarding certain application features, and cybersecurity measures.

- In August 2024, we settled a matter with the California Attorney General's Office related to among other things, certain disclosures by RHC and delivery of customers' cryptocurrency assets under California Corporations Code Sections 29520 and 29505 during the period January 2018 through April 2022. We paid a monetary penalty of $3.9 million.

- In January 2025, we settled multiple matters with the SEC (including investigations into Regulation SHO, the timeliness of our broker-dealers' suspicious activity reporting ("SAR") filings, electronic blue sheet submissions, various brokerage recordkeeping issues, the November 2021 Data Security Incident, and Regulation S-ID violations) (together, the "January 2025 SEC Settlement") in which RHF and RHS paid a penalties totaling $45 million, and agreed to certain undertakings.

These and other proceedings, some of which are described in Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report, have in the past and might in the future relate to broker-dealer and financial services rules and regulations, including our trading and supervisory policies and procedures, our clearing practices, our trade reporting, our public communications, our compliance with FINRA registration requirements, anti-money laundering and other financial crimes regulations, cybersecurity matters, a particular cryptocurrency's status as a "security," and our business continuity plans, among other topics. These sorts of proceedings, inquiries, examinations, investigations, and other regulatory matters might subject us to fines, penalties, and monetary settlements, harm our reputation and brand, require substantial management attention, result in additional compliance requirements, result in certain of our subsidiaries losing their regulatory licenses or ability to conduct business in some jurisdictions (which could, among other things, result in statutory disqualification by FINRA and the SEC), increase regulatory scrutiny of our business, restrict our operations or require us to change our business practices, require changes to our products and services, require changes in personnel or management, delay planned product or service launches or development, limit our ability to acquire other complementary businesses and technologies, or lead to the suspension or expulsion of our broker-dealer or other regulated subsidiaries or their officers or employees.

In connection with litigation settlements, we have in the past and might in the future be required to make expenditures to enhance our compliance activities. For example, in connection with the August 2022 NYDFS settlement, we engaged an independent consultant to perform a comprehensive evaluation of our compliance program and remediation efforts with respect to identified deficiencies and violations. The independent consultant completed its evaluation and made recommendations to implement enhancements in certain areas identified in the settlement, which will require significant effort to implement.

Additionally, while we now offer select services and products in certain countries outside the United States, we are not currently licensed, authorized, or registered in every jurisdiction (and in some cases are not licensed in every state). Under the terms of our customer agreements, we currently offer services only to citizens and permanent residents with a legal address within those jurisdictions where we are authorized and registered, and our application includes features designed to block access to our services from unauthorized jurisdictions. However, to the extent a customer accesses our application or services outside of jurisdictions where we have obtained required governmental licenses and authorization, we face a risk of becoming subject to regulations in that local jurisdiction. A regulator's investigation as to whether, or conclusion that we are servicing customers in its jurisdiction without being appropriately licensed, registered, or authorized has in the past and could in the future result in fines or other enforcement actions or settlements. For example, in December 2024, we were required to pay fines and entered into consent orders with the Nebraska Department of Banking and Finance and the Massachusetts Division of Banks in connection with prior unlicensed activity.

Previous statements by lawmakers, regulators and other public officials have signaled an increased focus on new or additional regulations that could impact our business and require us to make significant changes to our business model and practices.

Various lawmakers, regulators and other public officials have previously made statements about our business and that of other broker-dealers signaling an increased focus on new or additional laws or regulations that, if acted upon, could impact our business. For instance, the former SEC Chair had previously indicated that he had instructed the SEC Staff to study, and in some cases make rulemaking recommendations to the SEC or had otherwise discussed: PFOF, digital engagement practices, and whether broker-dealers are adequately disclosing their policies and procedures around potential trading restrictions; whether margin requirements and other payment requirements are sufficient; whether broker-dealers have appropriate tools to manage their liquidity and risk; conflicts that can arise from the use of predictive analytics, in particular conflicts that may arise to the extent advisors or brokers are optimizing their own interests as well as others; the use of mobile app features such as rewards, bonuses, push notifications and other prompts and that such prompts could promote behavior that is not in the interest of the customer, such as excessive trading, and whether expanded enforcement mechanisms are necessary; and digital engagement practices. In July 2023, the SEC proposed new rules (the “July 2023 Rule Proposals”) that would impose new obligations on registered broker-dealers and investment advisers with respect to their use of certain covered technologies when interacting with investors and while the former SEC Chair had indicated that the SEC Staff was considering re-proposing modified versions of these rules, if adopted as originally proposed, the July 2023 Rule Proposals may require us to modify, limit or discontinue our use of certain technologies and product features—and could significantly change the way that we interact with existing and prospective customers—which may adversely impact our business and revenues. The current SEC may revise or withdraw some of these proposals. Additionally, from time to time, we have received requests from regulators, including from the SEC, regarding our collection and uses of customer data and related disclosures.

In addition, in 2022, FINRA issued a regulatory notice requesting comment on complex products and options including “whether the current regulatory framework…is appropriately tailored to address current concerns raised by complex products and options.” If FINRA amends its rules to impose additional requirements on firms with respect to determining customer eligibility and/or suitability to trade options, such rule changes could result in fewer Robinhood customers being approved to trade options which could negatively impact our options trading volumes and associated revenues.

Also, in September 2021, FINRA announced that it is reviewing firms’ use of social media marketing, including social media influencers, which is a marketing channel that we actively utilize. In February 2022, FINRA opened an investigation into our use of social media marketing. In February 2023, FINRA provided updated guidance about firms’ practices related to their acquisition of customers through social media channels, as well as firms' sharing of customers’ usage information with affiliates and non-affiliated third parties. In light of this updated guidance, we narrowed the scope of our social media influencer and affiliate publisher programs. Any additional limits that FINRA might impose on our use of this marketing channel could make it more difficult for us to attract new customers, resulting in slower growth.

To the extent that the SEC, FINRA, or other regulatory authorities or legislative bodies adopt additional regulations or legislation in respect of any of these areas or relating to any other aspect of our business, we could face a heightened risk of potential regulatory violations and could be required to make significant changes to our business model and practices, which changes might not be successful. Any of these outcomes could have an adverse effect on our business, financial condition and results of operations.

We are involved in numerous litigation matters that are expensive and time consuming, and, if resolved adversely, could expose us to significant liability and reputational harm.

In addition to regulatory proceedings, we are also involved in numerous other litigation matters, including putative class action lawsuits, and we anticipate that we will continue to be a target for litigation in the future. Potential litigation matters include commercial litigation matters, insurance matters, securities litigation matters, privacy and cybersecurity disputes, intellectual property disputes, contract disputes, consumer protection matters, and employment matters. This risk might be more pronounced during market downturns, during which the volume of legal claims and amount of damages sought in litigation and regulatory proceedings against financial services companies have historically increased.

Litigation matters brought against us have in the past and might in the future require substantial management attention and might result in settlements, awards, injunctions, fines, penalties, and other adverse results. A substantial judgment, settlement, fine, penalty, or injunctive relief could be material to our results of operations or cash flows for a particular period, or could cause us significant reputational harm.

For more information about the legal proceedings in which we are currently involved, see Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report.

We are subject to governmental laws and requirements regarding anti-corruption, anti-bribery, economic and trade sanctions, anti-money laundering, and counter-terror financing that could impair our ability to compete in international markets or subject us to criminal or civil liability if we violate them.

We are required to comply with U.S. economic and trade sanctions administered by OFAC and we have processes in place to facilitate compliance with the OFAC regulations. As part of our customer onboarding process, in accordance with the Customer Identification Program rules under Section 326 of the USA Patriot Act, we screen all potential customers against OFAC watchlists and continue to screen all customers, vendors and employees daily against OFAC watchlists. Although our application includes features designed to block access to our services from sanctioned countries, if our services are accessed from a sanctioned country in violation of trade and economic sanctions, we could be subject to enforcement actions.

We are subject to the FCPA, U.S. and foreign bribery laws, and other U.S. and foreign anti-corruption laws. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public sector. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. The failure to comply with any such laws could subject us to criminal or civil liability, cause us significant reputational harm, and have an adverse effect on our business, financial condition, and results of operations.

We are also subject to various anti-money laundering and counter-terrorist financing laws and regulations that prohibit, among other things, our involvement in transferring the proceeds of criminal activities. In the United States, most of our services are subject to anti-money laundering laws and regulations, including the Bank Secrecy Act, as amended, and similar laws and regulations. Regulators in the United States continue to increase their scrutiny of compliance with these obligations. For example, in August 2022, we settled an NYDFS investigation of our cryptocurrency business related primarily to anti-money laundering and cybersecurity-related issues, under which we paid a monetary penalty of $30 million and engaged an independent compliance consultant and in January 2025, as part of the January 2025 SEC Settlement, RHF and RHS paid penalties totaling $13 million for violations of the timeliness of our broker-dealers' compliance with SAR filing requirements from January 2020 through March 2022.

Although our operations are currently concentrated in the United States, we have expanded our operations outside of the United States. As we have started to expand internationally, we have become subject to additional non-U.S. laws, rules, regulations, and other requirements regarding economic and trade sanctions, anti-money laundering, and counter-terror financing. In order to comply with applicable laws, we have started to, and will continue to, revise and expand our compliance program, including the procedures we use to verify the identity of our customers and to conduct ongoing monitoring of our customers and their transactions on our systems, including payments to persons outside of the United States. The need to comply with multiple sets of laws, rules, regulations, and other requirements could substantially increase our compliance costs, impair our ability to compete in international markets, and subject us to risk of criminal or civil liability for violations.

Risks Related to Attracting, Retaining, and Engaging Customers

We operate in highly competitive markets, and many of our competitors have greater resources than we do and may have products and services that are more appealing than ours to our current or potential customers.

The markets in which we compete are evolving and highly competitive, with multiple participants competing for the same customers. Our current and potential future competition principally comes from incumbent brokerages, established financial technology companies, venture-backed financial technology firms, banks, cryptocurrency exchanges, asset management firms, financial institutions, consumer financial service providers and technology platforms. The majority of our competitors have longer operating histories and greater capital resources than we have and offer a wider range of products and services. Some of our competitors, particularly new and emerging technology companies, are not subject to the same regulatory requirements or scrutiny to which we are subject, which could allow them to innovate more quickly or take more risks, placing us at a competitive disadvantage. The impact of competitors with superior name recognition, greater market acceptance, larger customer bases, or stronger capital positions could adversely affect our results of operations and customer acquisition and retention. Our competitors might also be able to respond more quickly to new or changing opportunities and demands and withstand changing market conditions better than we can, especially larger competitors that might benefit from more diversified product and customer bases. For example, some of our competitors have quickly adopted, or are seeking to adopt, some of our key offerings and services, including commission-free trading, fractional share trading, no account minimums, and IRA match since their introduction on our platforms in order to compete with us. In addition, competitors might conduct extensive promotional activities, offer better terms or offer differentiating products and services that could attract our current and prospective customers and potentially result in intensified competition within our markets. We continue to experience aggressive price competition in our markets and we might not be able to match the marketing efforts or prices of our competitors. In addition, our competitors might choose to forgo PFOF, which could create downward pressure on PFOF and make it more difficult for us to maintain our PFOF arrangements, which are a significant source of our revenue. We might also be subject to increased competition as our competitors enter into business combinations or partnerships, or established companies in other market segments expand to become competitive with our business.

Our ability to compete successfully in the financial services and cryptocurrency markets depends on a number of factors, including, among other things:

- *maintaining competitive pricing;*
- *providing easy-to-use, innovative, and attractive products and services that are adopted by customers;*
- *retaining customers (such as by providing effective customer support and avoiding outages, security breaches, and trading restrictions);*

- *recruiting and retaining highly skilled personnel and senior management;*
- *maintaining and improving our reputation and the market perception of our brand and overall value;*
- *maintaining our relationships with our counterparties; and*
- *adjusting to a dynamic regulatory environment.*

Our competitive position within our markets could be adversely affected if we are unable to adequately address these factors.

If we fail to retain existing customers or attract new customers, or if our customers decrease their use of our products and services, our revenue will decline.

We have experienced customer growth in recent years, including a significant fraction of new customers, often more than 50%, who have told us that Robinhood is their first brokerage account. Our business and revenue growth depends on our efforts to attract new customers, retain existing customers, and increase the amount that our customers use our products and services (including premium services, such as Robinhood Gold). It is particularly important that we retain and engage our most active brokerage customers, who account for a disproportionately large percentage of our brokerage trading volumes. Any erosion of this active customer base would have a disproportionately large negative impact on our revenues, which could cause the trading price of our Class A common stock to decline significantly. Our efforts to attract and retain customers might fail due to a number of factors, including our customers losing confidence in us or preferring a competitor's offerings. Additional factors that could lead to a decline in our number of customers or their usage of our products and services or that could prevent us from increasing our number of customers include:

- a decline in our brand and reputation;
- increased pricing for our products and services;
- a shift in pricing models, including allowing customers to choose a fee-based model for cryptocurrency orders;
- ineffective marketing efforts or a reduction in marketing activity;
- certain of our customers, due to being new and inexperienced, might be less loyal to our product or less likely to maintain historical trading patterns and interest in investing;
- a broad decline in the equity or other financial markets, which could result in many of these investors feeling discouraged and exiting the markets altogether (such as the bear markets that developed for equities and crypto in the second quarter of 2022 and continued into 2023 (the "2022 Bear Markets"));
- rising inflation resulting in less disposable income for our customers to invest;
- our customers experiencing difficulties using the Robinhood app as intended, due to any number of reasons such as design errors, service outages, or trading restrictions imposed by us;
- our customers experiencing security or data breaches, account intrusions, or other unauthorized access;

- our failure to provide adequate customer service;
- customer resistance to and non-acceptance of cryptocurrencies; and
- customer dissatisfaction with the limited number of cryptocurrencies available on our platforms or with our ceasing support for cryptocurrencies on our RHC platform that the SEC or a court has asserted or determined are securities or our proactively removing certain cryptocurrencies from our RHC platform because they share similarities with such cryptocurrencies.

Our customers may choose to cease using our platforms, products, and services at any time, and may choose to transfer their accounts to another broker-dealer. For example, during the first quarter of 2021 many customers became upset by our imposition of the Early 2021 Trading Restrictions and we saw an increase in customers choosing to transfer their accounts to other broker-dealers.

If we fail to provide and monetize new and innovative products and services that are adopted by customers, our business may become less competitive and our revenue might decline.

Our ability to attract, engage, and retain our customers and to increase our revenue depends heavily on our ability to evolve our existing products and services and to create and monetize new products and services that are adopted by customers. Rapid and significant technological changes continue to confront the financial services industry, including developments in the methods in which securities are traded and developments in cryptocurrencies. To keep pace or to innovate we have introduced and might continue to introduce significant changes to our existing products and services or acquire or introduce new and unproven products and services, including using technologies with which we have little or no prior development or operating experience (for instance, event contracts). Our efforts have been and might continue to be inhibited by industry-wide standards, legal restrictions, incompatible customer expectations, demands, and preferences, or third-party intellectual property rights. Our efforts to innovate have been and might continue to also be delayed or blocked by new or enhanced regulatory scrutiny or technical complications. Incorporating new technologies into our products and services, or realizing the intended benefits of acquisitions of, or investments in, other companies, products or technologies, has required and might continue to require substantial expenditures and take considerable time, and we might not be successful in realizing a return on these efforts in a timely manner or at all. It might be difficult to monetize products in a manner consistent with our brand's focus on low prices. If we fail to innovate and deliver products and services with market fit and differentiation, or fail to do so quickly enough as compared to our competitors, we might fail to attract and retain customers and maintain customer engagement, causing our revenue to decline. Our international expansion efforts may increase these risks as we expect to adapt our product and service offerings to reflect local regulatory requirements, customer preferences, and other location-specific factors, as discussed in "—Risks Related to Our Business—We currently operate in certain international markets and plan to further expand our international operations, which exposes us to significant new risks, and our international expansion efforts might not succeed."

Risks Related to Our Platforms, Systems, and Technology

Our products and services rely on software and systems that are highly technical and have been, and may in the future be, subject to interruption, instability, and other potential flaws due to software errors, design defects, and other processing, operational, and technological failures, whether internal or external.

We rely on technology, including the internet and mobile services, to conduct much of our business activity and allow our customers to conduct financial transactions on our platforms. Our systems and operations, including our cloud-based operations and disaster recovery operations, as well as those of the third parties on which we rely to conduct certain key functions, are vulnerable to disruptions from natural disasters, power and service outages, interruptions or losses, computer and telecommunications failures,

software bugs, cybersecurity attacks, computer viruses, malware, distributed denial of service attacks, spam attacks, phishing or other social engineering, ransomware, security breaches, credential stuffing, technological failure, human error, terrorism, improper operation, unauthorized entry, data loss, intentional bad actions, and other similar events and we have experienced such disruptions in the past. Further, we have in the past and might in the future be particularly vulnerable to any such internal technology failures because we rely heavily on our own self-clearing platform, proprietary order routing system, data platforms, and other back-end infrastructure for our operations, and any such failures could have an adverse effect on our reputation, business, financial condition, and results of operations.

Our products and internal systems also rely on software that is highly technical and complex (including software developed or maintained internally and/or by third parties and also including machine learning models) in order to collect, store, retrieve, transmit, manage and otherwise process immense amounts of data. The software on which we rely might contain errors, bugs, vulnerabilities, design defects, or technical limitations that might compromise our ability to meet our objectives. Some such problems are inherently difficult to detect and some such problems might only be discovered after code has been released for external or internal use. Media outlets have in the past and might in the future learn of our plans for features by examining hidden but unprotected images and code in publicly available beta versions of our app, resulting in unwanted publicity prior to our intended announcement dates. Such problems might also lead to negative customer experiences (including the communication of inaccurate information to customers), compromised ability of our products to perform in a manner consistent with customer expectations, delayed product introductions, compromised ability to protect data and intellectual property, or an inability to provide some or all of our services.

While we have made, and continue to make, significant investments designed to correct software errors and design defects and to enhance the reliability and scalability of our platforms and operations, the risk of software and system failures and design defects is always present, we do not have fully redundant systems, and we might fail to maintain, expand, and upgrade our systems and infrastructure to meet future requirements and mitigate future risks on a timely basis. It might become increasingly difficult to maintain and improve the availability of our platforms, especially as our platforms and product offerings become more complex and our customer base grows. For instance, we have needed and will continue to need to have adequate capacity and infrastructure on our platform with respect to the rollout, offering, and settlement of event contracts. We might also encounter technical issues in connection with changes and upgrades to the underlying networks of supported cryptocurrencies. Any number of technical changes, software upgrades, soft or hard forks, cybersecurity incidents, or other changes to the underlying blockchain networks might occur from time to time, causing incompatibility, technical issues, disruptions or security weaknesses to our platforms. If we are unable to identify, troubleshoot, and resolve any such issues successfully, we might no longer be able to support such cryptocurrency, our customers' assets might be frozen or lost, the security of our hot or cold wallets might be compromised, and our platforms and technical infrastructure might be affected.

In addition, surges in trading volume on our platforms have in the past and might in the future cause our systems to operate at diminished speed or even fail, temporarily or for a more prolonged period of time, which would affect our ability to process transactions and potentially result in some customers' orders being executed at prices they did not anticipate, executed incorrectly, or not executed at all. For example, we experienced (i) the March 2020 Outages, which resulted in some of our customers being unable to buy and sell securities and other financial products on our U.S. trading platform for a period of time, and (ii) the partial service outages and degraded service on our RHC cryptocurrency platform from time to time in mid-April and early May 2021 caused by a surging demand for cryptocurrency trading (the "April-May 2021 Disruptions"), which resulted in some of our customers being unable to buy and sell cryptocurrencies for a period of time. Our platforms have otherwise in the past and might in the future experience outages. The March 2020 Outages resulted in putative class action lawsuits, arbitrations, and regulatory examinations and investigations, as well as cash remediation payments. Disruptions to, destruction of, improper access to, breach of, instability of, or failure to effectively maintain our information technology systems (including our data processing systems, self-clearing platform, and order routing system) that allow our customers to use our products and services, and any associated degradations or

interruptions of service could result in damage to our reputation, loss of customers, loss of revenue, regulatory or governmental investigations, civil litigation, and liability for damages. In addition, our customer service team from time to time experiences backlogs responding to customer support requests. These backlogs have compounded when we have experienced any market outages, provider network disruptions, or platform outages or errors, including, for example, in connection with the March 2020 Outages and the April-May 2021 Disruptions, and may compound in the future as a result of such events. Frequent or persistent interruptions, or perceptions of such interruptions whether true or not, in our products and services could cause customers to believe that our products and services are unreliable, leading them to switch to our competitors or to otherwise avoid our products and services. Additionally, our insurance policies might be insufficient to cover a claim made against us by any such customers affected by any disruptions, outages, or other performance or infrastructure problems.

Our success depends in part upon continued distribution through app stores and effective operation with mobile operating systems, networks, technologies, products, hardware and standards that we do not control.

A substantial majority of our customers' activity on our platforms occurs on mobile devices. We are dependent on the interoperability of our app with popular mobile operating systems, networks, technologies, products, hardware, and standards that we do not control, such as the Android and iOS operating systems. Any changes, bugs or technical issues in such systems, new generations of mobile devices or new versions of operating systems, or changes in our relationships with mobile operating system providers, device manufacturers or mobile carriers, or in their terms of service or policies that degrade the functionality of our app, reduce or eliminate our ability to distribute applications, give preferential treatment to competitive products, limit our ability to target or measure the effectiveness of applications, or impose fees or other charges related to our delivery of our application could adversely affect customer usage of the Robinhood app. For example, from time to time we have experienced delays in our ability to launch products or update features on our platforms as a result of prolonged app store review processes. Further, we are subject to the standard policies and terms of service of these operating systems, as well as policies and terms of service of the various application stores that make our application and experiences available to our developers, creators and customers. These policies and terms of service govern the availability, promotion, distribution, content and operation generally of applications and experiences on such operating systems and stores. Each provider of these operating systems and stores has broad discretion to change and interpret its terms of service and policies with respect to our platforms and those changes might be unfavorable to us and our customers' use of our platforms. If we were to violate, or an operating system provider or application store believes that we have violated, its terms of service or policies, that operating system provider or application store could limit or discontinue our access to its operating system or store. Any limitation or discontinuation of our access to any third-party platform or application store could adversely affect our business, financial condition or results of operations.

Additionally, in order to deliver a high-quality mobile experience for our customers, it is important that our products and services work well with a range of mobile technologies, products, systems, networks, hardware and standards that we do not control. We need to continuously modify, enhance, and improve our products and services to keep pace with changes in internet-related hardware, mobile operating systems and other software, communication, browser, and database technologies. We might not be successful in developing products that operate effectively with these technologies, products, systems, networks or standards or in bringing them to market quickly or cost-effectively in response to market demands. If our customers choose to not update our app to the latest version, or if it is otherwise difficult for them to access or use our app on their mobile devices, or if they use mobile products that do not offer access to our app, our customer growth and engagement could be adversely affected and our revenues might decline. In addition, if our customers use older versions of our app it may result in customer complaints and regulatory inquiries that could lead to arbitration claims or regulatory sanctions.

We rely on third parties to perform some key functions, and their failure to perform those functions could adversely affect our business, financial condition and results of operations.

We rely on certain third-party computer systems or third-party service providers, including several cloud technology providers such as Amazon Web Services (on which we primarily rely to deliver our services to customers on our platforms), internet service providers, payment services providers, market and third-party data providers, regulatory services providers, clearing systems, market makers, exchanges, facilitators of cryptocurrency staking services for RHEU customers, alternative trading systems (such as Blue Oceans ATS, LLC ("BOATS") with respect to Robinhood 24 Hour Market), exchange systems, (such as ForecastEx, LLC and KalshiEx LLC, with respect to certain event contracts), banking systems, payment gateways that link us to the payment card and bank clearing networks to process transactions, co-location facilities, communications facilities, and other third-party facilities to run our platforms, facilitate trades by our customers, provide the technology we use to manage some of our cryptocurrency custody, transfer, and settlement operations and support or carry out some regulatory obligations. In addition, external content providers provide us with financial information, market news, charts, option and stock quotes, cryptocurrency quotes, research reports, and other fundamental data that we provide to our customers. These providers are susceptible to processing, operational, technological and security vulnerabilities, including security breaches, which might impact our business, and our ability to monitor our third-party service providers' data security is limited. In addition, these third-party service providers might rely on subcontractors to provide services to us that face similar risks.

We face a risk that our third-party service providers might be unable or unwilling to continue to provide these services to meet our current needs in an efficient, cost-effective manner or to expand their services to meet our needs in the future. Any failures by our third-party service providers that result in an interruption in service, unauthorized access, misuse, loss or destruction of data or other similar occurrences could interrupt our business, cause us to incur losses, result in decreased customer satisfaction and increase customer attrition, subject us to customer complaints, significant fines, litigation, disputes, claims, regulatory investigations or other inquiries and harm our reputation. Regulators might also hold us responsible for the failures of our providers. For example, after BOATS, the trading venue that primarily supports overnight trading on Robinhood 24 Hour Market (8:00 pm - 4:00 am ET), experienced disruptions during the overnight trading session on August 4-5, 2024, we received requests for information from certain regulators.

We are incorporating AI technologies into some of our products and processes. These technologies may present business, compliance, and reputational risks.

We currently use machine learning and AI to improve our products and processes in certain circumstances, such as to increase the efficiency of our in-app chat support, customer support workflows, fraud detection systems, and software coding optimization, as well as to improve the customer experience in our newsfeed. This is also via our acquisition of Pluto Capital, an AI powered investment research platform, and we have plans to continue to expand our use of AI in the future. Our research and development of such technology also remains ongoing. As with many new and emerging technologies, AI presents numerous risks and challenges that could adversely affect our business. If we fail to keep pace with rapidly evolving AI technological developments, especially in the financial technology sector, our competitive position and business results may suffer. At the same time, use of AI has recently become the source of significant media attention and political debate. The introduction and use of AI technologies, particularly generative AI, into new or existing offerings may result in new or expanded risks and liabilities, including due to enhanced governmental or regulatory scrutiny, litigation, compliance issues, ethical concerns, confidentiality or security risks, as well as other factors that could adversely affect our business, reputation, and financial results. For example, AI technologies can lead to unintended consequences, including generating content that appears correct but is factually inaccurate, misleading or otherwise flawed, or that results in unintended biases and discriminatory outcomes, which could negatively impact our customers, harm our reputation and business, and expose us to liability. Laws, regulations or industry standards that develop in response to the use of AI may be burdensome or may restrict our ability to use, develop, or deploy AI, particularly generative AI technologies, in our products or processes, or our efforts

to expand our business. For example, EU's AI Act, which became effective on August 1, 2024, governs the development, marketing and use of AI in the EU and could impose significant additional costs on us to comply or significant fines for failing to comply.

We also use AI technologies from third parties, which may include open source software. If we are unable to maintain rights to use these AI technologies on commercially reasonable terms, we may be forced to acquire or develop alternate AI technologies, which may limit or delay our ability to provide competitive offerings and may increase our costs. These AI technologies also may incorporate data from third-party sources, which may expose us to risks associated with data rights and protection. The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including with respect to intellectual property ownership and license rights, cybersecurity, and data protection laws, among others, and has not yet been fully addressed by courts or regulators. The use, development, or adoption of AI technologies into our products may result in exposure to claims by third parties of copyright infringement or other intellectual property misappropriation, which may require us to pay compensation or license fees to third parties. The evolving legal, regulatory and compliance framework for AI technologies may also impact our ability to protect our own data and intellectual property against infringing use.

Risks Related to Cybersecurity and Data Privacy

Our business could be materially and adversely affected by a cybersecurity breach or other attack involving our computer systems or data or those of our customers or third-party or fourth-party service providers.

Our systems and those of our customers and third-party service providers have been and might in the future be vulnerable to cybersecurity issues. We, like other financial technology organizations, routinely are subject to cybersecurity threats and our technologies, systems, and networks have been and might in the future be subject to attempted cybersecurity attacks. Such issues are increasing in frequency and evolving in nature, including employee and contractor theft or misuse, denial-of-service attacks, and sophisticated nation-state and nation-state-supported actors engaging in attacks. The operation of our platforms involves the use, collection, storage, sharing, disclosure, transfer, and other processing of customer information, including personal data. Security breaches and other security incidents could expose us to a risk of loss or exposure of this information, which could result in potential liability, investigations, regulatory fines, penalties for violation of applicable laws or regulations, litigation, and remediation costs, as well as reputational harm. As the breadth and complexity of the technologies we use and the software and platforms we develop continue to grow, the potential risk of security breaches and cybersecurity attacks increases.

Cybersecurity attacks and other malicious internet-based activity continue to increase and financial technology platform providers have been and expect to continue to be targeted. In light of media attention, we might be a particularly attractive target of attacks seeking to access customer data or assets and have experienced negative publicity in connection with previous security incidents and might in the future experience similar adverse effects relating to real or perceived security incidents, whether or not related to the security of our platforms or systems. We have also received customer complaints and been subject to litigation and regulatory inquiries, examinations, enforcement actions, and investigations by various state and federal regulatory bodies, including the SEC, FINRA, and certain state regulators, including the NYDFS and the New York Attorney General, related to these events. The increasing sophistication and resources of cyber criminals and other non-state threat actors and increased actions by nation-state actors make it difficult to keep up with new threats and could result in a breach of security. Additionally, there is an increased risk that we might experience cybersecurity-related incidents as a result of any of our employees, service providers, or other third-parties working remotely on less secure systems and environments. While we take significant efforts to protect our systems and data, including establishing internal processes and implementing technological measures designed to provide multiple layers of security, our safety and security measures might be insufficient to prevent damage to, or interruption or breach of, our information systems, data (including personal data), and operations, such as the November 2021 Data Security Incident.

Furthermore, to the extent the operation of our systems relies on our third-party service providers, through either a connection to, or an integration with, third parties' systems, the risk of cybersecurity attacks and loss, corruption, or unauthorized access to or publication of our information or the confidential information and personal data of customers and employees might increase. Third-party risks might include insufficient security measures, data location uncertainty, and the possibility of data storage in inappropriate jurisdictions where laws or security measures might be inadequate. Our ability to monitor, and our resources to optimize integration with, third-party service providers' data security practices are also limited. These third-party risks might be exacerbated as our resources are spread across multiple public cloud service providers. Although we generally have agreements relating to cybersecurity and data privacy in place with our third-party service providers, such agreements might not prevent the accidental or unauthorized access to or disclosure, loss, destruction, disablement or encryption of, use or misuse of, or modification of data (including personal data) and/or might not enable us to obtain adequate (or any) reimbursement from our third-party service providers in the event we should suffer any such incidents. For example, in late October 2024, a cyberattack occurred on our Newsroom in which a cyberattacker gained access to our Newsroom website, control of which is subcontracted to a third party vendor, for a limited number of hours. The cyberattack did not result in any unauthorized access of customer information. In addition, in December 2024, a cyberattack occurred at Cyberhaven, a data protection company we utilize as a third-party vendor, creating the potential for attackers to steal sensitive data through a malicious version of a Google Chrome extension. Although we do not believe at this time that this third party vulnerability impacted us, the attack highlights the growing risk from cybersecurity threats against third-party service providers. Due to applicable laws and regulations or contractual obligations, we could be held responsible for any information security failure or cybersecurity attack attributed to our vendors as they relate to the information we share with them. A vulnerability in a third-party service provider's software or systems, a failure of our third-party service providers' safeguards, policies or procedures, or a breach of a third-party service provider's software or systems could result in the compromise of the confidentiality, integrity, or availability of our systems or the data housed in our third-party solutions. Additionally, we could also be exposed to information security vulnerabilities or failures at third parties' common suppliers or vendors (known as "fourth parties") that could also impact the security of our data, and we may not be able to effectively directly monitor or mitigate such fourth-party risks, in particular as such risks relate to the use of common suppliers or vendors by the third parties that perform functions and services for us and our limited ability to assess the fourth party's operational controls.

A core aspect of our business is the reliability and security of our platforms. Any unauthorized access to or disclosure, loss, destruction, disablement or encryption of, use or misuse of or modification of data, including personal data, cybersecurity breach or other security incident that we, our customers or our third-party or fourth-party service providers experience or the perception that one has occurred or might occur, could harm our reputation, reduce the demand for our products and services and disrupt normal business operations. In addition, it might require us to expend significant financial and operational resources in response to a security breach, including repairing system damage, increasing security protection costs by deploying additional personnel and modifying or enhancing our protection technologies, investigating, remediating, or correcting the breach and any security vulnerabilities, defending against and resolving legal and regulatory claims, and preventing future security breaches and incidents, all of which could expose us to uninsured liability, increase our risk of regulatory scrutiny, expose us to legal liabilities, including litigation, regulatory enforcement, indemnity obligations, or damages for contract breach, divert resources and the attention of our management and key personnel away from our business operations, and cause us to incur significant costs, any of which could materially adversely affect our business, financial condition, and results of operations. Moreover, our efforts to improve security and protect data from compromise might identify previously undiscovered security breaches. There could be public announcements regarding any security incidents and any steps we take to respond to or remediate such incidents, and if securities analysts or investors perceive these announcements to be negative, it could have an adverse effect on the trading price of our Class A common stock.

While we maintain cybersecurity insurance, our coverage may be insufficient to cover all liabilities resulting from a cybersecurity incident. We cannot be certain that our insurance coverage will be

adequate to address the results of regulatory or civil investigations or any liabilities resulting from a cybersecurity incident, that adequate insurance will be available to us on economically reasonable terms, or that our insurer will cover all cybersecurity incident-related claims. The successful assertion of one or more significant claims against us or changes in our cybersecurity insurance coverage, premiums, or deductibles may adversely affect our reputation, business, financial condition or results of operations.

We are subject to stringent laws, rules, regulations, policies, industry standards and contractual obligations regarding data privacy and security and might become subject to additional related laws and regulations in jurisdictions into which we expand. Many of these laws and regulations are subject to change and reinterpretation and could result in claims, changes to our business practices, monetary penalties, increased cost of operations, or other harm to our business.

We are subject to a variety of federal, state, local, and non-U.S. laws, directives, rules, policies, industry standards and regulations, as well as contractual obligations, relating to privacy and the collection, protection, use, retention, security, disclosure, transfer and other processing of personal data and other data, including the Gramm-Leach-Bliley Act of 1999, Section 5 of the Federal Trade Commission Act and state laws such as the California Consumer Privacy Act, which provides consumers with the right to know what personal data is being collected, know whether their personal data is sold or disclosed and to whom and opt out of the sale of their personal data, among other rights. We also face particular privacy, data security and data protection risks in connection with our expansion into the U.K. and the EU and other jurisdictions in connection with the General Data Protection Regulation, the Digital Operational Resilience Act, the ePrivacy Directive (including its national implementations), and other data protection regulations. The regulatory framework for data privacy and security worldwide is evolving and, as a result, interpretation, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. New laws, amendments to or reinterpretations of existing laws, regulations, standards and other obligations might require us to incur additional costs and restrict our business operations, and might require us to change how we use, collect, store, transfer or otherwise process certain types of personal data, to implement new processes to comply with those laws and our customers' exercise of their rights thereunder, and could greatly increase the cost of providing our offerings, require significant changes to our operations, or even prevent us from providing some offerings in jurisdictions in which we currently operate and in which we might operate in the future or incur potential liability in an effort to comply with certain legislation. There is a risk of enforcement actions in response to rules and regulations promulgated under the authority of federal agencies and state attorneys general and legislatures and consumer protection agencies. For instance, we have in the past (as discussed in Note 16 - Commitments & Contingencies, to our consolidated financial statements in this Annual Report) and may in the future be subject to investigations and examinations regarding, among other things, our cybersecurity practices. In addition, if we fail to follow these security standards, even if no customer information is compromised, we might incur significant fines or experience a significant increase in costs. Following the November 2021 Data Security Incident, we have received requests for information from regulatory authorities regarding, among other things, the adequacy of our information security measures, and as part of the January 2025 SEC Settlement, RHF and RHS paid penalties for violating Regulation S-P.

Any failure or perceived failure by us or our third-party service providers to comply with our posted privacy policies or with any applicable federal, state or similar foreign laws, rules, regulations, industry standards, policies, certifications or orders relating to data privacy and security, or any compromise of security that results in the theft, unauthorized access, acquisition, use, disclosure, or misappropriation of personal data or other customer data, could result in significant awards, fines, civil and/or criminal penalties or judgments, proceedings or litigation by governmental agencies or customers, including class action privacy litigation in certain jurisdictions and negative publicity and reputational harm, one or all of which could have an adverse effect on our reputation, business, financial condition and results of operations.

Risks Related to Our Brokerage Products and Services

If we do not maintain the net capital levels required by regulators, our broker-dealer business may be restricted and we may be fined or subject to other disciplinary or corrective actions.

The SEC, FINRA, and various state regulators have stringent rules or proposed rules with respect to the maintenance of specific levels of net capital by securities broker-dealers. For example, our broker-dealer subsidiaries are each subject to the SEC Uniform Net Capital Rule, which specifies minimum capital requirements intended to ensure the general financial soundness and liquidity of broker-dealers, and our clearing and carrying broker-dealer subsidiary is subject to Rule 15c3-3 under the Act, which requires broker-dealers to maintain a reserve account to ensure customer securities are protected and accessible, even in cases of firm insolvency. Our failure to maintain the required net capital levels and protect customer assets could potentially result in immediate suspension of securities activities, suspension or expulsion by the SEC or FINRA, restrictions on our ability to expand our existing business or to commence new businesses, and could ultimately lead to the liquidation of our broker-dealer entities and winding down of our broker-dealer business. If such net capital rules are changed or expanded, if there is an unusually large charge against net capital, or if we make changes in our business operations that increase our capital requirements, operations that require an intensive use of capital could be limited. For example, in December 2024, the SEC adopted proposed amendments to Rule 15c3-3, which require certain broker-dealers, including RHF and RHS, by December 2025 to increase the frequency with which they perform computations of the net cash they owe to customers and other broker-dealers from weekly to daily. A large operating loss or charge against net capital could have adverse effects on our ability to maintain or expand our business.

Our compliance and risk management policies and procedures as a regulated financial services company might not be fully effective in identifying or mitigating compliance and risk exposure in all market environments or against all types of risk.

As a financial services company, our business exposes us to a number of heightened risks. We have devoted significant resources to develop our compliance and risk management policies and procedures and will continue to do so, but our efforts might be insufficient. Our previous and continued expanded operations evolving business, and unpredictable periods of rapid growth make it difficult to predict all of the risks and challenges we might encounter and therefore increase the risk that our policies and procedures for identifying, monitoring, and managing compliance risks might not be fully effective in mitigating our exposure in all market environments or against all types of risk. Further, some controls are manual and are subject to inherent limitations and errors in oversight, which could cause our compliance and other risk management strategies to be ineffective. Other compliance and risk management methods depend upon the evaluation of information regarding markets, customers, catastrophe occurrences, or other matters that are publicly available or otherwise accessible to us, which might not always be accurate, complete, up-to-date, or properly evaluated. Insurance and other traditional risk-shifting tools might be held by or available to us in order to manage some exposures, but they are subject to terms such as deductibles, coinsurance, limits, and policy exclusions, as well as risk of counterparty denial of coverage, default, or insolvency. Any failure to maintain effective compliance and other risk management strategies could have an adverse effect on our business, financial condition, and results of operations.

We are also exposed to heightened regulatory risk because our business is subject to extensive regulation and oversight in a variety of areas and geographies, and such regulations are subject to revision, supplementation, or evolving interpretations and application, and it can be difficult to predict how they might be applied to our business, particularly as we introduce new products and services and expand into new jurisdictions. For example, in December 2022, RHF and RHS received investigative requests from the SEC Division of Enforcement regarding their record keeping and preservation practices, including use of personal devices for brokerage communications. RHF and RHS settled the SEC's investigation into these practices as part of the January 2025 SEC Settlement, paying penalties

totaling $8 million and agreeing to complete an internal audit review of electronic communications retention.

We are subject to potential losses as a result of our clearing and execution activities.

We provide clearing and execution services for our securities brokerage business. Clearing and execution services include the confirmation, receipt, settlement and delivery functions involved in securities transactions. Clearing brokers also assume direct responsibility for the possession or control of customer securities and other assets, the clearing of customer securities transactions and lending money to customers on margin. Self-clearing securities firms are subject to substantially more regulatory control and examination than introducing brokers that rely on others to perform clearing functions. Errors in performing clearing functions, including clerical and other errors related to the handling of funds and securities on behalf of customers, (i) could lead to civil penalties, as well as losses and liability as a result of related lawsuits brought by customers and others and any out-of-pocket costs associated with remediating customers for losses, and (ii) have led to, and could in the future lead to the risk of, fines or other actions by regulators. For example, as part of the January 2025 SEC Settlement, RHS settled investigations with the SEC related to suspicious activity reporting, identity theft protection, unauthorized access to Robinhood systems, off-channel communications, retention of brokerage data, failure to maintain certain templated customer communications, electronic blue sheets submissions and Regulation SHO in connection with fractional share trading and stock lending, which resulted in RHS paying a combined monetary penalties of $33.5 million.

All customers can place limit orders to buy whole shares of the most traded exchange-traded funds ETFs and individual stocks – 24 hours a day, five days a week, through Robinhood 24 Hour Market. Offering U.S. stock trading overnight has heightened risks related to our clearing and execution activities as we do not have previous experience operating or staffing our systems for around-the-clock coverage and may not be able to accurately anticipate the volume of trading activity that will occur outside of regular market hours. Overnight trading on Robinhood 24 Hour Market is primarily supported by BOATS, a trading venue that replicates the role that stock exchanges play during regular market hours. If BOATS becomes unwilling or unable to do business with us or one of our market makers in the future, we may be unable to find another trading platform to support Robinhood 24 Hour Market, which could negatively impact our transaction-based revenue and generate negative publicity. Additionally, any disruptions in the services provided by BOATS, whether due to technical malfunctions, operational mishaps, or external factors such as regulatory changes or market volatility, have in the past, and may in the future impair our ability to execute our client's orders. Should BOATS experience downtime or diminished performance (as it has in the past and could again in the future), particularly during overnight trading hours, our ability to execute customer orders through Robinhood 24 Hour Market could be compromised and could have an adverse impact on our business, financial condition, results of operations, and/or brand and reputation. For example, on August 5, 2024, BOATS did not open for overnight trading and as a result, Robinhood customers were unable to execute any trades during that overnight session.

Our clearing operations also require a commitment of our capital and, despite safeguards implemented through both manual and automated controls, involve risks of losses due to the potential failure of our customers or counterparties to perform their obligations under these transactions and margin loans. If our customers default on their obligations, including failing to pay for securities purchased, deliver securities sold, or meet margin calls, we remain financially liable for such obligations, and although these obligations are collateralized, we are subject to market risk in the liquidation of customer collateral to satisfy those obligations. While we have established systems and processes designed to manage risks related to our clearing and execution services, we face a risk that such systems and processes might be inadequate. Any liability arising from clearing and margin operations could have an adverse effect on our business, financial condition and results of operations.

In addition, as a clearing member firm of securities and derivatives clearinghouses in the United States, we are also exposed to clearing member credit risk. Securities and derivatives clearinghouses

require member firms to deposit cash, stock and/or government securities for margin requirements and for clearing funds. If a clearing member defaults in its obligations to the clearinghouse in an amount larger than its own margin and clearing fund deposits, the shortfall is absorbed pro rata from the deposits of the other clearing members. Many clearinghouses of which we are members also have the authority to assess their members for additional funds if the clearing fund is depleted. A large clearing member default could result in a substantial cost to us if we are required to pay such assessments. Furthermore, in the event that a significant amount of our customers' open trades fail to settle, we might be exposed to potential loss of the capital we committed to meet our deposit requirements.

Our exposure to credit risk with customers, market makers, and other counterparties could result in losses.

We extend margin credit and leverage to customers, which are collateralized by customer securities. By permitting customers to purchase securities on margin, we are subject to risks inherent in extending credit, especially during periods of rapidly declining markets (including rapid declines in the trading price of individual securities) in which the value of the collateral held by us could fall below the amount of a customer's indebtedness. We also lend and borrow securities in connection with our broker-dealer business. In accordance with regulatory guidelines, we hold cash as collateral when we lend securities, and likewise, we collateralize our borrowings of securities by depositing cash with lenders. Sharp changes in market values of substantial amounts of securities in a short period of time and the failure by parties to the lending or borrowing transactions to honor their commitments could result in substantial losses. Such changes could also adversely impact our capital because our clearing operations require a commitment of our capital and, despite safeguards implemented by our software, involve risks of losses due to the potential failure of our customers to perform their obligations under these transactions and margin loans.

We are also exposed to credit risk in our dealings with the market makers to which we route cryptocurrency orders. Unlike equities and option trades, cryptocurrency trades do not settle through any central clearinghouses but rather are conducted under bilateral agreements between us and each crypto market maker (the risk of the market maker's default therefore falls upon us rather than being distributed among a clearinghouse's members). The terms of these bilateral agreements vary but spot transactions are generally aggregated and settled on a net basis once per business day (with the crypto deliveries occurring first and the net cash moving within 24 hours thereafter) and payment obligations are generally unsecured during the interval between delivery and payment. It is not uncommon for us to have an intra-day outstanding net receivable of $100 million that we are owed by any one cryptocurrency market maker. Similarly, we routinely have unsecured PFOF receivables from equities and options market makers. Any payment default by a market maker could have adverse effects on our financial condition and results of operations.

Additionally, RHD is obligated to establish and maintain an appropriate Residual Interest Targeted Amount ("RITA"), which is the amount of RHD's own capital held in segregation in excess of the amount required to be segregated based on customer positions. RHD also maintains additional firm capital in segregation greater than the established RITA amount, (i.e., excess segregated funds). If the aggregate customer margin deficiency amount on any day exceeds the excess segregated funds amount to the point where RHD breaches its RITA, RHD would be in violation of CFTC rules and would potentially be subject to monetary penalties, sanctions, or other disciplinary actions for failing to maintain an appropriate RITA.

We have policies and procedures designed to manage credit risk, but we face a risk that such policies and procedures might not be fully effective.

Providing investment recommendations could subject us to investigations, penalties, and liability for customer losses if we fail to comply with applicable regulatory standards, and providing

investment education tools could subject us to additional risks if such tools are construed to be investment advice or recommendations.

Risks associated with providing investment recommendations include those arising from how we disclose and address possible conflicts of interest, inadequate due diligence, inadequate disclosure, and human error. Regulations, such as the SEC's Regulation Best Interest and certain state broker-dealer regulations, impose heightened conduct standards and requirements on recommendations to retail investors. For example, the North American Securities Association ("NASAA") (an association of state securities administrators) has proposed revisions to the NASAA model rule regarding Dishonest or Unethical Business Practices of Broker-Dealers and Agents, which are intended to address Regulation Best Interest and other developments in the securities industry. In addition, various states are considering potential regulations or have already adopted certain regulations that could impose additional standards of conduct or other obligations on us to the extent we provide investment advice or recommendations to our customers. The SEC's July 2023 Rule Proposals, if adopted as originally proposed, would impose new requirements with respect to our use of a wide range of covered technologies when we are engaging or communicating with existing and prospective customers. If adopted as originally proposed, the proposals may require us to modify, limit or discontinue our use of certain technologies and product features—and would introduce new regulatory considerations or requirements that would apply to our communications and interactions with existing and prospective customers, including to the extent we provide investment advice or recommendations to them.

We also provide customers with a variety of educational materials, investment tools, and financial news and information, such as our "Snacks" newsletter (which is offered by Sherwood Media), the suite of other editorial offerings that Sherwood Media has launched and will continue to launch, and the Robinhood Investor Index. Additionally, Robinhood Gold members have access to stock research reports prepared by our third-party collaborator, Morningstar, Inc. and Level II market data from Nasdaq. Based on current law and regulations, we believe these services do not constitute investment advice or investment recommendations. If the law were to change or if a court or regulator were to interpret current law and regulations in a novel manner, we face a risk that these services could come to be considered as investment advice.

If services that we do not consider to be recommendations (such as educational materials, and our editorial offerings, including Snacks) are construed as constituting investment advice or recommendations, we have been and could be in the future subject to investigations by regulatory agencies. For example, in December 2020, the Enforcement Section of MSD filed a complaint against us alleging that a fiduciary conduct standard applies to us under Massachusetts securities law by claiming that certain of our product features and marketing strategies amount to investment recommendations. Changes in law or changes in interpretations of existing law might also require us to modify the nature of these services or discontinue them altogether, one or more of which could have an adverse effect on our ability to attract and retain customers.

To the extent our investment education tools, news and information, or digital engagement practices are determined to constitute investment advice or recommendations and to the extent those recommendations fail to satisfy regulatory requirements, or we fail to know our customers, or improperly advise our customers, or if risks associated with advisory services otherwise materialize, we could be found liable for losses suffered by such customers, or could be subject to regulatory fines, penalties, and other actions such as business limitations, any of which could harm our reputation and business.

Risks Related to Cryptocurrency Products and Services

The loss, destruction or unauthorized use or access of a private key required to access any of the cryptocurrencies we hold on behalf of customers could result in irreversible loss of such cryptocurrencies. If we are unable to access the private keys or if we experience a hack or other data loss relating to the cryptocurrencies we hold on behalf of customers, our customers might be

unable to trade their cryptocurrency, our reputation and business could be harmed, and we might be liable for losses in excess of our ability to pay.

As we expand our cryptocurrency product and service offerings, the risks associated with failing to safeguard and manage cryptocurrencies we hold on behalf of our customers increase. Our success and the success of our offerings requires significant public confidence in our ability to properly manage customers' balances and handle large transaction volumes and amounts of customer funds. Any failure by us to maintain the necessary controls or to manage the cryptocurrencies we hold on behalf of our customers and funds appropriately and in compliance with applicable regulatory requirements could result in reputational harm, significant financial losses, lead customers to discontinue or reduce their use of our services, and result in significant penalties and fines and additional restrictions.

We hold all settled cryptocurrencies in custody on behalf of customers in two types of wallets: (i) hot wallets, which are managed online, and (ii) cold wallets, which are managed entirely offline and require physical access controls. We do not utilize third-party custodians for settled cryptocurrencies, but we do integrate proprietary technology from a third-party industry-standard vendor into the systems we use to support the custody, transfer and settlement operations to our wallets. In general, the overwhelming majority of cryptocurrency coins on our platforms are held in cold storage, though some coins are held in hot wallets to support day-to-day operations. As a public company, we are required to comply with the Sarbanes-Oxley Act of 2002. As part of this, we are required to establish and maintain adequate internal control over financial reporting and evaluate the effectiveness of our internal control over financial reporting. The effectiveness of our internal control over financial reporting and our financial statements and related notes are audited by Ernst & Young LLP, our independent registered public accounting firm. Under blockchain protocol, in order to access or transfer cryptocurrency stored in a wallet, we need to use a private key. We maintain backup copies of our private keys in multiple separate locations and we have several layers of cybersecurity defense in place to protect our omnibus wallets. However, to the extent any private keys are lost, destroyed, unable to be accessed by us, or otherwise compromised and all of their backups are lost, we will be unable to access the assets held in the related hot or cold wallet. Further, we cannot provide assurance that any or all of our wallets will not be hacked or compromised such that cryptocurrencies are sent to one or more private addresses that we do not control, which could result in the loss of some or all of the cryptocurrencies that we hold in custody on behalf of customers. Any such losses could be significant, and we may not be able to obtain insurance coverage for some or all of those losses. Cryptocurrencies and blockchain technologies have been, and might in the future be, subject to security breaches, hacking, or other malicious activities. For example, in August 2021, hackers were able to momentarily take over the Bitcoin SV ("BSV") network, allowing them to spend coins they did not have and prevent transactions from completing. Any loss of private keys relating to, or hack or other compromise of, the hot wallets or cold wallets we use to store our customers' cryptocurrencies could result in total loss of customers' cryptocurrencies (because customers' cryptocurrency balances are not protected by the Securities Investor Protection Corporation (the "SIPC")) or adversely affect our customers' ability to sell their assets, and could result in our being required to reimburse customers for some or all of their losses, subjecting us to significant financial losses. Because many insurance carriers do not provide insurance coverage for crypto-related risks, comprehensive coverage for such events is not readily available on commercially reasonable terms. Our current coverage is limited and may not cover the extent of loss, nor the nature of such loss, in which case we may be liable for the full amount of losses suffered, which could be greater than all of our remaining assets. The total value of cryptocurrencies under our control on behalf of customers is significantly greater than the current total value of insurance coverage that would compensate us in the event of theft or other loss of such assets. Furthermore, the term of our current insurance policy expires in the third quarter of 2025, with our option to renew annually or for the carrier to terminate coverage with advance written notice. Any loss of our insurance coverage would impede our ability to mitigate any losses our customers might suffer if we are unable to access private keys. Additionally, any such security compromises or any business continuity issues affecting our cryptocurrency market makers might affect the ability or willingness of our customers to trade or hold cryptocurrencies on our platforms, might result in litigation and regulatory enforcement actions, and could harm customer trust in us and our products generally.

The prices of most cryptocurrencies are extremely volatile. Fluctuations in the price of various cryptocurrencies might cause uncertainty in the market and could negatively impact trading volumes of cryptocurrencies, and we may not effectively identify, prevent or mitigate cryptocurrency market risks, any of which would adversely affect the success of our business, financial condition and results of operations.

The prices of most cryptocurrencies are based in part on market adoption and future expectations, which might or might not be realized. As a result, the prices of cryptocurrencies are highly speculative. The prices of cryptocurrencies have been subject to dramatic fluctuations (including as a result of the 2022 Bear Markets), which have impacted, and will continue to impact, our trading volumes and operating results and might adversely impact our growth strategy and business. Several factors could affect a cryptocurrency's price, including, but not limited to:

- Global cryptocurrency supply, including various alternative currencies which exist, and global cryptocurrency demand, which can be influenced by the growth or decline of retail merchants' and commercial businesses' acceptance of cryptocurrencies as payment for goods and services, the security of online cryptocurrency exchanges and digital wallets that hold cryptocurrencies, the perception that the use and holding of digital currencies is safe and secure, and regulatory restrictions on their use.

- Changes in the software, software requirements or hardware requirements underlying a blockchain network, such as a fork. Forks have occurred and are likely to occur again in the future and could result in a sustained decline in the market price of cryptocurrencies.

- Changes in the rights, obligations, incentives, or rewards for the various participants in a blockchain network.

- The maintenance and development of the software protocol of cryptocurrencies.

- Cryptocurrency exchanges' deposit and withdrawal policies and practices, liquidity on such exchanges and interruptions in service from or failures of such exchanges. For example, in connection with the 2022 Crypto Bankruptcies, the prices of coins such as Bitcoin, Ethereum, and Solana significantly decreased.

- Regulatory measures, if any, that affect the use and value of cryptocurrencies or regulatory or judicial assertions or determinations that certain cryptocurrencies are securities.

- Competition for and among various cryptocurrencies that exist and market preferences and expectations with respect to adoption of individual currencies.

- Actual or perceived manipulation of the markets for cryptocurrencies.

- Actual or perceived connections between cryptocurrencies (and related activities such as mining) and adverse environmental effects or illegal activities.

- Social media posts and other public communications by high-profile individuals relating to specific cryptocurrencies, or listing or other business decisions by cryptocurrency companies relating to specific cryptocurrencies.

- Expectations with respect to the rate of inflation in the economy, monetary policies of governments, trade restrictions, and currency devaluations and revaluations.

While we have observed a positive trend in the total market capitalization of cryptocurrency assets over the long term, driven by increased adoption of cryptocurrency trading by both retail and institutional

investors as well as continued growth of various non-investing use cases, historical trends are not indicative of future adoption, and it is possible that the rate of adoption of cryptocurrencies might slow or decline, which would negatively impact our business, financial condition, and results of operations.

While we currently support several cryptocurrencies for trading, market interest in particular cryptocurrencies can also be volatile and there are many cryptocurrencies in the market that we do not support. Our business could be adversely affected, and growth in our net revenue earned from cryptocurrency transactions could slow or decline, if the markets for the cryptocurrencies we support deteriorate or if demand moves to other cryptocurrencies not supported by our platforms. The listing committees of RHC and RHEU conduct regular reviews of the cryptocurrencies available on our platforms to ensure that they continue to meet our requirements under our internal policies and procedures (collectively, the "Crypto Listing Frameworks") for continued support on our platforms and possess the authority to delist and cease support for any asset based on various factors. Ceasing support for a cryptocurrency with substantial market interest (or if our consideration to cease supporting such a cryptocurrency becomes known) has in the past exposed, and may continue to expose us to negative attention, adversely impacting our business, including revenue loss from no longer supporting a cryptocurrency or customer reaction to such a decision. For instance, in the past we have encountered an influx of customer complaints related to our decisions to cease support for certain cryptocurrencies.

Volatility in the values of cryptocurrencies caused by the factors described above or other factors might impact our regulatory net worth requirements as well as the demand for our services and therefore have an adverse effect on our business, financial condition and results of operations.

Although the 2022 Crypto Bankruptcies did not have any material impact on our business—and neither our board of directors nor management have to date identified any material gaps or weaknesses with respect to our existing risk management processes and policies in light of recent cryptocurrency market conditions—we remain subject to cryptocurrency market risks. If we are unable to effectively identify, prevent or mitigate such risks, the success of our business, our financial condition and results of our operations may be adversely affected. As part of our overall risk management processes, the Enterprise Risk Management ("ERM") team maintains a risk taxonomy and a scoring methodology design to ensure risks are evaluated in a clear and transparent manner and partners with various front-line risk teams and risk owners across Robinhood to foster consistent risk management practices across Robinhood. In particular, the ERM team provides governance over risk management practices and reports top risks to the Safety, Risk and Regulatory Committee of the board of directors (the "Safety Committee"), along with planned mitigants and monitoring procedures. The Safety Committee reviews management's exercise of its responsibility to identify, assess, manage, monitor and mitigate material risks not specifically allocated to the board of directors or another of its committees. In addition to RHM-level processes, entity-level risk teams affiliated with our operating subsidiaries, including one at RHC, perform ongoing risk operations, including risk and control self-assessments and maintaining risk and control registers. As management identifies operational risks, the entity-level risk team tracks the risk drivers and planned mitigating measures and escalates such risks, as needed, to the ERM team.

In light of events in 2022, including the 2022 Crypto Bankruptcies, cryptocurrency market risks were identified as a top risk to the Company and management has accordingly implemented certain measures, including enhanced monitoring for cryptocurrency markets (such as reducing net open position limits with liquidity partners through more frequent settlement; adding additional banking and liquidity partners; monitoring on-platform trading activity, coin deposits and withdrawals; and ongoing diligence for listings and banking relationships). The ERM team has also provided quarterly updates to the Safety Committee with respect to such risks and responses. In addition, RHC and RHEU maintain listing committees as described above.

In the United States, any particular cryptocurrency's status as a "security" is subject to a high degree of uncertainty and if we have not properly characterized one or more cryptocurrencies, we might be subject to regulatory scrutiny, investigations, fines, and other penalties.

We currently facilitate customer trades for certain cryptocurrencies that we have analyzed under applicable internal policies and procedures and, for cryptocurrencies supported on our the RHC platform, that we believe are not securities under U.S. federal and state securities laws. Determining whether any given cryptocurrency is a security is a highly complex, fact-driven analysis, the outcome of which is difficult to predict and may evolve over time based on changes in the cryptocurrency and its related ecosystem. Different parties may reach different conclusions about the outcome of this analysis based on the same facts. The analysis may become clearer depending on the outcome in certain cases currently pending in varying stages of litigation. The SEC Staff has indicated that the determination of whether or not a cryptocurrency is a security depends on the characteristics and use of that particular asset. The SEC and the SEC Staff have taken positions that certain cryptocurrencies *are* "securities" in the context of settled or litigated enforcement actions. Otherwise, the SEC has not historically provided advance confirmation on the status of any particular cryptocurrency as a security and the current presidential administration and control of Congress in the U.S. present considerable uncertainty as to cryptocurrency regulations. While prior public statements by senior officials at the SEC indicated that the SEC does not intend to take the position that Bitcoin or Ethereum are securities (in their current forms), Bitcoin and Ethereum were the only specific cryptocurrencies as to which senior officials at the SEC had publicly expressed such a view. Moreover, such statements are not official policy statements by the SEC and reflect only the speakers' views, which are not binding on the SEC or any other agency or court, cannot be generalized to any other cryptocurrency, and might evolve. With respect to all other cryptocurrencies, there is currently no certainty under the applicable legal test that such assets are not securities, and U.S. regulators have expressed concerns about cryptocurrency platforms adding multiple new coins, some of which the regulators question might be unregistered securities. Although our policies and procedures are intended to enable us to make risk-based assessments regarding the likelihood that a particular cryptocurrency could be deemed a security under applicable laws, including federal securities laws, our assessments are not definitive legal determinations as to whether a particular digital asset is a security under such laws. Accordingly, regardless of our conclusions, we could be subject to legal or regulatory action in the event the SEC or a court were to assert or determine that a cryptocurrency supported by our RHC platform is a "security" under U.S. law. In June 2023, the SEC charged Binance Holdings Ltd., and its affiliated U.S. entity, among others (collectively, "Binance") and, separately, Coinbase Global, Inc., and Coinbase, Inc. (collectively, "Coinbase") with operating their respective cryptocurrency trading platforms as unregistered national securities exchanges, brokers, and clearing agencies, also alleging that certain cryptocurrencies supported on their respective platforms are securities. The charges also implicated Coinbase's staking-as-a-service program and its non-custodial wallet. Although we have since ceased support for certain cryptocurrencies, including Polygon, we do support Cardano and Solana on our RHC platform and offer the Robinhood Wallet, which is a self-custodial crypto wallet. While the SEC's September 2024 memorandum of law in support of motion for leave to amend the complaint against Binance states that the SEC's prior use of "crypto asset securities" when referring to cryptocurrency assets did not mean that the SEC was referring to the "crypto asset itself as the security" but that the cryptocurrencies at issue were offered and sold as investment contracts (and therefore are securities), the SEC's approach going forward remains unclear in light of this memorandum of law in support of motion for leave to amend the complaint as well as the August 2024 decision in the SEC's case against Payward, Inc. and Payward Ventures, Inc. that the cryptocurrencies at issue were not themselves securities but were offered as, or sold as, investment contracts (and therefore were securities). The outcome of these matters and decisions by regulators not to bring enforcement actions provides, and any other action, settlement, or related investigation by regulators, might provide, additional guidance on the legal status of cryptocurrencies as securities more generally, which has affected and might significantly affect the actual or perceived regulatory status and value of cryptocurrencies we currently support or might support in the future. On January 21, 2025, the SEC announced that SEC Acting Chairman Mark Uyeda "launched a crypto task force dedicated to developing a comprehensive and clear regulatory framework for crypto assets." The task force will be focused on helping the SEC "draw clear regulatory lines, provide realistic paths to registration, craft sensible disclosure frameworks, and deploy enforcement resources judiciously." While the SEC has formed the Crypto Task Force to provide clarity on the application of the federal securities laws to the crypto asset market and to recommend practical policy measures that aim to

foster innovation and protect investors, the task force has only recently begun. From time to time, we also have received, and might in the future receive SEC inquiries regarding specific cryptocurrencies supported on our RHC platform and added features and since December 2022, following the 2022 Crypto Bankruptcies, we have received investigative subpoenas from the SEC regarding, among other topics, RHC's supported cryptocurrencies, custody of cryptocurrencies, and platform operations. During our discussions with the SEC Staff in the fourth quarter of 2023, the Staff asserted that they are considering whether, and may recommend that the SEC find that, certain cryptocurrencies supported by our RHC platform are securities, and in the second quarter of 2024, we received the May 2024 Wells Notice (as defined in Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report). The potential action related to the May 2024 Wells Notice may involve a civil injunctive action, public administrative proceeding, and/or a cease-and-desist proceeding and may seek remedies that include an injunction, a cease-and-desist order, disgorgement, pre-judgment interest, civil money penalties, and censure, revocation, and limitations on activities.

To the extent that the SEC or a court asserts or determines that any cryptocurrencies supported by our RHC platform are securities, that assertion or determination could prevent us from continuing to facilitate trading of those cryptocurrencies (including ceasing support for such cryptocurrencies on our RHC platform). It could also result in regulatory enforcement penalties and financial losses in the event that we have liability to our customers and need to compensate them for any losses or damages. We could be subject to judicial or administrative sanctions, including disgorgement or penalties which could be material, for failing to offer or sell the cryptocurrency in compliance with securities registration requirements, or for acting as a securities broker or dealer, national securities exchange, clearing agency, or other regulated entity without appropriate registration. Such an action could result in injunctions and cease and desist orders, as well as civil monetary penalties, fines, and disgorgement, criminal liability, and reputational harm. Customers that traded such supported cryptocurrency through our RHC platform and suffered trading losses might also seek to rescind transactions that we facilitated on the basis that they were conducted in violation of applicable law, which could subject us to significant liability and losses. We might also be required to cease facilitating transactions in the supported cryptocurrency, which could negatively impact our business, operating results, and financial condition. Further, if Bitcoin, Ethereum, or any other supported cryptocurrency is deemed to be a security, it might have adverse consequences for such supported cryptocurrency. For instance, all transactions in such supported cryptocurrency would have to be registered with the SEC or other foreign authority, or conducted in accordance with an exemption from registration, which could severely limit its liquidity, usability, and transactability. Moreover, the networks on which such supported cryptocurrencies are used might be required to be regulated as securities intermediaries, and subject to applicable rules, which could effectively render the network impracticable for its existing purposes. In April 2023, the SEC reopened the comment period and provided supplemental information on proposed amendments to the definition of "exchange" under Exchange Act Rule 3b-16, including reiterating the applicability of existing rules to platforms that trade crypto asset securities. Additionally, any determination that Bitcoin or Ethereum is a security could draw negative publicity and cause a decline in the general acceptance of cryptocurrencies. Also, it would make it more difficult for Bitcoin or Ethereum, as applicable, to be traded, cleared, and custodied as compared to other cryptocurrencies that are not considered to be securities. In addition, our growth might be adversely affected if we are not able to expand our RHC platform to include additional cryptocurrencies that the SEC has determined to be securities or that we believe are likely to be determined to be securities.

We continue to analyze the cryptocurrencies supported on the RHC platform under our internal policies and procedures (collectively, our "RHC Crypto Listing Framework") on a periodic basis to ensure that they continue to meet our requirements for continued support on the RHC platform which include, among other factors, that we continue to believe they are not securities under U.S. federal and state securities laws. We may make the determination to cease support for a cryptocurrency for any one or a variety of factors based on a totality of the circumstances under our RHC Crypto Listing Framework. However, an assertion or determination by the SEC or a court that a cryptocurrency supported by our RHC platform constitutes a security could also result in our determination that it is advisable to remove that and other cryptocurrencies from our RHC platform that have similar characteristics to the cryptocurrency that was asserted or determined to be a security. If we proactively remove certain cryptocurrencies from our RHC platform because the SEC or a court has asserted or determined they

constitute securities or because they share similarities with such cryptocurrencies or otherwise do not meet our RHC Crypto Listing Framework, it has and could in the future negatively impact customer sentiment and our business, operating results, and financial condition, especially to the extent that our competitors continue to support such cryptocurrency on their platforms.

Cryptocurrency laws, regulations, and accounting standards are often difficult to interpret and are rapidly evolving in ways that are difficult to predict. Changes in these laws and regulations, or our failure to comply with them, could negatively impact cryptocurrency trading on our platforms.

Domestic and foreign regulators and governments are increasingly focused on the regulation of cryptocurrencies. In the United States, cryptocurrencies are regulated by both federal and state authorities, depending on the context of their usage. For example, California has enacted the Digital Financial Assets Law, which requires registration for certain digital financial asset business activities. Operators must comply with its licensing requirements by July 2026. We will continue to monitor developments in state-level legislation, guidance or regulations applicable to us. Cryptocurrency market disruptions and resulting governmental interventions are unpredictable, and might make cryptocurrencies, or certain cryptocurrency business activities, illegal altogether. As regulation of cryptocurrencies continues to evolve, there is a substantial risk of inconsistent regulatory guidance among federal and state agencies and among state governments which, along with potential accounting and tax issues or other requirements relating to cryptocurrencies, could impede the growth of our cryptocurrency operations. The current presidential administration and control of Congress in the U.S. also present considerable uncertainty as to future cryptocurrency regulations. Additionally, regulation in response to the climate impact of cryptocurrency mining could negatively impact cryptocurrency trading on our platforms.

The cryptocurrency accounting rules and regulations that we must comply with are complex and subject to interpretation by the FASB, the SEC, and various bodies formed to promulgate and interpret accounting principles. A change in these rules and regulations or interpretations could have a significant effect on our reported financial results and financial position, and could even affect the reporting of transactions completed before the announcement or effectiveness of a change. Further, there are a limited number of precedents for the financial accounting treatment of cryptocurrency assets (including related issues of valuation and revenue recognition), and no official guidance has been provided by the FASB or the SEC. Accordingly, there remains significant uncertainty as to the appropriate accounting for cryptocurrency asset transactions, cryptocurrency assets, and related revenues. Uncertainties in or changes in regulatory or financial accounting standards could result in the need to change our accounting methods and/or restate our financial statements, and could impair our ability to provide timely and accurate financial information, which could adversely affect our financial statements, and result in a loss of investor confidence.

In addition, future regulatory actions or policies, including, for instance, the assertion of jurisdiction by domestic and foreign regulators and governments over cryptocurrency and cryptocurrency markets could limit or restrict cryptocurrency usage, custody, or trading, or the ability to convert cryptocurrencies to fiat currencies. On May 22, 2024, the U.S. House of Representatives passed the Financial Innovation and Technology for the 21st Century Act, which would provide the CFTC with new jurisdiction over digital commodities, clarify the SEC's jurisdiction over digital assets offered as part of an investment contract, and impose disclosure, safeguarding, and operational requirements on entities required to be registered with the CFTC and/or the SEC. Additionally, some lawmakers and regulators have raised questions about Transaction Rebates from cryptocurrency trading. Transaction Rebates from cryptocurrency trading have historically, and might continue, to comprise a significant percentage of our total net revenues. The current presidential administration and control of Congress in the U.S. also present considerable uncertainty as to such regulatory actions or policies. Any future regulatory actions or policies could reduce the demand for cryptocurrency trading and might materially decrease our revenue derived from Transaction Rebates in absolute terms and as a proportion of our total revenues.

In January 2023, the Bankruptcy Court for the Southern District of New York issued a ruling in *In re Celsius Network LLC* , that certain crypto assets held by Celsius customer accounts were the property of

Celsius's estate and that the holders of such accounts are unsecured creditors. However, unlike the terms of our user agreement, the terms of Celsius's user agreement unambiguously provided that the rights to cryptocurrency held, including ownership rights, belonged to Celsius. Based on the terms of our user agreement, the structure of our crypto offerings, and applicable law, and, although we have not obtained a formal legal opinion on this matter, after consultation with internal and external legal counsel, we believe that the cryptocurrency we hold in custody for users of our platforms should be respected as users' property (and should not be available to satisfy the claims of our general creditors) in the event we were to enter bankruptcy. Although we are well-capitalized, to the extent users are concerned that cryptocurrencies might not be secure in a bankruptcy generally, their willingness to hold crypto in custodial accounts and their general interest in trading cryptocurrencies might decline.

Furthermore, the Infrastructure Investment and Jobs Act significantly changes the tax reporting requirements applicable to brokers and holders of cryptocurrency and digital assets. On August 25, 2023, the Treasury Department and Internal Revenue Service released proposed regulations on the sale and exchange of digital assets by brokers. On June 28, 2024, final regulations were released that require information reporting by digital asset brokers on certain digital asset sales or exchanges that occur on or after January 1, 2025, and basis tracking for digital assets that are treated as "covered securities" if acquired on or after January 1, 2026. Final regulations requiring information reporting by certain decentralized finance participants were published by the Treasury Department on December 27, 2024 and apply to sales or exchanges of digital assets on or after January 1, 2027. The implementation of these requirements, and any further legislative changes or related guidance from the Internal Revenue Service and the Treasury Department, might significantly impact our tax reporting and withholding processes and result in increased compliance costs. Failure to comply with these new information reporting and withholding requirements might subject us to significant tax liabilities and penalties. Similarly, the Organization for Economic Cooperation and Development has published final guidance on a new "crypto-asset reporting framework" and amendments to the existing rules for reporting crypto assets under the global "common reporting standard" that might apply to our international operations. These new rules might give rise to potential liabilities or disclosure requirements, and implementation of these requirements might significantly impact our operations and result in increased costs.

Our international expansion also subjects us to additional laws, regulations, or other government or regulatory scrutiny as discussed in "—Risks Related to Our Business—We currently operate in certain international markets and plan to further expand our international operations, which exposes us to significant new risks, and our international expansion efforts might not succeed." For example, the provisions of MiCA went into effect as of December 30, 2024, and RHEU is now subject to the authorization, compliance, and disclosure regime of MiCA for crypto asset service providers ("CASP"). We must obtain a MiCA compliant CASP license in our home member state and compliance with such regulation requires the implementation of new systems and processes, and updates to our policies. While MiCA provides member states with the option of implementing a transitional period from December 30, 2024 to July 1, 2026, at this time, Lithuania's Ministry of Finance and the Bank of Lithuania have adopted a MiCA transitional period for registrants in Lithuania to June 1, 2025. If we are unable to obtain a MiCA compliant CASP license by June 1, 2025, we may need to cease operations in the EU. Obtaining a MiCA compliant CASP license in our home EU member state could take longer than we expect and would adversely affect our international operations. Additionally, under recommendations from the Financial Crimes Enforcement Network, and the Financial Action Task Force, the United States and several foreign jurisdictions have imposed the Funds Travel Rule and the Funds Transfer Rule (commonly referred to collectively as the Travel Rule) on financial service providers in the cryptoeconomy. We may incur high costs to implement and comply with the Travel Rule, and could also face penalties for technical violations or lose customers if it negatively impacts customer experience.

Our Crypto Transfers, crypto staking, Robinhood Wallet, and Robinhood Connect features could result in loss of customer assets, customer disputes, and other liabilities, which could harm our reputation and adversely impact trading volumes and transaction-based revenues.

In the United States, we allow customers to deposit and withdraw cryptocurrencies to and from our RHC platform through our Crypto Transfers feature in the states in which RHC operates (other than New York, where our regulatory application is still pending). Since the third quarter of 2024, we also allow customers of RHEU to deposit and withdraw crypto to and from our RHEU platform. Crypto Transfers are processed using Robinhood's general custodial infrastructure in which we hold some cryptocurrencies on behalf of customers; when transactions are completed, coins are allocated to and from individuals' accounts in our customer records. Additionally, U.S. customers have access to Robinhood Connect, allowing their customers to use their RHC accounts to buy and transfer crypto, and fund their self-custody wallets.

Crypto Transfers initiated by users are subject to a heightened risk of user error. Under blockchain protocol, recording a transfer of cryptocurrency on the blockchain involves both the private key of the sending wallet and the unique public key of the receiving wallet. Such keys are strings of alphanumeric characters. In order for a customer to receive cryptocurrency on our platforms, the customer will need to arrange for the owner of an external source wallet to "sign" a transaction with the private key of that external wallet, directing a transfer of the cryptocurrency to our receiving custodial wallet by inputting the public key (which we will provide to the customer) of our custodial wallet. Similarly, in order to withdraw cryptocurrency from our platforms, the customer will need to provide us with the public key of the external wallet to which the cryptocurrency is to be transferred, and we will "sign" the transaction using the private key of our wallet. Some crypto networks might require additional information to be provided in connection with any transfer of cryptocurrency to or from our platforms. A number of errors could occur in the process of depositing or withdrawing cryptocurrencies to or from our platforms, such as typos, mistakes, or the failure to include information required by the blockchain network. For instance, a user might include typos when entering our custodial wallet's public key or the desired recipient's public key when depositing to and withdrawing from our platforms, respectively. Alternatively, a user could mistakenly transfer cryptocurrencies to a wallet address that he or she does not own or control, or for which the user has lost the private key. In addition, each wallet address is compatible only with the underlying blockchain network on which it is created. For instance, a Bitcoin wallet address can be used to send and receive Bitcoin only. If any Ethereum, Dogecoin, or other cryptocurrency is sent to a Bitcoin wallet address, for example, or if any of the other foregoing errors occur, such cryptocurrencies could be permanently and irretrievably lost with no means of recovery.

We also provide crypto staking services through our RHEU platform in which eligible RHEU customers are given the option to "stake" eligible crypto-assets. Staking allows RHEU customers to earn rewards by locking up the cryptocurrencies, subject to the network and cryptocurrency's requirements and bonding periods, and so limits RHEU customers' access to their funds during such time. We currently rely on and, upon customers' instructions, delegate RHEU customers' assets to a third-party service provider to facilitate these staking services. Some networks may further require customer assets to be transferred into smart contracts on the underlying blockchain networks not under our or anyone's control. If our third-party service provider or any such smart contracts fail to behave as expected, suffer cybersecurity attacks, experience security issues, or encounter other problems, RHEU customers' assets may be irretrievably lost. In addition, certain blockchain networks dictate requirements for participation in the relevant decentralized governance activity, and may impose penalties, or "slashing," if the relevant activities are not performed correctly, such as if the staker, delegator, or baker acts maliciously on the network, "double signs" any transactions, or experience extended downtimes. If we or our third-party service provider are slashed by the underlying blockchain network, RHEU customers' assets may be confiscated, withdrawn, or burnt by the network, resulting in losses for which we may be responsible. Furthermore, certain types of staking require the payment of transaction fees on the underlying blockchain network and such fees can become significant as the amount and complexity of the transaction grows, depending on the degree of network congestion and the price of the network token. If

we experience a high volume of such staking requests from RHEU customers on an ongoing basis, we could incur significant costs. The technological complexity of staking mechanisms also introduces operational challenges both to us and our third-party provider, which could result in the loss of RHEU customer assets. Any of these risks could negatively impact our reputation, business, financial condition, and results of operations and discourage existing and future customers from utilizing our products and services.

With Robinhood Wallet, our self-custody, web3 wallet, users have sole access and control over their cryptocurrencies on certain networks and personally hold and maintain their private keys. Although we do not custody cryptocurrencies held in a user's Robinhood Wallet and do not have access to users' private keys, users who lose their private keys, and thus access to their Robinhood Wallet balances, may react negatively. Although our account agreements for Crypto Transfers and licensing agreements for Robinhood Wallet disclaim responsibility for losses caused by user errors, such incidents could result in user disputes, damage to our brand and reputation, legal claims against us, and financial liabilities.

Additionally, allowing customers to deposit and withdraw cryptocurrencies to and from our platforms increases the risk that our platforms might be exploited to facilitate illegal activity such as fraud, gambling, money laundering, tax evasion, and scams. Crypto Transfers, Robinhood Wallet, and Robinhood Connect also expose us to heightened risks related to potential violations of trade sanctions, including OFAC regulations, and anti-money laundering and counter-terrorist financing laws, which among other things impose strict liability for transacting with prohibited persons. We engage blockchain analytics vendors to help determine whether the external wallets involved in Crypto Transfers are controlled by persons on prohibited lists or involved in fraudulent or illegal activity. However, fraudulent and illegal transactions and prohibited status could be difficult or impossible for us and our vendors to detect in some circumstances. The use of our platforms for illegal or improper purposes could subject us to claims, individual and class action lawsuits, and government and regulatory investigations, prosecutions, enforcement actions, inquiries, or requests that could result in significant liabilities and reputational harm for us and could cause cryptocurrency trading volumes and transaction-based revenues to decline.

A temporary or permanent blockchain "fork" could adversely affect our business.

Most blockchain protocols, including Bitcoin and Ethereum, are open source. Any user can download the software, modify it and then propose that users and miners of Bitcoin, Ethereum or other blockchain protocols adopt the modification. When a modification is introduced and a substantial majority of miners consent to the modification, the change is implemented and the Bitcoin, Ethereum or other blockchain protocol networks, as applicable, remain uninterrupted, although such modifications might cause certain cryptocurrencies to fail our Crypto Listing Frameworks. However, if less than a substantial majority of users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "fork" (i.e., "split") of impacted blockchain protocol network and respective blockchain with one prong running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two versions of the Bitcoin, Ethereum or other blockchain protocol network, as applicable, running simultaneously, but with each split network's cryptocurrency lacking interchangeability.

Both Bitcoin and Ethereum protocols have been subject to "forks" that resulted in the creation of new networks, including, among others, Bitcoin Cash, BSV, Bitcoin Diamond, Bitcoin Gold, Ethereum Classic, and Ethereum Proof-of-Work. Some of these forks have caused fragmentation among platforms as to the correct naming convention for forked cryptocurrencies. Due to the lack of a central registry or rulemaking body in the cryptocurrency market, no single entity has the ability to dictate the nomenclature of forked cryptocurrencies, causing disagreements and a lack of uniformity among platforms on the nomenclature of forked cryptocurrencies, and which results in further confusion to customers as to the nature of cryptocurrencies they hold on platforms. In addition, several of these forks were contentious and as a result, participants in certain communities might harbor ill will towards other communities. As a result,

certain community members might take actions that adversely impact the use, adoption and price of Bitcoin, Ethereum or any of their forked alternatives.

Furthermore, forks can lead to disruptions of networks and our information technology systems, cybersecurity attacks, replay attacks, or security weaknesses, any of which can further lead to temporary or even permanent loss of customer cryptocurrencies. For instance, when the Ethereum and Ethereum Classic networks split in July 2016, replay attacks, in which transactions from one network were rebroadcast on the other network to achieve "double-spending," plagued platforms that traded Ethereum through at least October 2016, resulting in significant losses to some cryptocurrency platforms. Another possible result of a fork is an inherent decrease in the level of security due to the splitting of some mining power across networks, making it easier for a malicious actor to exceed 50% of the mining power of that network. Such disruption and loss could cause our company to be exposed to liability, even in circumstances where we have no intention of supporting a cryptocurrency compromised by a fork.

Moreover, we might decide not to or not be able to support a cryptocurrency resulting from the fork of a network which might cause our customers to lose confidence in us or reduce their engagement on our platforms. In assessing whether we will support a cryptocurrency resulting from the fork of a network, among our top priorities is to safeguard our customer's assets, and we spend extensive time designing, building, testing, reviewing and auditing our systems to check whether the cryptocurrencies we support remain safe and secure. There are several considerations that we consider as part of our Crypto Listing Frameworks (including security or infrastructure concerns that might arise with the integration of any new cryptocurrency into the technical infrastructure that allows us to secure customer cryptocurrencies and to transact securely in corresponding blockchains), which might operate to limit our ability to support forks. Further, we generally do not support a forked cryptocurrency that does not have support from a majority of the affiliated third-party miner and developer community. To the extent that we decide not to support, or to cease support of, certain forked cryptocurrencies, it could negatively impact customer sentiment and our business, operating results, and financial condition, especially to the extent that our competitors continue to support such forked cryptocurrencies on their platforms.

Whether we are obligated to provide services for a new and previously unsupported cryptocurrency is a question of contract, as recognized in recent published rulings of the California appellate courts and federal district courts. The user agreement each customer enters into in order to trade cryptocurrencies on our platforms clearly indicates that we have the sole discretion to determine whether we will support a forked network and the approach to such forked cryptocurrencies and that we may temporarily suspend trading for a cryptocurrency whose network is undergoing a fork without advanced notice to the customer. Regardless of the foregoing, we might in the future be subject to claims by customers arguing that they are entitled to receive certain forked cryptocurrencies by virtue of cryptocurrencies that they hold with us. If any customers succeed on a claim that they are entitled to receive the benefits of a forked cryptocurrency that we do not or are unable to support, we might be required to pay significant damages, fines or other fees to compensate customers for their losses.

Any inability to maintain adequate relationships with third-party banks, market makers, exchanges, and liquidity providers with respect to, and any inability to settle customer trades related to, our cryptocurrency offerings would disrupt our ability to offer cryptocurrency trading to customers.

We rely on third-party banks, market makers, exchanges and liquidity providers to provide cryptocurrency products and services to our customers. The cryptocurrency market operates 24 hours a day, seven days a week. The cryptocurrency market does not have a centralized clearinghouse, and the transactions in cryptocurrencies on our platforms rely on direct settlements between us and our customers and direct settlements between us and our market makers, exchanges or liquidity providers after customer trades are executed. Accordingly, we rely on third-party banks to facilitate cash settlements with customers' brokerage accounts and we rely on the ability of market makers and liquidity providers to complete cryptocurrency settlements with us to obtain cryptocurrency for customer accounts. In addition, we must maintain cash assets in our bank accounts sufficient to meet the working capital needs of our

business, which includes deploying available working capital to facilitate cash settlements with our customers, market makers, exchanges and liquidity providers (as well as maintaining the minimum capital required by regulators). If we, third-party banks, market makers, exchanges or liquidity providers have operational failures and cannot perform and facilitate our routine cash and cryptocurrency settlement transactions, we will be unable to support normal trading operations on our cryptocurrency trading platforms and these disruptions could have an adverse impact on our business, financial condition and results of operations. Similarly, if we fail to maintain cash assets in our bank accounts sufficient to meet the working capital needs of our business and necessary to complete routine cash settlements related to customer trading activity, such failure could impair our ability to support normal trading operations on our cryptocurrency platforms, which could cause cryptocurrency trading volumes and transaction-based revenues to decline significantly.

We might also be harmed by the loss of any of our banking partners and market makers. As a result of the many regulations applicable to cryptocurrencies or the risks of cryptocurrencies generally, many financial institutions have decided, and other financial institutions might in the future decide, not to provide bank accounts (or access to bank accounts), payments services, or other financial services to companies providing cryptocurrency products, including us. For instance, in May 2023, two prominent market makers announced their respective decisions to limit their offerings in cryptocurrency trading within the United States. If we, our exchanges or our market makers cannot maintain sufficient relationships with the banks that provide these services, if banking regulators restrict or prohibit banking of cryptocurrency businesses, if these banks impose significant operational restrictions, or if these banks were to fail or be taken over by the FDIC, such as occurred in the 2023 Banking Events, it could be difficult for us to find alternative business partners for our cryptocurrency offerings, which would disrupt our business and could cause cryptocurrency trading volumes and transaction-based revenues to decline significantly.

We might also be harmed by the loss of any of our liquidity partners. Unlike our customers' orders for other cryptocurrencies, which are currently fulfilled by market makers, our RHC customers' orders for USDC, a stablecoin backed by dollar denominated assets held by the issuer in segregated accounts with U.S. regulated financial institutions, are fulfilled directly from Circle Internet Financial, LLC ("Circle"), the original issuer and main liquidity provider of USDC. If in the future we decide to offer other stablecoins, which are cryptocurrencies designed to minimize price volatility, we may also work directly with other liquidity partners to fulfill those orders. If we cannot maintain sufficient relationships with Circle or any other liquidity providers, it could be difficult for us to find alternative liquidity partners for our stablecoin offerings, which would disrupt our business and could cause cryptocurrency trading volumes and transaction-based revenues to decline significantly.

From time to time, we might encounter technical issues in connection with changes and upgrades to the underlying networks of supported cryptocurrencies, which could cause revenues to decline and expose us to potential liability for customer losses.

Any number of technical changes, software upgrades, soft or hard forks, cybersecurity incidents or other changes to the underlying blockchain networks might occur from time to time, causing incompatibility, technical issues, disruptions or security weaknesses to our platforms. If we are unable to identify, troubleshoot and resolve any such issues successfully, we might no longer be able to support such cryptocurrency, our customers' assets might be frozen or lost, the security of our hot or cold wallets might be compromised and our platforms and technical infrastructure might be affected, all of which could cause trading volumes and transaction-based revenue to decline and expose us to potential liability for customer losses.

Risks Related to Our Spending and Payments Products and Services

Our spending and payments products and services subject us to risks related to bank partnerships, FDIC pass-through insurance and other regulatory obligations.

We offer a Spending Account (in connection with a partnership with J.P. Morgan Chase Bank, N.A.), and we have also partnered, on a non-exclusive basis, with Sutton Bank ("Sutton"), an Ohio-chartered bank, pursuant to a license from Mastercard International Incorporated, to offer the Robinhood Cash Card. Under the terms of our program agreement with Sutton, Robinhood Cash Card accounts for our users are opened and maintained by Sutton. We act as the service provider to, among other things, facilitate communication between our users and Sutton for which we receive compensation from Sutton. Additionally, Robinhood branded credit cards are issued by Coastal Bank, a Washington-chartered bank, pursuant to a partnership with Visa U.S.A. Inc. Our partner banks are members of the FDIC.

We believe our record keeping for our users' funds held in Robinhood Cash Card accounts at Sutton and held in a Spending Account at our other partner bank complies with all applicable requirements for each participating user's deposits to be eligible for FDIC pass-through insurance coverage, up to the applicable maximum deposit insurance amount. However, if the FDIC were to disagree, the FDIC might not recognize users' claims as covered by deposit insurance in the event of bank failure and bank receivership proceedings under the Federal Deposit Insurance Act. If the FDIC were to determine that our users' funds held at our partner banks are not covered by deposit insurance, participating users might decide to withdraw their funds, which could adversely affect our brand and our business. Due to the fact that we are deemed a service-provider to our partner banks, we are subject to audit standards for third-party vendors in accordance with bank regulatory guidance and examinations by federal bank regulatory authorities and the CFPB.

As a result of the stored value Spending Account program and the Robinhood Cash Card, we are subject to federal and state consumer protection laws and regulations, including the Electronic Fund Transfer Act and Regulation E as implemented by the CFPB. As a result of Robinhood Credit, we are also subject to a number of state licensing and other regulatory requirements and to payment card association operating rules, including data security rules and certification requirements, which could change or be reinterpreted to make it difficult or impossible for us to comply. Robinhood Credit is in the process of acquiring licenses in all states where required to do so. Failure to obtain or maintain these licenses, failure to comply with these rules or requirements, or conducting such activity without a license, as well as any breach, compromise, or failure to otherwise detect or prevent fraudulent activity involving our data security systems, could result in our being liable for card issuing banks' costs, and subject to regulatory fines, penalties, or criminal charges. For example, in December 2024, Robinhood Credit paid a penalty of $200,000 to the Massachusetts Division of Banks for previously engaging in the business of a third party loan servicer in Massachusetts without the appropriate registration. Violations of any of these requirements could result in the assessment of significant actual damages or statutory damages or penalties (including treble damages in some instances) and plaintiffs' attorneys' fees.

The offering of consumer credit cards through Robinhood Credit increases our exposure to customer defaults and credit risk and could result in losses.

We market consumer credit cards, such as the Robinhood Gold Card, originated by our partner bank, Coastal Bank, pursuant to the Program Agreement, and indemnify Coastal Bank for certain losses under the Program Agreement. We partner with Coastal Bank to develop proprietary scoring models and other analytical techniques that are designed to set terms and credit limits to appropriately compensate for credit risk in connection with selecting customers, managing accounts and establishing terms and credit limits. The revenue generated from the Program Agreement and the extent of credit losses incurred, as well as our ability to offer competitive features such as the Robinhood Gold Card Rewards Program, depends in part on managing credit risk while attracting new customers with profitable usage patterns. The models and approaches used to manage credit risk may not accurately predict future charge-offs and our ability to avoid high charge-off rates also may be adversely affected by general economic conditions including unemployment, the availability of consumer credit and the competitive environment, as well as events that may be difficult to predict, such as a general downturn in economic conditions (like the one that occurred in 2022) or public health threats (like the COVID-19 pandemic). Additionally, if any of these

factors make it economically unfeasible for us to continue to offer the Robinhood Gold Card Rewards Program and we cease to offer such rewards, it might make Robinhood Credit products less desirable to customers. Any material increase in credit losses and defaults or inability to retain existing or attract new Robinhood Credit customers could have adverse effects on our financial condition and results of operations.

Use of our spending and payments services for illegal activities or improper purposes could harm our business .

The highly automated nature of, and liquidity offered by, our spending and payments services to move money make us and our customers a target for illegal or improper uses, including scams and fraud directed at our stored value Spending Account, Robinhood Cash Card, and Robinhood Credit customers, money laundering, terrorist financing, sanctions evasion, illegal online gambling, fraudulent sales of goods or services, illegal telemarketing activities, illegal sales of prescription medications or controlled substances, piracy of software, movies, music, and other copyrighted or trademarked goods (in particular, digital goods), bank fraud, child pornography, human trafficking, prohibited sales of alcoholic beverages or tobacco products, securities fraud, pyramid or ponzi schemes, or the facilitation of other illegal or improper activity. Moreover, certain activity that is legal in one jurisdiction might be illegal in another jurisdiction, and a customer might be found responsible for intentionally or inadvertently importing or exporting illegal goods, resulting in liability for us. Owners of intellectual property rights or government authorities might seek to bring legal action against providers of payments solutions, including Robinhood, that are peripherally involved in the sale of infringing or allegedly infringing items. While we invest in measures intended to prevent and detect illegal activities with respect to our spending and payments services, these measures require continuous improvement and might not be effective in detecting and preventing illegal activity or improper uses.

Any illegal or improper uses of our spending and payments services by our users might subject us to claims, individual and class action lawsuits, and government and regulatory requests, inquiries, or investigations that could result in liability, restrict our operations, require us to change our business practices, harm our reputation, increase our costs, and negatively impact our business. For example, government enforcement or regulatory authorities could seek to impose additional restrictions or liability on us arising from the use of our spending and payments services for illegal or improper activity, and our failure to detect or prevent such use. Illegitimate transactions can also prevent us from satisfying our contractual obligations to our third-party partners, which might cause us to be in breach of our obligations.

Risks Related to Our Intellectual Property

Any failure to obtain, maintain, protect, defend or enforce our intellectual property rights could adversely affect our business.

Our success and ability to compete depend in part upon our ability to obtain, maintain, protect, defend and enforce our intellectual property rights and technology. The steps we take to protect our intellectual property rights might not be sufficient to effectively prevent third parties from infringing, misappropriating, diluting, or otherwise violating our intellectual property rights or to prevent unauthorized disclosure or unauthorized use of our trade secrets or other confidential information. We make business decisions about when to seek patent protection for a particular technology, obtain trademark or copyright protection and when to rely upon trade secret protection, and the approach we select might ultimately prove to be inadequate. We will not be able to protect our intellectual property rights, however, if we do not detect unauthorized use of our intellectual property rights. We also might fail to maintain or be unable to obtain adequate protections for some of our intellectual property rights in the United States and some non-U.S. countries, and our intellectual property rights might not receive the same degree of protection in non-U.S. countries as they would in the United States because of the differences in non-U.S. patent, trademark, copyright, and other laws concerning intellectual property and proprietary rights. In addition, if we do not

adequately protect our rights in our trademarks from infringement and unauthorized use, any goodwill that we have developed in those trademarks could be lost or impaired, which could harm our brand and our business. Our trademarks might also be opposed, contested, circumvented or found to be unenforceable, weak or invalid, and we might not be able to prevent third parties from infringing or otherwise violating them or using similar marks in a manner that causes confusion or dilutes the value or strength of our brand.

In addition to registered intellectual property rights, we rely on non-registered proprietary information and technology, such as trade secrets, confidential information and know-how. We attempt to protect our intellectual property, technology, and confidential information by requiring our employees, contractors, consultants, corporate collaborators, advisors and other third parties who develop intellectual property on our behalf to enter into agreements relating to confidentiality and invention assignments, and third parties we share information with to enter into nondisclosure and confidentiality agreements. However, we might not have any such agreements in place with some of the parties who have developed intellectual property on our behalf and/or with some of the parties that have or might have had access to our confidential information, know-how, and trade secrets. Even where these agreements are in place, they might be insufficient or breached, or might not effectively prevent unauthorized access to or unauthorized use, disclosure, misappropriation, or reverse engineering of our confidential information, intellectual property, or technology. Moreover, these agreements might not provide an adequate remedy for breaches or in the event of unauthorized use or disclosure of our confidential information or technology, or infringement of our intellectual property. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us, and our competitive position could be materially and adversely harmed.

The loss of trade secret protection could make it easier for third parties to compete with our products and services by copying functionality. Additionally, individuals not subject to invention assignment agreements might make adverse ownership claims to our current and future intellectual property, and, to the extent that our employees, independent contractors, or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes might arise as to the rights in related or resulting know-how and inventions.

In addition, we might need to expend significant resources to apply for, maintain, enforce and monitor our intellectual property rights and such efforts might be ineffective and could result in substantial costs and diversion of resources. An adverse outcome in any such litigation or proceedings might expose us to a loss of our competitive position, significant liabilities, and damage to our brand, or require us to seek licenses that might not be available on commercially acceptable terms, if at all.

We have been, and might in the future be, subject to claims that we violated third-party intellectual property rights, which, even where meritless, can be costly to defend and could materially adversely affect our business, results of operations, and financial condition.

Our success depends, in part, on our ability to develop and commercialize our products and services without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we might not be aware that our products, services, or marketing materials are infringing, misappropriating or otherwise violating third-party intellectual property rights and such third parties might bring claims alleging such infringement, misappropriation or violation. As we face increasing competition and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against us grows. In addition, various “non-practicing entities,” and other intellectual property rights holders have in the past and might in the future attempt to assert intellectual property claims against us or seek to monetize the intellectual property rights they own to extract value through licensing or other settlements.

Our use of third-party software and other intellectual property rights might be subject to claims of infringement or misappropriation. The vendors who provide us with technology that we incorporate in our product offerings also could become subject to various infringement claims.

From time to time, our competitors or other third parties might claim, and have in the past claimed, that we are infringing upon, misappropriating or otherwise violating their intellectual property rights. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition, results of operations, cash flows or prospects. Any claims or litigation, even those without merit and regardless of the outcome, could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial costs or damages, obtain a license, which might not be available on commercially reasonable terms or at all, pay significant ongoing royalty payments, settlements or licensing fees, satisfy indemnification obligations, prevent us from offering our products or services or using certain technologies, force us to implement expensive and time-consuming work-arounds or re-designs, distract management from our business or impose other unfavorable terms.

We expect that the occurrence of infringement claims is likely to grow as the market for financial services grows and as we introduce new and updated products and services, and the outcome of any allegation is often uncertain. Accordingly, our exposure to damages resulting from infringement claims could increase and this could further exhaust our financial and management resources. Even if intellectual property claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and require significant expenditures.

Some of our products and services contain open source software, which could pose particular risks to our proprietary software, products, and services in a manner that could harm our business.

We use open source software in our products and services (as well as in some of our internally developed systems) and we anticipate using open source software in the future. Some open source software licenses require those who distribute open source software as part of their own software product to publicly disclose all or part of the source code to such software product or to make available any derivative works of the open source code on unfavorable terms or at no cost, and we might be subject to such terms. The terms of many open source licenses to which we are subject have not been interpreted by U.S. or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide or distribute our products or services. We could face claims from third parties claiming ownership of, or demanding release of, the open source software or derivative works that we developed using such software, which could include our proprietary source code, or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require us to make our proprietary software source code freely available, purchase a costly license, or cease offering the implicated products or services unless and until we can offer a different solution, which might be a costly and time-consuming process. While we monitor our use of open source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur, or could be claimed to have occurred, in part because open source license terms can be ambiguous, vague, or subject to various interpretations, especially given the absence of controlling case law in the U.S. or other courts. Additionally, we may open source some of our own proprietary source code and/or may make contributions to open source software. There is a risk that our proprietary software or contributions may be used in such a manner that we may need to enforce our rights to ownership of such open source software, including seeking proper usage, compliance with our license terms, or through litigation. Any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of license terms, or failure to enforce our ownership rights over the use of our proprietary source code could

harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours.

Risks Related to Finance, Accounting and Tax Matters

Covenants in our credit agreements could restrict our operations and if we do not effectively manage our business to comply with these covenants, our financial condition could be adversely impacted.

We have entered into certain credit agreements and might enter into additional agreements for other borrowing in the future. These agreements contain various restrictive covenants, including, among other things, minimum liquidity and tangible net worth requirements, restrictions on our ability to dispose of assets, make acquisitions or investments, incur debt or liens, make distributions to our stockholders, or enter into certain types of related person transactions. These agreements also contain financial covenants, including obligations to maintain certain capitalization amounts and other financial ratios. These restrictions might restrict our current and future operations, including our ability to incur debt to increase our liquidity position.

Our ability to meet these restrictive covenants can be impacted by events beyond our control that could cause us to be unable to comply. The credit agreements provide that our breach or failure to satisfy some of these covenants constitutes an event of default. Upon the occurrence of an event of default, our lenders could elect to declare all amounts outstanding under our debt agreements to be immediately due and payable. In addition, our lenders might have the right to proceed against the assets we provided as collateral pursuant to the agreements. If the debt under the credit agreements were to be accelerated, and if we did not have sufficient cash on hand or be able to sell sufficient collateral to repay it, it would have an immediate adverse effect on our business, financial condition and results of operations.

Our insurance coverage might be inadequate or expensive.

We use a combination of third-party insurance and self-insurance mechanisms, including a wholly owned captive insurance subsidiary. We are subject to claims in the ordinary course of business. These claims can involve substantial amounts of money and involve significant defense costs. It is not possible to prevent or detect all activities giving rise to claims and the precautions we take might not be effective in all cases. We maintain voluntary and required insurance coverage, including, among others, general liability, property, director and officer, excess-SIPC, cyber and data breach, crime, and fidelity bond insurance. Our insurance coverage is expensive and maintaining or expanding our insurance coverage might have an adverse effect on our results of operations and financial condition.

Our insurance coverage is subject to terms such as deductibles, coinsurance, limits and policy exclusions, as well as risk of counterparty denial of coverage, default or insolvency, and might be insufficient to protect us against all losses and costs stemming from processing, operational, and technological failures. Furthermore, for certain lines of coverage, continued insurance coverage might not be available to us in the future on economically reasonable terms, or at all. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of material changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business, financial condition, and results of operations.

Changes in U.S. and foreign tax laws and policies could adversely impact our tax liabilities.

We are, and may in the future become, subject to complex and evolving U.S. and foreign tax laws and regulations, which might in the future make changes to corporate income tax rates, the treatment of foreign earnings, or other income tax laws that could have an adverse impact on our business, result of operations, financial condition and cash flows.

Our determination of our tax liability is subject to review by applicable tax authorities. The determination of our tax liabilities requires significant judgment and, in the ordinary course of business, there are transactions and calculations where the ultimate tax determination is complex and uncertain. Although we believe our determinations are reasonable, the ultimate amount of our tax obligations owed might differ from the amounts recorded in our financial statements in the event of a review by applicable tax authorities and any such difference could have an adverse effect on our results of operations. Tax authorities might also disagree with certain positions we have taken or might take in the future, which could subject us to additional tax liabilities.

Our corporate structure and associated transfer pricing policies also contemplate future growth in international markets, and consider the functions, risks, and assets of various entities involved in intercompany transactions. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions.

In addition, from time to time, proposals are introduced in the U.S. Congress and state legislatures, as well as by foreign governments, to impose new taxes on a broad range of financial transactions, including transactions that occur on our platforms, such as the buying and selling of stocks, derivative transactions, and cryptocurrencies. If enacted, such financial transaction taxes could increase the cost to customers of investing or trading on our platforms and reduce or adversely affect U.S. market conditions and liquidity, general levels of interest in investing, and the volume of trades and other transactions from which we derive transaction-based revenues. Any financial transaction tax implemented in any jurisdiction in which we operate could materially and adversely affect our business, financial condition, or results of operations, and as a retail brokerage we could be impacted to a greater degree than other market participants.

We also are subject to non-income taxes, such as payroll, sales, use, value-added, net worth, excise, goods and services, and property taxes in the United States and various foreign jurisdictions. Specifically, we might be subject to "digital service taxes" or new allocations of tax as a result of increasing efforts by certain jurisdictions to tax cross border activities that might not have been subject to tax under existing international tax principles. Companies such as ours could be adversely impacted by such taxes.

Our ability to use our net operating losses to offset future taxable income could be subject to certain limitations.

As of December 31, 2024, we have U.S. federal, state and non-U.S. net operating loss carryforwards (“NOLs”) available to reduce future taxable income subject to certain limitations. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the “Code”), a corporation that undergoes an “ownership change” (as defined by the Code) may be subject to limitations on its ability to utilize its pre-change NOLs and other tax attributes such as research tax credits to offset future taxable income. If it is determined that we have in the past experienced an ownership change, or if we undergo one or more ownership changes as a result of future transactions in our stock, then our ability to utilize NOLs and other pre-change tax attributes could be limited by Sections 382 and 383 of the Code, and similar state provisions. Future changes in our stock ownership, many of which are outside of our control, could result in an ownership change under Section 382 or 383 of the Code. Furthermore, our ability to utilize NOLs of any companies that we acquire in the future may be subject to limitations. In addition, there may be periods during which the use of NOLs is suspended or otherwise limited. For instance, for state income tax purposes, a California franchise tax law change limits the usability of California state NOLs to offset California taxable income in taxable years beginning on or after January 1, 2024 and before January 1, 2027. For these reasons, we might not be able to utilize our NOLs, even if we maintain profitability.

Our tax information reporting obligations are subject to change.

Although we believe we are compliant with the tax reporting and withholding requirements with respect to our customers' transactions in the jurisdictions in which we operate, various U.S., state or foreign tax authorities might significantly change applicable tax reporting requirements or disagree with the exact application of new or existing requirements. If the taxing authorities determine that we are not in compliance with our tax reporting or withholding requirements with respect to customer asset transactions, we may be exposed to additional withholding obligations, which could increase our compliance costs and result in penalties.

We track certain operational metrics, which are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics could harm our reputation, adversely affect our stock price, and result in litigation.

We track certain operational metrics using internal company data gathered on an analytics platform that we developed and operate, including metrics such as Funded Customers, Assets Under Custody, Net Deposits, and Gold Subscribers, as well as cohorts of our customers, which have not been validated by any independent third party and which might differ from estimates or similar metrics published by other parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools are subject to a number of limitations and our methodologies for tracking these metrics have changed in the past and might change further over time, which could result in unexpected changes to our metrics or otherwise cause the comparability of such metrics from period to period to suffer, including the metrics we publicly disclose. For example, prior to our becoming self-clearing in November 2018, we relied on a third-party provider for our clearing operations, and used data collected by that third party to compute certain metrics, such as Funded Customers, that, since November 2018, we have calculated based on data sourced and processed internally. In addition, if the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report might not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations globally. You should not place undue reliance on such operational metrics when evaluating an investment in our Class A common stock. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Metrics" for definitions of our key operational metrics.

If our operational metrics are not accurate representations of our business, or if investors do not perceive these metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation could be significantly harmed, the trading price of our Class A common stock could decline and we might be subject to stockholder litigation, which could be costly.

If we fail to maintain effective internal control over financial reporting, as well as required disclosure controls and procedures, our ability to produce timely and accurate consolidated financial statements or comply with applicable regulations could be impaired.

The Sarbanes-Oxley Act of 2002 and related rules of the SEC require, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight.

Our current controls and any new controls that we develop could become inadequate because of changes in conditions in our business. In addition, changes in accounting principles or interpretations could also challenge our internal controls and require that we establish new business processes, systems and controls to accommodate such changes. We have limited experience with implementing the systems and controls that are necessary to operate as a public company, as well as adopting changes in

accounting principles or interpretations mandated by the relevant regulatory bodies. Additionally, if these new systems, controls or standards and the associated process changes do not give rise to the benefits that we expect or do not operate as intended, it could adversely affect our financial reporting systems and processes, our ability to produce timely and accurate financial reports or the effectiveness of our internal control over financial reporting. Moreover, our business might be harmed if we experience problems with any new systems and controls that result in delays in their implementation or increased costs to correct any post-implementation issues that might arise. Further, weaknesses in our disclosure controls and internal control over financial reporting could be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our business or cause us to fail to meet our reporting obligations and could result in a restatement of our consolidated financial statements for prior periods.

Any failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that are required in our periodic reports filed with the SEC. Ineffective disclosure controls and procedures or internal control over financial reporting could harm our business, cause investors to lose confidence in the accuracy and completeness of our reported financial and other information, and result in us becoming subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, any of which would likely have a negative effect on the trading price of our Class A common stock and have a material and adverse effect on our business, results of operations, financial condition and prospects. In addition, if we are unable to continue to meet these requirements, we might not be able to remain listed on the Nasdaq.

Risks Related to Our Class A Common Stock

The trading price for our Class A common stock has been and might continue to be volatile and you could lose all or part of your investment.

The trading price of our Class A common stock has been and might continue to be highly volatile and could continue to be subject to fluctuations in response to one or more of the risk factors described in this report, many of which are beyond our control. For example, on November 8, 2022 (the day that FTX halted all non-fiat customer withdrawals from its platform) the intra-day trading price of our Class A common stock fell as much as 18%, and on December 14, 2022 (the day the December 2022 Rule Proposals were announced), the intra-day trading prices of our Class A common stock fell as much as 5.3%. These fluctuations could cause you to lose all or part of your investment in our Class A common stock since you might be unable to sell your shares at or above the price you paid. Additional factors that could have a significant effect on the trading price of our Class A common stock include:

- *publication of research reports about us, our competitors, or our industry, or changes in, or failure to meet, estimates made by securities analysts or ratings agencies of our financial and operating performance, or lack of research reports by industry analysts or ceasing of analyst coverage;*
- *announcements by us or our competitors of new offerings or platform features;*
- *the public's perception of the quality and accuracy of our key metrics on our customer base and engagement;*
- *the public's reaction to our media statements, other public announcements and filings with the SEC;*
- *rumors and market speculation involving us or other companies in our industry;*

- *the extent to which retail and other individual investors (as distinguished from institutional investors), including our customers, invest in our Class A common stock, which might result in increased volatility; and*

- *media coverage related to certain individuals and entities identified as having owned our stock, and any speculation related to plans to dispose of their holdings.*

In addition, in the past, following periods of volatility in the overall market and the trading price of a particular company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.

Further, if the market price of our Class A common stock is above the level that investors determine is reasonable for our Class A common stock, some investors might attempt to short our Class A common stock, which would create additional downward pressure on the trading price of our Class A common stock.

Substantial future issuances or sales of shares of our Class A common stock in the public market could result in significant dilution to our stockholders and such issuances or sales, or the perception that they may occur, could cause the trading price of our Class A common stock to fall.

As of December 31, 2024, our founders and their related entities hold approximately 14% of our outstanding common stock (and, as described in the following risk factor, over 50% of the voting power of our outstanding capital stock). If our founders or other significant stockholders sell, or indicate an intent to sell, large amounts of stock in the public market, or the perception that these sales might occur, could cause the trading price of our Class A common stock to decline substantially.

Similarly, significant numbers of shares are subject to future issuance including under outstanding warrants held by pre-initial public offering ("IPO") investors, and under outstanding stock options and RSUs held by employees and other service providers, and significant numbers of additional shares are available for award grant purposes under our 2021 Plan (as defined in Note 13 - Common Stock and Stockholders' Equity to our consolidated financial statements in this Annual Report) and for issuance under our Employee Share Purchase Plan ("ESPP"). All of these shares will become eligible for sale in the public market upon exercise, vesting, or settlement, as applicable (and to the extent granted in the discretion of our board of directors, in the case of shares available for grant). These and any future issuances of shares of our capital stock, or of securities convertible into or exercisable for our capital stock could depress the market price of our Class A common stock and result in a significant dilution for stockholders.

We have authorized more capital stock in recent years to provide additional stock options and RSUs to our employees and to permit for the consummation of equity and equity-linked financings and might continue to do so in the future. Our employee headcount has increased significantly in the past few years, so the amount of dilution due to awards of equity-based compensation to our employees could be substantial. Further, any sales of our Class A common stock (including shares of Class A common stock issuable upon conversion of our Class B common stock, as stock options are exercised, or as RSUs are settled) might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales could also cause the trading price of our Class A common stock to fall and make it more difficult for you to sell shares of our Class A common stock.

There are no guarantees that we will repurchase shares under the Repurchase Program or that the Repurchase Program will result in increased shareholder value.

On May 28, 2024, Robinhood announced that its board of directors approved a share repurchase program (the "Repurchase Program") authorizing the Company to repurchase up to $1 billion of its

outstanding Class A common stock to return value to shareholders. In July 2024, Robinhood began to execute on the Repurchase Program and as of December 31, 2024, has made share repurchases of $257 million under the Repurchase Program. While the Repurchase Program does not have an expiration date, the Company's management continues to expect to complete the Repurchase Program over a period of two to three years. The timing and amount of repurchase transactions will be determined by the Company from time to time at its discretion based on its evaluation of market conditions, share price, and other factors, and repurchase transactions may be made using a variety of methods, such as open market share repurchases, including the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act, or other financial arrangements or transactions. The Repurchase Program does not obligate the Company to acquire any particular amount of Class A common stock, and the Repurchase Program may be suspended or discontinued at any time at the Company's discretion. As a result, there is no guarantee with respect to the timing or amount of any future share repurchases, or that we will repurchase the full amount authorized under the Repurchase Program. Other factors, including changes in tax or securities laws, such as the U.S. Inflation Reduction Act of 2022 which imposes a corporate excise tax of 1% on net stock repurchases, could also impact our stock repurchases.

There are a number of ways in which the Repurchase Program could fail to result in enhanced shareholder value. For example, any failure to repurchase stock after we have announced our intention to do so may negatively impact the trading price of our Class A common stock. The existence of the Repurchase Program could also cause our stock price to trade higher than it otherwise would and could potentially reduce the market liquidity for our stock. The trading price of our Class A common stock could decline below the levels at which we repurchased shares and short-term stock price fluctuations could reduce the effectiveness of the Repurchase Program. Any announcement of a pause in, or termination of, the Repurchase Program may also result in a decrease in the trading price of our Class A common stock. Furthermore, there is no guarantee that our stock repurchases will be able to successfully mitigate the dilutive effect of the equity awards we grant to our employees.

Additionally, repurchasing our Class A common stock will reduce the amount of cash, cash equivalents and marketable securities we have available to fund working capital, capital expenditures, capital preserving investments, strategic acquisitions or business opportunities, and other general corporate purposes, and there are no guarantees that the Repurchase Program will result in increased shareholder value. Furthermore, the timing and amount of any repurchases, if any, will be subject to liquidity, market and economic conditions, compliance with applicable legal requirements and other relevant factors. If we are unable to, or choose not to, repurchase shares under the Repurchase Program, this may have a negative impact on the perception of the Company as an investment opportunity by shareholders or investment analysts, which may in turn negatively impact the trading price of our Class A common stock.

The multi-class structure of our common stock has the effect of concentrating voting power with our founders, which limits your ability to influence the outcome of matters submitted to our stockholders for approval. In addition, the Founders' Voting Agreement and any future issuances of our Class C common stock could prolong the duration of our founders' voting control.

Our Class A common stock has one vote per share, our Class B common stock has 10 votes per share and our Class C common stock has no voting rights, except as otherwise required by law. Our founders and certain of their related entities ("Founder Affiliates") together hold all of the issued and outstanding shares of our Class B common stock. Accordingly, Mr. Tenev, who is also our CEO, President and Chair of our board of directors, and Mr. Bhatt, who is a director, collectively with their related entities hold over 50% of the voting power of our outstanding capital stock. As a result, our founders have the ability to determine or significantly influence any action requiring the approval of our stockholders, including the election of our board of directors, the adoption of amendments to our Certificate of Incorporation ("Charter") and our Amended and Restated Bylaws (our "Bylaws") and the approval of any merger, consolidation, sale of all or substantially all of our assets or other major corporate transaction.

In addition, our founders and Founder Affiliates have entered into a voting agreement (the "Founders' Voting Agreement") in which they have agreed, among other things, (i) to vote all of the shares of our common stock held by such founder or Founder Affiliate for the election of each founder to, and against the removal of each founder from, our board of directors, (ii) to vote together in the election of other directors generally, subject to deferring to the decision of the nominating and corporate governance committee in the event of any disagreement between the founders, (iii) effective upon a founder's death or disability, to grant a voting proxy to the other founder with respect to shares of our common stock held by the deceased or disabled founder or over which he was entitled to vote (or direct the voting) immediately prior to his death or disability, and (iv) to grant each other rights of first offer in the event of proposed transfers that would otherwise cause Class B shares to convert into Class A shares under our Charter. The Founders' Voting Agreement has the effect of concentrating voting power in our founders (or either one of them).

Further pursuant to the equity exchange right agreements entered into between us and each of our founders in connection with our IPO, each of our founders has a right (but not an obligation) to require us to exchange, for shares of Class B common stock, any shares of Class A common stock received by them upon the vesting and settlement of pre-IPO RSUs (the "Equity Exchange Rights"). Any exercise by our founders of these Equity Exchange Rights will dilute the voting power of holders of our Class A common stock.

Our founders might have interests that differ from yours and might vote in a way with which you disagree and which may be adverse to your interests. Therefore, the founders' concentrated voting control might have the effect of delaying, preventing or deterring a change in control of our Company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of our Company, and might ultimately affect the market price of our Class A common stock. Further, the separation between voting power and economic interests could cause conflicts of interest between our founders and our other stockholders, which might result in our founders undertaking, or causing us to undertake, actions that would be desirable for our founders but would not be desirable for our other stockholders.

We have no current plans to issue shares of our Class C common stock. Because the shares of our Class C common stock have no voting rights, except as required by law, if we issue Class C common stock in the future, the voting control of our founders could be maintained for a longer period of time than would be the case if we issued Class A common stock rather than Class C common stock.

Certain provisions in our Charter and our Bylaws and of Delaware law as well as certain FINRA rules might prevent or delay an acquisition of Robinhood, which could decrease the trading price of our Class A common stock.

Our Charter and our Bylaws contain, and Delaware law contains, provisions that might have the effect of deterring takeovers by making such takeovers more expensive to the bidder and by encouraging prospective acquirers to negotiate with our board of directors rather than to attempt a hostile takeover, such as a classified board, limitations on the ability of stockholders to take action by written consent, and the ability of our board of directors to designate the terms of preferred stock and authorize its issuance without stockholder approval. We believe these provisions will protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our board of directors and by providing our board of directors with more time to assess any acquisition proposal. These provisions are not intended to make Robinhood immune from takeovers. However, these provisions will apply even if the offer might be considered beneficial by some stockholders and could delay or prevent an acquisition that our board of directors determines is not in the best interests of Robinhood and our stockholders. Accordingly, if our board of directors determines that a potential acquisition is not in the best interests of Robinhood and our stockholders, but certain stockholders believe that such a transaction would be beneficial to Robinhood and our stockholders, such stockholders might elect to sell their shares in Robinhood and the trading price of our Class A common stock could decrease. These and other provisions of our Charter, our Bylaws and the Delaware General Corporation Law could have the effect of delaying or deterring a change in control, which might limit the opportunity for our stockholders to receive

a premium for their shares of our Class A common stock and might also affect the price that some investors are willing to pay for our Class A common stock.

In addition, a third party attempting to acquire us or a substantial position in our Class A common stock might be delayed or ultimately prevented from doing so by change in ownership or control regulations to which certain of our regulated subsidiaries are subject. For example, FINRA Rule 1017 generally provides that FINRA approval must be obtained in connection with any transaction resulting in a single person or entity owning, directly or indirectly, 25% or more of a FINRA member firm's equity and would include a change in control of a parent company and similar approval from the Financial Conduct Authority, which regulates our U.K. authorized broker-dealer subsidiary, must be obtained in connection with any transaction resulting in a person or entity holding, directly or indirectly, 10% or more of the equity or voting power of a U.K. authorized person or the parent of a U.K. authorized person. These and any other applicable regulations relating to changes in control of us or our regulated subsidiaries could further have the effect of delaying or deterring a change in control of us.

The exclusive forum provisions of our Charter could limit our stockholders' ability to choose the judicial forum for some types of lawsuits against us or our directors, officers, or employees.

Our Charter provides that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for a number of types of actions or proceedings shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have subject matter jurisdiction, another state court sitting in the State of Delaware) (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware), in all cases subject to the court having jurisdiction over indispensable parties named as defendants. Our Charter also provides that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action under the Securities Act of 1933, as amended (the "Securities Act"). Nothing in our Charter precludes stockholders that assert claims under the Exchange Act from bringing such claims in any court, subject to applicable law.

Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to these provisions. These exclusive forum provisions might limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers, or other employees, which might discourage lawsuits against us and our directors, officers, and other employees. The enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find the exclusive forum provisions in our Charter to be inapplicable or unenforceable in an action, we might incur additional costs associated with resolving the dispute in other jurisdictions, which could adversely affect our results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

We rely on technology, including the internet and mobile services, to conduct much of our business activity and allow our customers to conduct financial transactions on our platform. As a result, our systems and operations as well as those of the third parties on which we rely to conduct certain key functions are vulnerable to cybersecurity incidents, which we have experienced in the past. Although no organization can eliminate cybersecurity and information technology risk completely, w e have a cybersecurity program that includes physical, technological, and administrative controls designed to detect, contain, respond to and remediate cybersecurity threats and incidents and defined processes to assess, identify and manage material risks from cybersecurity threats. These controls and processes include, among others:

- maintaining a vulnerability management program that performs regular vulnerability scans and relies on our risk-based information security program to promote coverage of critical areas;
- establishing an offensive security team that actively tests our security controls, imitating methods persons trying to achieve unauthorized access might use to identify any weaknesses;
- our global privacy program supported by our privacy engineering and privacy legal teams;
- maintaining an incident response plan which outlines the roles and responsibilities of key personnel in the event of a cybersecurity incident;
- conducting mandatory annual security and privacy training for employees and contractors and, where appropriate, giving employees and contractors role-based training focused on content specific to their role at the Company;
- undertaking an annual review of our consumer facing policies and statements related to cybersecurity;
- requiring our employees to treat customer information and data with care through policy, practice and contract (as applicable); and
- carrying cybersecurity insurance that provides some protection against potential losses arising from a cybersecurity incident.

Our cybersecurity program is managed by the Company's Security and Corporate Engineering organization, which is led by our CSO , who reports directly to the CEO. Our CSO has over twenty years of experience in the security industry and has held a variety of leadership positions in cybersecurity at Capital One, including as Vice President, Divisional Chief Information Security Officer. Additionally, several of Robinhood's subsidiaries, including RHC, RHF, and RHS, have a Chief Information Security Officer, who reports to the CSO, and a Risk Operating Committee ("ROC") that manages risks, including cybersecurity risks, specific to each entity's business. Each of our Chief Information Security Officers has expertise in cybersecurity, industry and regulatory standards, risk management, and security operations. The Security organization elevates risks to the relevant ROCs where applicable. Our cybersecurity program is aligned with industry standards and best practices, such as the NIST CSF, and we engage third-party consultants annually to conduct a NIST CSF maturity assessment of our cybersecurity program.

We maintain a Third Party Security and Privacy Standard and conduct security reviews of vendors, including for potential fourth-party risks, prior to and during their contracts with Robinhood and require all third-party service providers with access to personal, confidential or proprietary information to implement and maintain cybersecurity practices consistent with applicable legal standards and industry standards. Any identified security or privacy risks of doing business with a vendor, including potential fourth-party risks, are highlighted to business owners to help make informed risk-based decisions.

We also engage the assistance of third-party consultants to increase protection of our information and IT systems and network to help secure long-term value for our stakeholders. Services provided by third-party consultants include, but are not limited to: regular assessments of our cybersecurity program including cyber maturity assessments and penetration tests; risk scoring of our critical business partners and vendors; and participating in incident response processes.

Our management is responsible for the Company's day-to-day risk operations and management processes. Management has established cybersecurity standards to improve the Company's cybersecurity risk posture and to help define and implement appropriate measures to protect the Company's systems and data from cyber threats. In addition to our Internal Audit and Compliance functions, the ERM team partners with various front-line risk teams and risk owners across Robinhood, to foster consistent risk management practices across Robinhood. In particular, the ERM team provides

governance over risk management practices and reports on a quarterly basis on top risks to the Safety Committee, along with planned mitigants and monitoring procedures.

If a cybersecurity incident occurs, incident response procedures are in place to facilitate the appropriate reporting to the CSO, and business continuity plans are mobilized to minimize disruption to business operations. We have also implemented guidelines to outline communications responsibilities during incidents of all severity levels, including an escalation process for alerting senior management of high severity and material incidents.

If a significant cybersecurity incident occurs, we will conduct an assessment to determine if it is material to us. If a materiality assessment is required, the CSO will report such an incident to our Materiality Assessment Committee ("MAC"), which consists of the CFO, CLO, and CBO (in addition to the CSO) and notify the CEO. The MAC will then determine, without unreasonable delay, whether the incident is material to the Company. In making such determination, the MAC may consult with the CEO, other members of the Company's management, and the Company's outside professional advisors, in each case, as appropriate. The incident materiality determination will be made by considering all relevant quantitative and qualitative factors, including without limitation: the nature, size and scope of the incident; financial condition; results of operations; litigation or regulatory investigations/actions; the Company's reputation, and customer and vendor relationships; and competitiveness.

The principal role of our board of directors and the Safety Committee, a board-level committee composed solely of independent directors, is one of oversight, recognizing that management is responsible for the design, implementation, and maintenance of an effective program for protecting against and mitigating data privacy and cybersecurity risks. The Safety Committee reviews management's exercise of its responsibility to identify, assess, manage, monitor and mitigate material risks not specifically allocated to the board of directors or another of its committees. The Safety Committee has been explicitly assigned the responsibility to oversee risks from cybersecurity threats, among others, and the full board of directors will be notified when the MAC is assessing a cybersecurity incident and informed of any required disclosures. Our board of directors and Safety Committee receive updates on relevant industry developments, threats, and material risks identified as needed each quarter , including material legal and legislative developments, concerning data privacy and security, the rapidly evolving cybersecurity risk landscape, and the Safety Committee facilitates the board of directors' oversight responsibilities.

Our systems and those of our customers and third-party service providers have been and might in the future be vulnerable to cybersecurity threats. For more information about risks related to cybersecurity threats, including previous cybersecurity incidents (including the November 2021 Data Security Incident (defined below)), that have materially affected or are reasonably likely to materially affect our business, financial condition, and results of operations, see "Risk Factors–*Our business could be materially and adversely affected by a cybersecurity breach or other cybersecurity incident involving our information systems or data or those of our customers or third-party or fourth-party service providers*."

ITEM 2. PROPERTIES

Our corporate headquarters are located in Menlo Park, California, where we currently have lease commitments for multiple facilities with various expiration dates through 2033. We otherwise lease office facilities throughout the United States and other countries around the world for engineering, sales, marketing, and operations, as well as general and administrative purposes.

We believe our facilities are suitable for their present and intended purposes and are operating at a level consistent with the requirements of the industry in which we operate. We also believe that our leases are at competitive or market rates and do not anticipate any difficulty in leasing suitable additional space upon expiration of our current lease terms.

ITEM 3. LEGAL PROCEEDINGS

Refer to Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information for Common Stock

Our Class A common stock has been listed on the Nasdaq Global Select Market under the symbol "HOOD" since July 29, 2021. Prior to that time, there was no public market for our stock.

Our Class B and Class C common stock are not listed on any stock exchange nor traded on any public market.

Holders of Record

As of February 12, 2025, there were 81 stockholders of record of our Class A common stock. Because many of our shares of Class A common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders. As of February 12, 2025, there were nine stockholders of record of our Class B common stock and zero stockholders of record of our Class C common stock.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. We intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, and other factors our board of directors may deem relevant. In addition, the terms of our current credit facilities contain restrictions on our ability to pay cash dividends.

Sales of Unregistered Securities

From January 1, 2024 through December 31, 2024 we did not sell any shares of Class A common stock (or other equity securities of Robinhood Markets, Inc.) that were not registered under the Securities Act.

Issuer Purchases of Equity Securities

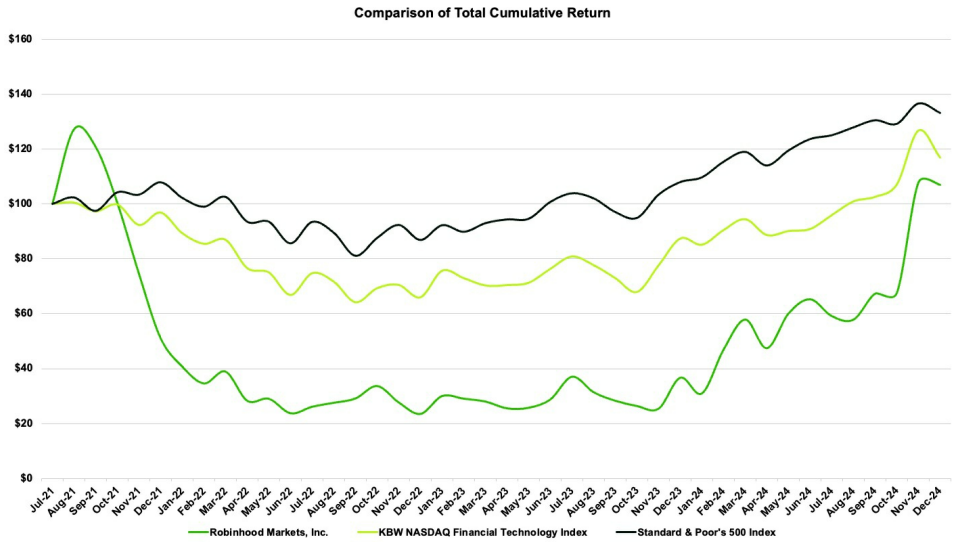
The following table presents repurchases of shares of our Class A common stock during the three months ended December 31, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share [1]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [2]
				(in millions)
October 1, 2024 - October 31, 2024	797,990	$ 25.23	797,990	$ 882
November 1, 2024 - November 30, 2024	2,787,976	$ 25.35	2,787,976	$ 812
December 1, 2024- December 31, 2024	1,757,949	$ 38.90	1,757,949	$ 743
Total	5,343,915	$ 29.79	5,343,915	$ 743

[1] The average cost per share excludes the 1% excise tax on net share repurchase and commissions.

[2] On May 28, 2024, we announced that the Board of Directors approved the Repurchase Program authorizing the Company to repurchase up to $1 billion of its outstanding Class A common stock. Repurchase transactions may be made using a variety of methods, such as open market share repurchases, including the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act, or other financial arrangements or transactions. The Repurchase Program does not obligate us to acquire any particular amount of Class A common stock and the Repurchase Program may be suspended or discontinued at any time at our discretion. Refer to Note 13 - Common Stock and Stockholders' Equity to our consolidated financial statements in this Annual Report for more information about the Repurchase Program.

Stock Performance Graph



This performance graph shall not be deemed “soliciting material” or to be “filed” with the SEC, for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act.

The graph above compares the cumulative total stockholder return on our Class A common stock with the cumulative total return of the KBW NASDAQ Financial Technology Index and the Standard & Poor’s 500 Index. The graph assumes (i) that $100 was invested at the market close on July 29, 2021, the date that our Class A common stock commenced trading on the Nasdaq Global Select Market, in each of our Class A common stock, the KBW NASDAQ Financial Technology Index, and the Standard & Poor’s 500 Index and (ii) reinvestment of gross dividends. The graph uses the closing market price on July 29, 2021 of $34.82 per share as the initial value of our Class A common stock. The stock price performance shown in the graph represents past performance and should not be considered an indication of future stock price performance.

ITEM 6. [REMOVED AND RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This section presents management's perspective on our financial condition and results of operations, including performance metrics that management uses to assess company performance. The following discussion and analysis is intended to highlight and supplement data and information presented elsewhere in this Annual Report, and should be read in conjunction with our consolidated financial statements and notes elsewhere in this Annual Report. It is also intended to provide you with information that will assist you in understanding our consolidated financial statements, the changes in key items in those consolidated financial statements from year to year, and the primary factors that accounted for those changes. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which might not be indicative of our future financial outcomes. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors."

We refer to our "users" and our "customers" interchangeably throughout this Annual Report to refer to individuals who hold accounts on our platforms.

Key Performance Metrics

In addition to the measures presented in our consolidated financial statements, we use the following key performance metrics to help us evaluate our business, identify trends affecting our business, formulate business plans, and make strategic decisions.

- **Funded Customers:** We define a Funded Customer as a unique person who has at least one account with a Robinhood entity and, within the past 45 calendar days (a) had an account balance that was greater than zero (excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) or (b) completed a transaction using any such account. Individuals who share a funded joint investing account (which launched in July 2024) are each considered to be a Funded Customer.
- **Assets Under Custody ("AUC")**: We define AUC as the sum of the fair value of all equities, options, cryptocurrency, futures (including options on futures, swaps, and event contracts), and cash held by users in their accounts, net of receivables from users, as of a stated date or period end on a trade date basis. Net Deposits and net market gains (losses) drive the change in AUC in any given period.
- **Net Deposits:** We define Net Deposits as all cash deposits and asset transfers from customers, as well as dividends, interest, and cash or assets earned in connection with Company promotions (such as account transfer and retirement match incentives and free stock bonuses) received by customers, net of reversals, customer cash withdrawals, margin interest, Gold subscription fees, and assets transferred off of our platforms for a stated period. Prior to the second quarter of 2024, Net Deposits did not include inflows from cash or assets earned in connection with Company promotions and prior to January 2024, Net Deposits did not include inflows from dividends and interest or outflows from Robinhood Gold subscription fees and margin interest, although we have not restated amounts in prior periods as the impact to those figures was immaterial.

- **Average Revenue Per User (“ARPU”)**: We define ARPU as total revenue for a given period divided by the average number of Funded Customers on the last day of that period and the last day of the immediately preceding period.
- **Gold Subscribers:** We define a Gold Subscriber as a unique person who has at least one account with a Robinhood entity and who, as of the end of the relevant period (a) is subscribed to Robinhood Gold and (b) has made at least one Robinhood Gold subscription fee payment.

Glossary Terms

- **Automated Customer Account Transfer Service (“ACATS”)** : A system that automates and standardizes procedures for the transfer of assets in a customer account from one brokerage firm and/or bank to another.
- **Cash Sweep**: We define Cash Sweep as the period-end total amount of participating users’ uninvested brokerage cash that has been automatically “swept” or moved from their brokerage accounts into deposits for their benefit at a network of program banks. This is an off-balance-sheet amount. Robinhood earns a net interest spread on Cash Sweep balances based on the interest rate offered by the banks less the interest rate given to users as stated in our program terms.
- **Churned Customers:** A Funded Customer is considered “Churned” if it was ever a New Funded Customer whose account balance (measured as the fair value of assets in the account less any amount due from the user and excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) drops to or below zero and has not completed a transaction using any account with a Robinhood entity for at least 45 consecutive calendar days. Negative balances typically result from Fraudulent Deposit Transactions (which occur when users initiate deposits into their accounts, make trades on our platforms using a short-term extension of credit from us, and then repatriate or reverse the deposits, resulting in a loss to us of the credited amount) and unauthorized debit card use, and less often, from margin loans.
- **Growth Rate with respect to Net Deposits:** Growth rate is calculated as aggregate Net Deposits over a specified 12 month period, divided by AUC for the fiscal quarter that immediately precedes such 12 month period.
- **Investment Accounts:** We define an Investment Account as a funded individual brokerage account, a funded joint investing account, or a funded individual retirement account (“IRA”). As of December 31, 2024, a Funded Customer can have up to four Investment Accounts - individual brokerage account, joint investing account (which launched in July 2024), traditional IRA, and Roth IRA.
- **Margin Book:** We define Margin Book as our period-end aggregate outstanding margin loan balances receivable (i.e., the period-end total amount we are owed by customers on loans made for the purchase of securities, supported by a pledge of assets in their margin-enabled brokerage accounts).
- **New Funded Customers:** We define a New Funded Customer as a unique person who became a Funded Customer for the first time during the relevant period.
- **Notional Trading Volume:** We define Notional Trading Volume for any specified asset class as the aggregate dollar value (purchase price or sale price as applicable) of trades executed in that asset class over a specified period of time.

- **Options Contracts Traded:** We define Options Contracts Traded as the total number of options contracts bought or sold over a specified period of time. Each contract generally entitles the holder to trade 100 shares of the underlying stock.
- **Resurrected Customers:** A Funded Customer is considered "Resurrected" in a stated period if it was a Churned Customer as of the end of the immediately preceding period and its balance (excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) rises above zero or it completes a transaction using its account.

Overview

With respect to the year ended December 31, 2024, as compared to the year ended December 31, 2023:

- total net revenues increased 58% to $2.95 billion compared to $1.87 billion;
- net income was $1.41 billion, or diluted earnings per share ("EPS") of $1.56, compared to a net loss of $0.54 billion, or diluted EPS of -$0.61. Net income included the impact of:
  - a $369 million deferred tax benefit, primarily from the release of the Company's valuation allowance on most of its net deferred tax assets;
  - a $55 million benefit due to a reversal of an accrual as part of a regulatory settlement.
  - The year ended December 31, 2023 included an expense of $485 million from the 2021 Founders Award Cancellation (the "2021 Founders Award Cancellation");
- total operating expenses decreased 21% to $1.90 billion compared to $2.40 billion;
  - SBC expense decreased 65% to $304 million compared to $871 million;
- Adjusted EBITDA (non-GAAP) increased 167% to $1.43 billion compared to $0.54 billion;
- Funded Customers increased 8% to 25.2 million compared to 23.4 million and Investment Accounts increased by 10% to 26.2 million compared to 23.8 million;
- AUC increased 88% to $192.9 billion compared to $102.6 billion, driven by continued Net Deposits and higher equity and cryptocurrency valuations;
- Net Deposits were $50.5 billion, which translates to a growth rate of 49% relative to AUC at the end of the fourth quarter of 2023, compared to $17.1 billion, which translates to a growth rate of 27% relative to AUC at the end of the fourth quarter of 2022;
- ARPU increased 53% to $122 compared to $80; and
- Gold Subscribers increased 86% to 2.64 million compared to 1.42 million.

Adjusted EBITDA is a non-GAAP financial measure. For more information about Adjusted EBITDA, including the definition and limitations of such measure, and a reconciliation of net income (loss) to Adjusted EBITDA, please see "—Non-GAAP Financial Measures."

Recent Developments

Pending Business Acquisitions

In June 2024, we entered into an agreement to acquire all outstanding equity of Bitstamp, a globally-scaled cryptocurrency exchange with retail and institutional customers, for an aggregate consideration of approximately $200 million, subject to customary purchase price adjustments and payable in cash.

In November 2024, we entered into an agreement to acquire all outstanding equity of TradePMR, a custodial and portfolio management platform for registered investment advisors, for cash consideration of approximately $180 million and post-close equity compensation of approximately $120 million, for aggregate consideration and post-close compensation of approximately $300 million. The purchase consideration is subject to customary purchase price adjustments.

Both pending acquisitions are subject to customary closing conditions, including regulatory approvals, and are expected to close in the first half of 2025.

Key Performance Metrics

Key performance metrics for the relevant periods were as follows:

	Year Ended December 31,		
	2022	**2023**	**2024**
Funded Customers[1] *(in millions)*	23.0	23.4	25.2
AUC[2] *(in billions)*	$ 62.2	$ 102.6	$ 192.9
Net Deposits *(in billions)*	$ 18.4	$ 17.1	$ 50.5
Growth Rate with respect to Net Deposits	19%	27%	49%
ARPU *(in dollars)*	$ 60	$ 80	$ 122
Gold Subscribers *(in millions)*	1.14	1.42	2.64

[1] The following table describes the annual changes within Funded Customers:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Beginning Funded Customers	22.7	23.0	23.4
New Funded Customers	1.3	1.1	2.2
Resurrected Customers	0.2	0.2	0.5
Churned Customers	(1.2)	(0.9)	(0.9)
Ending Funded Customers	23.0	23.4	25.2

(2) The following table sets out the components of AUC by type of asset:

	Year Ended December 31,		
(in billions)	**2022**	**2023**	**2024**
Equities	$ 45.8	$ 69.4	$ 130.6
Cryptocurrencies	8.4	14.7	35.2
Options and futures (2)	0.3	0.6	1.8
Cash held by Customers	10.8	21.3	33.3
Receivables from Customers (primarily margin balances)	(3.1)	(3.4)	(8.0)
AUC	$ 62.2	$ 102.6	$ 192.9

(2) Futures consists of futures, options on futures, and swaps, including event contracts, which we launched during the fourth quarter of 2024.

The following table describes the changes within AUC:

	Year Ended December 31,		
(in billions)	**2022**	**2023**	**2024**
Beginning AUC	$ 98.0	$ 62.2	$ 102.6
Net Deposits	18.4	17.1	50.5
Net market gains (losses)	(54.2)	23.3	39.8
Ending AUC	$ 62.2	$ 102.6	$ 192.9

Non-GAAP Financial Measures

Adjusted EBITDA

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance. In addition to total net revenues, net income (loss), and other results under GAAP, we utilize non-GAAP calculations of adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA"). Adjusted EBITDA is defined as net income (loss), excluding (i) interest expenses related to credit facilities, (ii) provision for (benefit from) income taxes, (iii) depreciation and amortization, (iv) SBC, (v) significant legal and tax settlements and reserves, and (vi) other significant gains, losses, and expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that we believe are not indicative of our ongoing results. This non-GAAP financial information is presented for supplemental informational purposes only, should not be considered in isolation or as a substitute for, or superior to, financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP measures used by other companies.

The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature, or because the amount and timing of these items are unpredictable, are not driven by core results of operations, and render comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, Adjusted EBITDA is a key measurement used by

our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

The following table presents a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, net income (loss):

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Net income (loss)	$ (1,028)	$ (541)	$ 1,411
Add:			
Interest expenses related to credit facilities	24	23	24
Provision for (benefit from) income taxes	1	8	(347)
Depreciation and amortization	61	71	77
EBITDA (non-GAAP)	(942)	(439)	1,165
Add: SBC			
2021 Founders Award Cancellation	—	485	—
SBC Excluding 2021 Founders Award Cancellation[1]	654	386	304
Significant legal and tax settlements and reserves[2]	20	104	(40)
Restructuring charges[3]	105	—	—
Q4 2022 Processing Error[4]	57	—	—
Impairment of Ziglu equity securities[5]	12	—	—
Adjusted EBITDA (non-GAAP)	$ (94)	$ 536	$ 1,429

(1) For the year ended December 31, 2022, SBC excluding 2021 Founders Award Cancellation benefited from restructuring-related net reversals of previously recognized expense of $77 million in connection with both the April 2022 Restructuring and August 2022 Restructuring.

(2) For the year ended December 31, 2024, significant legal and tax settlements and reserves included a $55 million benefit due to a reversal of an accrual as part of a regulatory settlement.

(3) Restructuring charges for the year ended December 31, 2022 related to both the April 2022 Restructuring and August 2022 Restructuring, consisting of $45 million of impairment and $9 million of accelerated depreciation, in each case relating to office closures, and $51 million of cash charges for employee-related wages, benefits and severance. Refer to Note 6 - Restructuring Activities to our consolidated financial statements in this Annual Report for further information.

(4) Q4 2022 Processing Error was due to delays in notification from third parties and process failures within Robinhood's brokerage systems and operations in connection with the handling of a 1-for-25 reverse stock split transaction of Cosmos Health, Inc.

(5) Partially as a result of the termination of the stock purchase agreement, the advances made to Ziglu accounted for as non-marketable equity securities were impaired to a carrying value of zero.

Key Components of Our Results of Operations

Revenues

Transaction-Based Revenues

Transaction-based revenues consist of amounts earned from routing customer orders for options, cryptocurrencies, and equities to market makers. When customers place orders for options, cryptocurrencies, or equities on our platform, we route these orders to market makers and we receive consideration from those market makers. With respect to options and equities trading, such fees are known as PFOF. With respect to cryptocurrencies trading, we receive "Transaction Rebates" when routing to market makers. In the case of options, our fee is on a per contract basis based on the underlying security. For equities, the fees we receive are typically based on the size of the publicly quoted bid-ask spread for the security being traded; that is, we receive a fixed percentage of the difference between the publicly quoted bid and ask at the time the trade is executed. In the case of cryptocurrencies, our rebate is a fixed percentage of the notional order value.

Within each asset class, whether options, cryptocurrencies, or equities, the transaction-based revenue we earn is calculated in an identical manner among all participating market makers. We route

option and equity orders in priority to participating market makers that we believe are most likely to give our customers the best execution, based on historical performance (according to order price, trading symbol, availability of the market maker and, if statistically significant, order size), and, in the case of options, the likelihood of the order being filled is a factor as well. For cryptocurrency orders, we route to market makers based on price and availability of the cryptocurrency from the market maker.

Net Interest Revenues

Net interest revenues consist of interest revenues less interest expenses. We earn interest revenues on margin loans to users, segregated cash, cash equivalents, and securities, deposits with clearing organizations, corporate cash and investments, Cash Sweep, and carried customer credit card balances. We also earn and incur interest revenues and expenses on securities lending transactions. We incur interest expenses in connection with our revolving credit facilities and borrowings by the Credit Card Funding Trust.

Other Revenues

Other revenues primarily consists of Robinhood Gold subscription fees, proxy revenues, advertising revenues, and ACATS fees charged to users for facilitating the transfer of part or all of assets in their accounts to another broker-dealer.

Robinhood Match Incentives

We offer a match incentive on customers' eligible contributions to their retirement accounts and, from time to time, an incentive on other transfers of assets to our platform. All match incentives are recognized as a reduction to revenue when earned. The matches are allocated to certain revenue categories on a proportional basis.

Operating Expenses

Brokerage and Transaction

Brokerage and transaction costs primarily consist of cash compensation and employee benefits, SBC, as well as allocated overhead for employees engaged in clearing and brokerage functions, market data expenses, expenses related to our instant withdrawals feature, fees paid to centralized clearinghouses and regulatory fees, customer statement-related costs, and other brokerage and transaction costs such as costs related to our Cash Sweep and securities lending programs. A large portion of our brokerage and transaction costs are variable and tied to trading and transaction volumes on our platforms.

Technology and Development

Technology and development costs primarily consist of costs incurred to support and improve our platforms and develop new products, costs associated with computer hardware and software, including amortization of internally developed software, and compensation and benefits, including SBC, for engineering, data science, and design personnel, as well as allocated overhead.

Operations

Operations costs consist of customer service related expenses, including cash compensation and employee benefits, SBC, as well as allocated overhead for employees engaged in customer support, and costs incurred to support and improve customer experience (such as third-party customer service vendors).

Provision for Credit Losses

The provision for credit losses consists of expected credit losses related to credit card and brokerage products. For credit card related, we have two types of provision for credit losses: i) one related to off-balance sheet credit card principal receivables, and ii) one related to on-balance sheet purchased credit card and interest receivables. Brokerage-related provision for credit losses primarily relates to unsecured balances of receivables from users due to Fraudulent Deposit Transactions and losses on margin lending.

Marketing

Marketing costs primarily consist of paid marketing channels such as digital marketing and brand marketing, as well as cash compensation, and employee benefits, SBC, and allocated overhead for employees engaged in the marketing function.

General and Administrative

General and administrative costs primarily consist of cash compensation and employee benefits, SBC, as well as allocated overhead for certain executives and employees engaged in legal, finance, human resources, risk, and compliance. General and administrative costs also include legal expenses, other professional fees, business insurance, and real estate charges including impairments on our operating leases and leasehold improvements, lease terminations, and settlements and penalties.

Results of Operations

The following table summarizes our consolidated statements of operations data:

(in millions)	Year Ended December 31, 2022	2023	2024
Revenues:			
Transaction-based revenues	$ 814	$ 785	$ 1,647
Net interest revenues	424	929	1,109
Other revenues	120	151	195
Total net revenues	1,358	1,865	2,951
Operating expenses:[1]			
Brokerage and transaction	179	146	164
Technology and development	878	805	818
Operations	249	116	112
Provision for credit losses	36	43	76
Marketing	103	122	272
General and administrative	924	1,169	455
Total operating expenses	2,369	2,401	1,897
Other income (expense), net	(16)	3	10
Income (loss) before income taxes	(1,027)	(533)	1,064
Provision for (benefit from) income taxes	1	8	(347)
Net income (loss)	$ (1,028)	$ (541)	$ 1,411

[1] Includes SBC expense as follows:

(in millions)	Year Ended December 31, 2022	2023	2024
Brokerage and transaction	$ 5	$ 7	$ 9
Technology and development	212	211	192
Operations	8	8	7
Marketing	4	5	8
General and administrative	425	640	88
Total SBC expense	$ 654	$ 871	$ 304

Comparison of the Years Ended December 31, 2024 and 2023

A discussion of our results for fiscal year 2023 compared to fiscal year 2022 can be found in “Management's Discussion and Analysis of Financial Condition and Results of Operations — Comparison of the Years Ended December 31, 2023 and 2022” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 27, 2024.

Revenues

Transaction-Based Revenues

	Year Ended December 31,				
(in millions, except for percentages)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Transaction-based revenues					
Options	$ 488	$ 505	$ 760	3 %	50 %
Cryptocurrencies	202	$ 135	626	(33)%	364 %
Equities	117	$ 104	177	(11)%	70 %
Other	7	$ 41	84	486 %	105 %
Total transaction-based revenues	$ 814	$ 785	$ 1,647	(4)%	110 %
Transaction-based revenues as a % of total net revenues:					
Options	36%	27%	26%		
Cryptocurrencies	15%	7%	21%		
Equities	9%	6%	6%		
Other	—%	2%	3%		
Total transaction-based revenues	60 %	42 %	56 %		

Transaction-based revenues increased by $862 million primarily driven by increases of $491 million in cryptocurrencies, $255 million in options, and $73 million in equities.

Cryptocurrencies revenues increased as a result of a 77% increase in the average Notional Trading Volume traded per trader and a 72% increase in the number of users placing cryptocurrency trades. In addition, cryptocurrencies revenues benefited from a higher rebate rate from crypto market makers (a rebate increase was effective in May 2024). The increase was offset by $19 million of match incentives paid to our customers (Refer to Note 1 - Description of Business and Summary of Significant Accounting Policies to our consolidated financial statements in this Annual Report for more information).

Options revenues increased due to a 29% increase in the number of users placing option trades and a 43% increase in Options Contracts Traded. In addition, we experienced higher option rebate rates due to the mix of ticker symbols traded as different ticker symbols pay different rebate rates. The increase was offset by $43 million of match incentives paid to our customers.

Equities revenues increased as a result of a 45% increase in the average Notional Trading Volume traded per trader and a 23% increase in the number of users placing equity trades. The increase was partially offset by lower equity rebate rates due to the mix of ticker symbols traded as different ticker symbols pay different rebate rates. The increase was offset by $10 million of match incentives paid to our customers.

Net Interest Revenues

(in millions, except for percentages)	Year Ended December 31, 2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Net interest revenues:					
Margin interest	$ 177	$ 243	$ 319	37 %	31 %
Interest on segregated cash, cash equivalents, securities, and deposits	57	210	261	268 %	24 %
Interest on corporate cash and investments	103	288	256	180 %	(11)%
Cash Sweep	22	123	179	459 %	46 %
Securities lending, net	89	79	94	(11)%	19 %
Credit card, net	—	9	24	NM	167 %
Interest expenses related to credit facilities	(24)	(23)	(24)	(4)%	4 %
Total net interest revenues	$ 424	$ 929	$ 1,109	119 %	19 %
Net interest revenues as a % of total net revenues:					
Margin interest	13%	13%	11%		
Interest on corporate cash and investments	7%	16%	9%		
Interest on segregated cash, cash equivalents, securities, and deposits	4%	11%	9%		
Cash Sweep	2%	7%	6%		
Securities lending, net	7%	4%	3%		
Credit card, net	—%	—%	1%		
Interest expenses related to credit facilities	(2)%	(1)%	(1)%		
Total net interest revenues	31%	50%	38%		

Net interest revenues increased by $180 million, driven by growth in most of our interest-earning asset balances except for corporate cash and investments. Between September 2024 and the end of 2024, the Federal Reserve lowered interest rates by a total of 100 basis points, which negatively impacted our net interest revenues and adversely affected our customers returns on cash deposits. We anticipate any potential future rate cuts by the Federal Reserve will have a similar impact.

The following table summarizes interest-earning assets, the revenue generated by these assets, and their respective annual yields:

(in millions, except for annual yield)	Margin Book	Cash and deposits[1]	Cash Sweep (off-balance sheet)	Credit card, net[2]	**Total interest-earning assets**	Interest expenses Securities lending, net	Interest expenses related to credit facilities[5]	**Total net interest revenues**
Year ended December 31, 2024								
December 31, 2024	$ 7,909	$ 9,943	$ 26,064	$ 391	**$ 44,307**			
December 31, 2023	3,458	10,107	16,352	205	**30,122**			
Average[3]	5,082	10,252	21,352	261	**36,947**			
Revenue (expense)	319	517	179	24	**$ 1,039**	$ 94	$ (24)	**$ 1,109**
Annual yield[4]	6.28 %	5.04 %	0.84 %	**9.20 %**	**2.81 %**			**3.00 %**
Year ended December 31, 2023								
December 31, 2023	$ 3,458	$ 10,107	$ 16,352	205	**$ 30,122**			
December 31, 2022	3,089	9,530	5,837	N/A	**18,456**			
Average[3]	3,302	9,979	11,348	197	**24,826**			
Revenue (expense)	243	498	123	9	**$ 873**	$ 79	$ (23)	**$ 929**
Annual yield[4]	7.36 %	4.99 %	1.08 %	N/A	**3.52 %**			**3.74 %**
Year ended December 31, 2022								
December 31, 2022	$ 3,089	$ 9,530	$ 5,837	N/A	**$ 18,456**			
December 31, 2021	6,467	10,600	2,095	N/A	**19,162**			
Average[3]	4,519	9,931	2,920	N/A	**17,370**			
Revenue (expense)	177	160	22	N/A	**$ 359**	$ 89	$ (24)	**$ 424**
Annual yield[4]	3.92 %	1.61 %	0.75 %	N/A	**2.07 %**			**2.44 %**

[1] Includes cash and cash equivalents, cash, cash equivalents, and securities segregated under federal and other regulations, deposits with clearing organizations, and investments.

[2] Credit card, net consists of i) an off-balance sheet amount representing customer principal amounts funded by Coastal Bank under the Program Agreement. Under the Program Agreement, Robinhood Credit collects interest from customers that carry a balance and pays interest on the amount funded by Coastal Bank, with the difference between those amounts resulting in net interest revenue; ii) an on-balance sheet amount representing purchased credit card receivables by the Credit Card Funding Trust. Robinhood Credit collects interest from customers that carry balances and pays interest on the amount funded through the Credit Card Funding Trust, with the difference in those amounts resulting in net interest revenues. As of December 31, 2024, $202 million was off-balance sheet and $189 million was on-balance sheet. Refer to Note 12 - Financing Activities and Off-Balance Sheet Risk to our consolidated financial statements in this Annual Report for more information.

[3] Average balance rows represent the simple average of month-end balances in a given period. For the year ended December 31, 2023 the average balance for Credit card, net is calculated using the period from June 30, 2023 to December 31, 2023 based on Robinhood Credit's acquisition date of July 3, 2023.

[4] Annual yield is calculated by dividing revenue for the given period by the applicable average asset balance.

[5] Includes interest expenses related to our revolving credit facilities and the Trust borrowing; interest expense related to the Credit Card Funding Trust is included in the credit card, net interest yield calculation. Refer to Note 12 - Financing Activities and Off-Balance Sheet Risk to our consolidated financial statements in this Annual Report for more information.

Other Revenues

(in millions, except for percentages)	Year Ended December 31, 2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Other revenues:					
Gold subscription revenues	$ 68	$ 75	$ 109	10%	45%
Proxy revenues	44	61	60	39%	(2)%
Other	8	15	26	88%	73%
Total other revenues	$ 120	$ 151	$ 195	26%	29%
Other revenues as a % of total net revenues:					
Gold subscription revenues	5%	4%	4%		
Proxy revenues	3%	3%	2%		
Other	1%	1%	1%		
Total other revenues	9%	8%	7%		

Other revenues increased by $44 million primarily driven by increased Gold subscription revenues of $34 million due to an increase in Gold Subscribers. Additionally, other revenues increased $11 million due to advertising revenue from Sherwood Media, which was launched during the second quarter of 2023.

Operating Expenses

(in millions, except for percentages)	Year Ended December 31, 2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Operating expenses:					
Brokerage and transaction	$ 179	$ 146	$ 164	(18)%	12 %
Technology and development	878	805	818	(8)%	2 %
Operations	249	116	112	(53)%	(3)%
Provision for credit losses	36	43	76	19 %	77 %
Marketing	103	122	272	18 %	123 %
General and administrative	924	1,169	455	27 %	(61)%
Total operating expenses	$ 2,369	$ 2,401	$ 1,897		
Percent of total net revenues:					
Brokerage and transaction	13 %	8 %	5 %		
Technology and development	65 %	43 %	28 %		
Operations	18 %	6 %	4 %		
Provision for credit losses	3 %	3 %	3 %		
Marketing	8 %	7 %	9 %		
General and administrative	68 %	63 %	15 %		
Total operating expenses	175 %	130 %	64 %		

Brokerage and Transaction

	Year Ended December 31,				
(in millions)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Employee compensation, benefits, and overhead, excluding SBC	$ 20	$ 31	$ 36	55 %	16 %
Market data expenses	26	23	26	(12)%	13 %
Instant withdrawals	1	7	20	(12)%	186 %
Broker-dealer transaction expenses	31	32	16	3 %	(50)%
Customer statements	8	15	15	88 %	— %
SBC	5	7	9	40 %	29 %
Q4 2022 Processing Error	57	—	—	NM	NM
Other	31	31	42	— %	35 %
Total	$ 179	$ 146	$ 164	(18)%	12 %

Brokerage and transaction costs increased by $18 million primarily driven by a $13 million increase in expenses related to our instant withdrawals feature due to higher customer activities. Other brokerage and transaction costs increased $11 million also primarily driven by higher customer activities in our Cash Sweep and securities lending programs. Additionally, employee compensation, benefits, and overhead increased by $5 million due to increased average headcount to continue support of our brokerage business. These increases were partially offset by a decrease of $16 million in broker-dealer transaction expenses mainly due to passing option trading fees onto users starting in the fourth quarter of 2023.

Technology and Development

	Year Ended December 31,				
(in millions)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Employee compensation, benefits, and overhead, excluding SBC	$ 367	$ 308	$ 287	(16)%	(7)%
SBC	212	211	192	— %	(9)%
Cloud infrastructure services	175	149	189	(15)%	27 %
Software and tools	105	114	123	9 %	8 %
Other	19	23	27	21 %	17 %
Total	$ 878	$ 805	$ 818	(8)%	2 %

Technology and development costs increased by $13 million primarily due to increases of $40 million in cloud infrastructure expenses and $9 million in software and tools to meet increased capacity requirements for our platforms to support higher trading volumes. These increases were partially offset by decreases of $21 million in employee, compensation, benefits, and overhead, and of $19 million in SBC due to decreased average headcount as part of our efforts to improve efficiency and operating costs.

Operations

	Year Ended December 31,				
(in millions)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Employee compensation, benefits, and overhead, excluding SBC	$ 144	$ 75	$ 72	(48)%	(4)%
Customer experience	78	19	18	(76)%	(5)%
SBC	8	8	7	— %	(13)%
Other	19	14	15	(26)%	7 %
Total	$ 249	$ 116	$ 112	(53)%	(3)%

Operations costs decreased by $4 million primarily due to a decrease of $3 million in employee compensation, benefits, and overhead due to decreased average headcount as part of our efforts to improve efficiency and operating costs.

Provision for credit losses

	Year Ended December 31,				
(in millions)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Provision for credit losses - credit card related	$ —	$ 21	$ 55	NM	162 %
Provision for credit losses - brokerage related	36	22	21	(39)%	(5)%
Total	$ 36	$ 43	$ 76	19%	77 %

Provision for credit losses cost increased by $33 million primarily due to a $34 million increase related to our credit card program that was launched during the third quarter of 2023.

Marketing

	Year Ended December 31,				
(in millions)	2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Digital marketing	$ 21	$ 39	$ 119	86 %	205 %
Brand marketing	14	21	45	50 %	114 %
Employee compensation, benefits, and overhead, excluding SBC	26	22	33	(15)%	50 %
Marketing incentives	11	7	16	(36)%	129 %
Creative services	14	10	12	(29)%	20 %
SBC	4	5	8	25 %	60 %
Other marketing	13	18	39	38 %	117 %
Total	$ 103	$ 122	$ 272	18 %	123 %

Marketing costs increased by $150 million primarily due to higher expenses in digital marketing of $80 million, brand marketing of $24 million, and other marketing of $21 million, as we increased our investments in paid marketing channels and other marketing initiatives to promote our brand, products, and services. Additionally, employee compensation, benefits, and overhead increased by $11 million due to increased average headcount to support increased marketing initiatives.

General and Administrative

(in millions)	Year Ended December 31, 2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Employee compensation, benefits, and overhead, excluding SBC	$ 239	$ 216	$ 235	(10)%	9 %
SBC excluding 2021 Founders Award Cancellation	425	155	88	(64)%	(43)%
Legal expenses	76	96	71	26 %	(26)%
Other professional fees	53	41	47	(23)%	15 %
Real estate related charges	45	5	2	(89)%	(60)%
SBC related to 2021 Founders Award Cancellation	—	485	—	NM	NM
Settlements and penalties	24	126	(29)	425 %	NM
Other	62	45	41	(27)%	(9)%
Total	$ 924	$ 1,169	$ 455	27 %	(61)%

General and administrative costs decreased by $714 million primarily due to a decrease of $485 million related to 2021 Founders Award Cancellation which occurred in 2023. In addition, settlements and penalties expenses decreased $155 million primarily due to a $55 million reversal of an accrual as part of a regulatory settlement.

Provision for (Benefit from) Income Taxes

(in millions)	Year Ended December 31, 2022	2023	2024	2022 to 2023 % Change	2023 to 2024 % Change
Provision for (benefit from) income taxes	$ 1	$ 8	$ (347)	700 %	NM

Benefit from income taxes increased by $355 million primarily due to a $369 million deferred tax benefit, primarily from the valuation allowance release on the U.S. federal and certain state deferred tax assets. Refer to Note 9 - Income Taxes to our consolidated financial statements in this Annual Report for more information on the valuation allowance release.

Liquidity and Capital Resources

Sources and Uses of Funds

Our principal sources of liquidity are cash flows generated from operations, and our cash, cash equivalents, investments, and stablecoin. Other sources of future funds may include potential borrowing under our revolving lines of credit and potential issuance of new debt or equity. Our liquidity needs are primarily to support and invest in our core business, including investing in new ways to serve our customers, potentially seeking strategic acquisitions to leverage existing capabilities and further build our business, and for general capital needs (including capital requirements imposed by regulators and SROs and cash deposit and collateral requirements under the rules of the DTC, NSCC, OCC, and CFTC). Based on our current level of operations, we believe our primary sources of liquidity will be adequate to meet our current liquidity needs for the next 12 months.

Liquid Assets

As of December 31, 2024, we had cash and cash equivalents of $4.33 billion, held-to-maturity investments of $398 million, and stablecoin of $361 million. Refer to Note 8 - Investments and Fair Value Measurement to our consolidated financial statements in this Annual Report for further information.

Revolving Credit Facilities and Credit Card Funding Trust

As of December 31, 2024, we had a total of $3.00 billion in committed revolving credit facilities and a borrowing amount up to $300 million for our Credit Card Funding Trust. Refer to Note 12 - Financing Activities and Off-Balance Sheet Risk to our consolidated financial statements in this Annual Report for further information.

Commitments

The following table summarizes our short- and long-term material cash requirements for contractual obligations as of December 31, 2024:

	Payments Due by Period				
(in millions)	**Total**	**2025-2026**	**2027-2028**	**2029**	**Thereafter**
Operating lease commitments	$ 189	$ 56	$ 50	$ 23	$ 60
Purchase commitments[1]	637	601	35	1	—
Robinhood match incentives commitments[2]	142	142	—	—	—
Credit Card Funding Trust borrowing principal and interest	131	131	—	—	—
Total	$ 1,099	$ 930	$ 85	$ 24	$ 60

[1] Purchase commitments are determined based on the non-cancelable quantities or termination amounts to which we are contractually obligated. These primarily relate to commitments for cloud infrastructure and data services and business insurance.

[2] Robinhood match incentives commitments represent non-cancelable future match payments on eligible cash deposits made by Robinhood Gold users. The future match payments are forfeited if deposits are not held on the platform during the specific earning period.

In addition to lease and purchase commitments, we have two committed financing agreements: one with a contractual term of 30 days and a daily minimum commitment of $25 million and another with a contractual term of 21 days with a daily minimum commitment of $35 million. See “Securities Borrowing and Lending” in Note 1 - Description of Business and Summary of Significant Accounting Policies to our consolidated financial statements in this Annual Report for further information.

Repurchase Program

On May 28, 2024, we announced that our board of directors approved the Repurchase Program authorizing us to repurchase up to $1 billion of our outstanding Class A common stock to return value to shareholders. As of December 31, 2024, we had made share repurchases of $257 million under the Repurchase Program. Refer to Part II, Item 5 and Note 13 - Common Stock and Stockholders' Equity to our consolidated financial statements in this Annual Report for more information about the Repurchase Program.

Regulatory Capital Requirements

Our broker-dealer subsidiaries (RHF and RHS) are subject to the SEC Uniform Net Capital Rule, administered by the SEC and FINRA, which requires the maintenance of minimum net capital, as defined.

Net capital and the related net capital requirements may fluctuate on a daily basis. RHS and RHF compute net capital under the alternative method as permitted by the SEC Uniform Net Capital Rule.

Our FCM subsidiary (RHD) is subject to CFTC Regulation 1.17, administered by the CFTC and the NFA, which requires the maintenance of minimum net capital, as defined by CFTC Regulation 1.17. Net capital and the related net capital requirements may fluctuate on a daily basis.

The table below summarizes the net capital, capital requirements and excess net capital of RHS, RHF, and RHD as of periods presented:

	December 31, 2024		
(in millions)	Net Capital	Required Net Capital	Net Capital in Excess of Required Net Capital
RHS	$ 2,540	$ 178	$ 2,362
RHF	248	0.25	248
RHD	40	1	39

As of December 31, 2024, these subsidiaries were in compliance with their respective regulatory capital requirements.

Cash Flows

The following table summarizes our cash flow activities:

	Year Ended December 31,		
(in millions)	2022	2023	2024
Cash provided by (used in):			
Operating activities	$ (852)	$ 1,181	$ (157)
Investing activities	(60)	(582)	(148)
Financing activities	—	(610)	(345)

Operating activities

Net cash provided by operating activities decreased $1.34 billion compared to the prior period primarily due to:

- a decrease of $567 million in non-cash items due to higher SBC expense in 2023 as a result of the 2021 Founders Award Cancellation;
- a decrease of $369 million in non-cash deferred income taxes, primarily from the release of the Company's valuation allowance on most of its net deferred tax assets in 2024;
- an increase of $4.29 billion in receivables from users driven by higher margin balance due to lower rates;
- an increase of $397 million in securities segregated under federal and other regulations driven by cash used to purchase of U.S treasury securities;
- an increase of $341 million in other current and non-current assets driven by cash used to purchase of stablecoin; and
- increases of $2.20 billion in securities loaned and $1.96 billion in payable to users, both driven by increased customer activities.

Investing activities

Net cash used in investing activities decreased $434 million compared to the prior period primarily due to:

- an increase of $556 million from collection of purchased credit card receivables;
- an increase of $376 million from proceeds from maturities of held-to-maturity investments;
- an increase of $203 million driven by fewer purchases of held-to-maturity investments; and
- an increase of $748 million driven by purchases of credit card receivables by the Credit Card Funding trust.

Financing activities

Net cash used in financing activities decreased $265 million compared to the prior period primarily due to:

- a decrease of $351 million from less common stock repurchases;
- an increase of $132 million from borrowings by the Credit Card Funding Trust to purchase credit card receivables; and
- an increase of $232 million from taxes paid related to net share settlement of equity awards.

Critical Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States (“GAAP”) requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the consolidated financial statements and accompanying notes. The SEC has defined a company’s critical accounting policies as the ones that are most important to the portrayal of the company’s financial condition and results of operations, and which require the company to make its most difficult and

subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Based on this definition, we have identified the critical accounting estimates addressed below. We also have other key accounting policies, which involve the use of estimates, judgments, and assumptions that are significant to understanding our results. For additional information, refer to Note 1 - Description of Business and Summary of Significant Accounting Policies to our consolidated financial statements in this Annual Report. Although we believe that our estimates, assumptions, and judgments are reasonable, they are based upon information presently available. Actual results might differ significantly from these estimates under different assumptions, judgments, or conditions.

Allowance for Credit Losses

The amount of the allowance for credit losses represents management's estimate of expected credit losses over the remaining expected life of our financial assets measured at amortized cost considering available information from internal and external sources. The allowance for credit losses provides for unsecured balances of receivables from users due to Fraudulent Deposit Transactions, losses on margin lending, purchased credit card receivables, and reserves on proxy revenue receivables. The allowance for credit losses takes into account relevant available information including the nature of the collateral, potential future changes in collateral values, and historical credit loss information.

The amount of the allowance for credit losses represents management's estimate of expected credit losses from off-balance sheet credit exposure over the remaining expected life of credit card receivables originated under an arrangement with Coastal Bank. Coastal Bank is the legal lender and originator, the party to which the customer has a credit-borrower relationship, and the legal owner of the credit card receivables. We are responsible to pay Coastal Bank customer balances that are ultimately charged off or deemed uncollectible, generally when balances become outstanding for over 180 days. Allowance for credit losses takes into account information from internal and external sources and market data, which is estimated based on outstanding customer credit card principal balances owned by Coastal Bank and anticipated future customer payment rates based on past portfolio performance, both of which are unobservable inputs. The measurement of this liability using this method approximates fair value. For additional information, refer to Note 12 - Financing Activities and Off-Balance Sheet Risk to our consolidated financial statements in this Annual Report.

Business Combinations

We allocate the fair value of the purchase price to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the fair value of the purchase price over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer contracts, acquired technology, and trade names, based on expected future growth rates and margins, attrition rates, future changes in technology and royalty for similar brand licenses, useful lives, and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results might differ from estimates.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination and is allocated to reporting units expected to benefit from the business combination. We test goodwill for impairment at least annually in the fourth quarter or whenever events or changes in circumstances indicate that goodwill might be impaired. We evaluate our reporting units when changes in our operating structure occur, and if necessary, reassign goodwill using a relative fair value allocation approach. In testing for goodwill impairment, we first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not

that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if we conclude otherwise, we proceed to a quantitative assessment.

The quantitative assessment compares the estimated fair value of a reporting unit to its book value, including goodwill. If the fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. However, if the book value of a reporting unit exceeds its fair value, an impairment loss will be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

Income Taxes

We make significant judgments and estimates to determine any valuation allowance recorded against deferred tax assets. Deferred tax assets are evaluated for future realization and reduced by a valuation allowance to the extent we believe that they will not be realized. We consider many factors when assessing the likelihood of future realization of our deferred tax assets including, but not limited to, historical cumulative loss experience and expectations of future earnings, tax planning strategies, and the carry-forward periods available for tax reporting purposes. Our judgment regarding future profitability may change due to many factors, including future market conditions and the ability to successfully execute business plans and/or tax planning strategies. Should there be a change in the ability to recover deferred tax assets, our tax provision would increase or decrease in the period in which the assessment is changed.

We recognize a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation, based on the technical merits. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized. We account for uncertain tax positions, including net interest and penalties, as a component of income tax expense or benefit. We make adjustments to these uncertain tax positions in accordance with applicable income tax guidance and based on changes in facts and circumstances. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made and could have a material impact to our consolidated financial statements and operating results.

Share-based Compensation

Market-Based RSUs

We have granted RSUs that vest upon the satisfaction of all the following conditions: time-based service conditions, performance-based conditions, and market-based conditions (“Market-Based RSUs”). The time-based service condition for these awards is generally satisfied over six years. The performance-based conditions were satisfied upon the occurrence of an IPO. The market-based conditions are satisfied upon our achievement of specified share prices.

For market-based awards, we determined the grant-date fair value utilizing a Monte Carlo valuation model, which incorporates various assumptions including expected stock price volatility, expected term, risk-free interest rates, expected date of an IPO, and expected capital raise percentage. We estimated the expected term based on various vesting scenarios, as these awards are not considered “plain vanilla.” We estimated the expected date of an IPO based on our expectation at the time of measurement of the award’s value.

We recorded SBC expense for market-based equity awards on an accelerated attribution method over the requisite service period, and only if performance-based conditions were considered probable to be satisfied. We determined the requisite service period by comparing the derived service period to

achieve the market-based condition and the explicit time-based service period, using the longer of the two service periods as the requisite service period. Remaining SBC related to the Market-Based RSUs was fully recorded over the remaining derived requisite service period by December 31, 2024. Previously recognized SBC related to the Market-Based RSUs will not be reversed even if the specified share prices are not achieved.

Recent Accounting Pronouncements

Refer to Note 2 - Recent Accounting Pronouncements to our consolidated financial statements in this Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk generally represents the risk of loss that may result from the potential change in the value of a financial instrument as a result of fluctuations in interest rates and market prices. Information relating to quantitative and qualitative disclosures about these market risks is described below.

Interest Rate Risk

Our exposure to changes in interest rates primarily relates to interest revenue earned on our interest-earning assets that are subject to floating interest rates. Interest revenue is affected by various factors such as the distribution and composition of interest-earning assets and the federal funds rate. We use a net interest sensitivity analysis, which applies hypothetical 50, 100 or 150 basis point increases or decreases in interest rates to the period end balances of our interest-earning assets and liabilities, including interest rate sensitive off-balance sheet amounts related to our Coastal Bank Program Agreement, to evaluate the effect that changes in interest rates might have on total net revenues, net income (loss), and cash flows, prior to any income tax effects, over the next 12 months.

The sensitivity analysis assumes the asset and liability structure of the consolidated balance sheets would not change as a result of simulated changes in interest rates. Additionally, the analysis does not factor in any assumptions on the effect simulated changes in interest rates would have on trading activities across our platforms. For our Cash Sweep program, we earn a net interest spread on Cash Sweep balances based on the interest rate offered by the partner banks less the interest rate given to users, as stated in our program terms. For the vast majority of the Cash Sweep program, we have the ability to manage our net interest spread by adjusting the rate given to users as a result of changes in rates received from partner banks. As such, we do not consider the Cash Sweep balance to be subject to short-term interest rate risk and the sensitivity analysis excludes Cash Sweep balances.

The impact to total net revenues, net income (loss), and cash flows, prior to any income tax effects, as a result of a hypothetical interest rate change at the end of each reporting period would be:

	December 31,	
(in millions)	**2023**	**2024**
50 basis point	$ 71	$ 94
100 basis point	141	188
150 basis point	212	282

The change to total net revenues, net income (loss), and cash flows, prior to any income tax effects, would be the same as total net revenues includes net interest revenue, which captures both the impact of any incremental interest revenue and interest expense, and changes in interest rates do not have a direct impact on operating expenses. The impact related to the change in interest rates is positively correlated,

linear, and proportional. The change in the sensitivity analysis from prior year is in line with the change in interest-earning asset balances.

Our investment policy and strategy are focused on the preservation of capital and supporting our liquidity requirements. We invest in highly-rated debt securities that were considered held-to-maturity investments with average duration in the portfolio less than a year and the maximum maturity of two years. To provide a meaningful assessment of the interest rate risk associated with our investment portfolio, we performed a sensitivity analysis to determine the impact a change in interest rates would have on the value of the investment portfolio assuming a 100 basis point parallel shift in the yield curve. Based on investment positions as of December 31, 2024, a hypothetical 100 basis point increase in interest rates across all maturities would not be significant. Any losses would only be realized if we sold the investments prior to maturity.

We also have exposure to changes in interest rates related to our variable-rate credit facilities. Refer to Note 12 - Financing Activities and Off-Balance Sheet Risk to our consolidated financial statements in this Annual Report for further information. However, as there were no outstanding borrowings under our uncommitted revolving credit facilities as of December 31, 2024 and 2023, we had limited financial exposure associated with changes in interest rates as of such dates.

We have established a comprehensive interest rate risk management policy, which formalizes our approach to managing interest rate risk arising in connection with the operation of our businesses. The policy sets forth policies and procedures pursuant to which we will identify interest rate risk exposure, identify and implement appropriate hedging strategies and hedging instruments, and analyze the effectiveness of our hedging strategies. Interest rate instruments will be used for hedging purposes only and not for speculation.

Our measurement of interest rate risk involves assumptions that are inherently uncertain and, as a result, our analysis might not precisely estimate the actual impact of changes in interest rates on net interest revenues. Actual results may differ from simulated results due to balance growth or decline and the timing, magnitude, and frequency of interest rate changes, as well as changes in market conditions and management strategies, including changes in asset and liability mix.

Market-Related Credit Risk

We are indirectly exposed to equity securities risk in connection with securities collateralizing margin receivables, as well as risk related to our securities lending activities. We manage risk on margin and securities-based lending by requiring customers to maintain collateral in compliance with internal and, as applicable, regulatory guidelines. We monitor required margin levels daily and require our customers to deposit additional collateral, or to reduce positions, when necessary. We continuously monitor customer accounts to detect excessive concentration, large orders or positions, and other activities that indicate increased risk to us. We manage risks associated with our securities lending activities by requiring credit approvals for counterparties, by monitoring the market value of securities loaned and collateral values for securities borrowed on a daily basis, by requiring additional cash as collateral for securities loaned or return of collateral for securities borrowed when necessary, and by participating in a risk-sharing program offered through the OCC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Robinhood Markets, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Robinhood Markets, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 18, 2025 expressed an unqualified opinion thereon.

Adoption of SAB 122

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for obligations to safeguard crypto-assets held in custody on behalf of its platform users in 2024 due to the adoption of SAB 122.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements,

taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Description of the Matter

Transaction-based revenues

As discussed in Note 1 and Note 5 to the consolidated financial statements, the Company recognized transaction-based revenues of $1,647 million for the year ended December 31, 2024, of which $1,563 million is comprised of revenues earned from routing user orders to market makers when the performance obligation is satisfied, which is at the point in time when a routed order is executed by the market maker. The Company's transaction-based revenues from routing user orders involves a significant volume of transactions and is earned from various market makers and is sourced from multiple systems across the Company's information technology environment.

Auditing transaction-based revenues from routing user orders was complex and involved significant audit effort to identify, test, and evaluate the Company's relevant systems used to process and record transaction-based revenues from routing user orders.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the revenue recognition process for transaction-based revenues from routing user orders. With the involvement of our information technology professionals, we identified and tested the relevant systems used to process and record transaction-based revenues earned from routing user orders and tested the relevant information technology general controls over those systems.

Our audit procedures included, among others, testing on a sample basis the completeness and accuracy of the underlying data and calculations used to record transaction-based revenues from routing user orders, obtaining external confirmation of revenue recognized and transaction price from market makers, and comparing revenue recognized to cash receipts.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2017.

San Jose, California

February 18, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Robinhood Markets, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Robinhood Markets, Inc.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Robinhood Markets, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and our report dated February 18, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

San Jose, California
February 18, 2025

ROBINHOOD MARKETS, INC.
CONSOLIDATED BALANCE SHEETS

(in millions, except share and per share data)	December 31, 2023	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 4,835	$ 4,332
Cash, cash equivalents, and securities segregated under federal and other regulations	4,448	4,724
Receivables from brokers, dealers, and clearing organizations	89	471
Receivables from users, net	3,495	8,239
Securities borrowed	1,602	3,236
Deposits with clearing organizations	338	489
User-held fractional shares	1,592	2,530
Held-to-maturity investments	413	398
Prepaid expenses	63	75
Deferred customer match incentives	11	100
Other current assets	196	509
Total current assets	17,082	25,103
Property, software, and equipment, net	120	139
Goodwill	175	179
Intangible assets, net	48	38
Non-current held-to-maturity investments	73	—
Non-current deferred customer match incentives	19	195
Other non-current assets, including non-current prepaid expenses of $ 4 as of December 31, 2023 and $ 17 as of December 31, 2024	107	533
Total assets	$ 17,624	$ 26,187
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 384	$ 397
Payables to users	5,097	7,448
Securities loaned	3,547	7,463
Fractional shares repurchase obligation	1,592	2,530
Other current liabilities	217	266
Total current liabilities	10,837	18,104
Other non-current liabilities	91	111
Total liabilities	10,928	18,215
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Preferred stock, $ 0.0001 par value. 210,000,000 shares authorized, no shares issued and outstanding as of December 31, 2023 and December 31, 2024.	—	—
Class A common stock, $ 0.0001 par value. 21,000,000,000 shares authorized, 745,401,862 shares issued and outstanding as of December 31, 2023; 21,000,000,000 shares authorized, 764,903,997 shares issued and outstanding as of December 31, 2024.	—	—
Class B common stock, $ 0.0001 par value. 700,000,000 shares authorized, 126,760,802 shares issued and outstanding as of December 31, 2023; 700,000,000 shares authorized, 119,588,986 shares issued and outstanding as of December 31, 2024.	—	—
Class C common stock, $ 0.0001 par value. 7,000,000,000 shares authorized, no shares issued and outstanding as of December 31, 2023 and December 31, 2024.	—	—
Additional paid-in capital	12,145	12,008
Accumulated other comprehensive loss	(3)	(1)
Accumulated deficit	(5,446)	(4,035)
Total stockholders' equity	6,696	7,972
Total liabilities and stockholders' equity	$ 17,624	$ 26,187

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except share and per share data)	Year Ended December 31, 2022	2023	2024
Revenues:			
Transaction-based revenues	$ 814	$ 785	$ 1,647
Net interest revenues	424	929	1,109
Other revenues	120	151	195
Total net revenues	1,358	1,865	2,951
Operating expenses:			
Brokerage and transaction	179	146	164
Technology and development	878	805	818
Operations	249	116	112
Provision for credit losses	36	43	76
Marketing	103	122	272
General and administrative	924	1,169	455
Total operating expenses	2,369	2,401	1,897
Other income (expense), net	(16)	3	10
Income (loss) before income taxes	(1,027)	(533)	1,064
Provision for (benefit from) income taxes	1	8	(347)
Net income (loss)	$ (1,028)	$ (541)	$ 1,411
Net income (loss) attributable to common stockholders:			
Basic	$ (1,028)	$ (541)	$ 1,411
Diluted	$ (1,028)	$ (541)	$ 1,411
Net income (loss) per share attributable to common stockholders:			
Basic	$ (1.17)	$ (0.61)	$ 1.60
Diluted	$ (1.17)	$ (0.61)	$ 1.56
Weighted-average shares used to compute net income (loss) per share attributable to common stockholders:			
Basic	878,630,024	890,857,659	881,113,156
Diluted	878,630,024	890,857,659	906,171,504

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Net income (loss)	$ (1,028)	$ (541)	$ 1,411
Other comprehensive income (loss), net of tax:			
Foreign currency translation	(1)	—	(1)
Net losses on hedging instruments:			
Net loss on hedging instruments during the period	—	(4)	—
Reclassification adjustment for net losses included in net income (loss)	—	1	3
Net gain (loss) on hedging instruments	—	(3)	3
Total other comprehensive income (loss), net of tax	(1)	(3)	2
Total comprehensive income (loss)	$ (1,029)	$ (544)	$ 1,413

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Year Ended December 31, 2022	2023	2024
Operating activities:			
Net income (loss)	$ (1,028)	$ (541)	$ 1,411
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	61	71	77
Impairment of long-lived assets	45	5	2
Provision for credit losses	36	43	76
Deferred income taxes	—	—	(369)
Share-based compensation	654	871	304
Other	35	3	(2)
Changes in operating assets and liabilities:			
Securities segregated under federal and other regulations	—	—	(397)
Receivables from brokers, dealers, and clearing organizations	12	(13)	(382)
Receivables from users, net	3,386	(298)	(4,592)
Securities borrowed	(517)	(1,085)	(1,634)
Deposits with clearing organizations	142	(152)	(151)
Current and non-current prepaid expenses	33	37	(25)
Current and non-current deferred customer match incentives	—	(30)	(265)
Other current and non-current assets	(26)	(18)	(415)
Accounts payable and accrued expenses	(62)	134	(35)
Payables to users	(1,775)	396	2,351
Securities loaned	(1,817)	1,713	3,916
Other current and non-current liabilities	(31)	45	(27)
Net cash provided by (used in) operating activities	(852)	1,181	(157)
Investing activities:			
Purchases of property, software, and equipment	(28)	(2)	(13)
Capitalization of internally developed software	(29)	(19)	(37)
Business acquisition, net of cash and cash equivalents acquired	—	(93)	(6)
Asset acquisition, net of cash acquired	—	—	(3)
Purchases of held-to-maturity investments	—	(759)	(556)
Proceeds from maturities of held-to-maturity investments	—	282	658
Purchases of credit card receivables by Credit Card Funding Trust	—	—	(748)
Collections of purchased credit card receivables	—	—	556
Purchases of available-for-sale investments	(25)	—	—
Proceeds from sales and maturities of available-for-sale investments	42	10	—
Other	(20)	(1)	1
Net cash used in investing activities	(60)	(582)	(148)
Financing activities:			
Proceeds from exercise of stock options, net of repurchases	6	5	18
Proceeds from issuance of common stock under the Employee Share Purchase Plan	16	14	16
Taxes paid related to net share settlement of equity awards	(12)	(12)	(244)
Repurchase of Class A common stock	—	(608)	(257)
Draws on credit facilities	21	20	22
Repayments on credit facilities	(21)	(20)	(22)
Borrowings by the Credit Card Funding Trust	—	—	132
Repayments on borrowings by the Credit Card Funding Trust	—	—	(1)
Change in principal collected from customers due to Coastal Bank	—	1	6
Payments of debt issuance costs	(10)	(10)	(15)
Net cash used in financing activities	—	(610)	(345)
Effect of foreign exchange rate changes on cash and cash equivalents	(1)	—	(1)
Net decrease in cash, cash equivalents, segregated cash, and restricted cash	(913)	(11)	(651)
Cash, cash equivalents, segregated cash, and restricted cash, beginning of the period	10,270	9,357	9,346
Cash, cash equivalents, segregated cash, and restricted cash, end of the period	$ 9,357	$ 9,346	$ 8,695

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Reconciliation of cash, cash equivalents, segregated cash, and restricted cash, end of the period:			
Cash and cash equivalents, end of the period	$ 6,339	$ 4,835	$ 4,332
Segregated cash and cash equivalents, end of the period	2,995	4,448	4,327
Restricted cash in other current assets, end of the period	1	46	18
Restricted cash in other non-current assets, end of the period	22	17	18
Cash, cash equivalents, segregated cash and restricted cash, end of the period	$ 9,357	$ 9,346	$ 8,695
Supplemental disclosures:			
Cash paid for interest	$ 12	$ 12	$ 16
Cash paid for income taxes, net of refund received	$ 4	$ 9	$ 18

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions, except for number of shares)	Common stock[1] Shares	Common stock[1] Amount	Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total stockholders' equity
Balance as of December 31, 2021	863,912,613	$ —	$ 11,169	$ 1	$ (3,877)	$ 7,293
Net loss	—	—	—	—	(1,028)	(1,028)
Shares issued in connection with stock option exercises, net of repurchases	2,318,267	—	6	—	—	6
Issuance of common stock in connection with Employee Share Purchase Plan	1,907,241	—	16	—	—	16
Issuance of common stock upon settlement of restricted stock units, net of shares withheld	24,613,450	—	(12)	—	—	(12)
Change in other comprehensive loss	—	—	—	(1)	—	(1)
Share-based compensation	—	—	682	—	—	682
Balance as of December 31, 2022	892,751,571	$ —	$ 11,861	$ —	$ (4,905)	$ 6,956

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions, except for number of shares)	Common stock[1] Shares	Common stock[1] Amount	Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
Balance as of December 31, 2022	892,751,571	$ —	$ 11,861	$ —	$ (4,905)	$ 6,956
Net loss	—	—	—	—	(541)	(541)
Shares issued in connection with stock option exercises, net of repurchases	2,449,169	—	5	—	—	5
Issuance of common stock in connection with Employee Share Purchase Plan	1,968,081	—	14	—	—	14
Issuance of common stock upon settlement of restricted stock units, net of shares withheld	30,267,312	—	(12)	—	—	(12)
Repurchase and retirement of Class A common stock	(55,273,469)	—	(611)	—	—	(611)
Change in other comprehensive loss	—	—	—	(3)	—	(3)
Share-based compensation	—	—	888	—	—	888
Balance as of December 31, 2023	872,162,664	$ —	$ 12,145	$ (3)	$ (5,446)	$ 6,696

See Accompanying Notes to the Consolidated Financial Statements.

ROBINHOOD MARKETS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions, except for number of shares)	Common stock[1] Shares	Common stock[1] Amount	Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated earnings (deficit)	Total stockholders' equity
Balance as of December 31, 2023	872,162,664	$ —	$ 12,145	$ (3)	$ (5,446)	$ 6,696
Net income	—	—	—	—	1,411	1,411
Shares issued in connection with stock option exercises, net of repurchases	3,954,721	—	18	—	—	18
Shares issued in connection with warrants exercises, net of shares withheld	456,764	—	—	—	—	—
Issuance of common stock in connection with Employee Share Purchase Plan	2,275,623	—	16	—	—	16
Issuance of common stock upon settlement of restricted stock units, net of shares withheld	15,999,321	—	(244)	—	—	(244)
Repurchase and retirement of Class A common stock	(10,356,110)	—	(257)	—	—	(257)
Change in other comprehensive income	—	—	—	2	—	2
Share-based compensation	—	—	330	—	—	330
Balance as of December 31, 2024	884,492,983	$ —	$ 12,008	$ (1)	$ (4,035)	$ 7,972

[1] The share amounts listed above combine Class A common stock and Class B common stock.

See Accompanying Notes to the Consolidated Financial Statements.

NOTE 1: DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Robinhood Markets, Inc. (“RHM” and, together with its subsidiaries, “Robinhood,” the “Company,” “we,” or “us”) was incorporated in the State of Delaware on November 22, 2013. Our most significant, wholly-owned subsidiaries are:

- Robinhood Financial LLC (“RHF”), a registered introducing broker-dealer;
- Robinhood Securities, LLC (“RHS”), a registered clearing broker-dealer;
- Robinhood Crypto, LLC (“RHC”), which provides users the ability to buy, sell, and transfer cryptocurrencies and is responsible for the custody of user cryptocurrencies held by users on our RHC platform;
- Robinhood Credit, Inc. (“Robinhood Credit”), which offers credit cards with certain rewards offerings; and
- Robinhood Derivatives, LLC (“RHD”), a registered non-clearing futures commission merchant and a swap firm for trading cleared swaps.

Acting as the agent of the user, we facilitate the purchase and sale of options, cryptocurrencies, and equities through our platforms by routing transactions through market makers, who are responsible for trade execution. Upon execution of a trade, users are legally required to purchase options, cryptocurrencies, or equities for cash from the transaction counterparty or to sell options, cryptocurrencies, or equities for cash to the transaction counterparty, depending on the transaction. We facilitate and confirm trades only when there are binding, matched legal obligations from the user and the market maker on both sides of the trade. Our users have ownership of the securities they transact on our platforms, including those that collateralize margin loans, and, as a result, such securities are not presented on our consolidated balance sheets, other than user-held fractional shares which are presented gross. Our users also have ownership of the cryptocurrencies they transact on our platforms (none of which are allowed to be purchased on margin and which do not serve as collateral for margin loans).

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with GAAP. The consolidated financial statements include the accounts of RHM and its wholly-owned direct and indirect subsidiaries. All intercompany balances and transactions have been eliminated.

Certain reclassifications have been made to prior year amounts to conform to the current year presentation. The impact of these reclassifications is immaterial to the presentation of the consolidated financial statements taken as a whole.

Use of Estimates

The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. We base our estimates on historical experience, and other assumptions we believe to be reasonable under the circumstances. Assumptions and estimates used in preparing our consolidated financial statements include, but are not limited to, those related to revenue recognition, SBC, the determination of allowances for credit losses, investment valuation, capitalization of internally developed software, useful lives of property, software, and equipment, valuation and useful lives

of intangible assets, valuation of reporting units in assessing goodwill for impairment, incremental borrowing rate used to calculate operating lease right-of-use assets and related liabilities, impairment of long-lived assets, uncertain tax positions, realizability of deferred tax assets, accrued and contingent liabilities. Actual results could differ from these estimates and could have a material adverse effect on our operating results.

Segment Information

Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and assess performance. Our CODM is our CEO and President, Vladimir Tenev. We operate and report financial information in one operating segment. This is because our CODM utilizes consolidated net income and company-wide key performance metrics (as defined in Part II, Item 7 of this Annual Report, "Key Performance Metrics") to allocate resources and determine performance. The measure of segment assets is not regularly presented to the CODM. Consolidated net income is also used by the CODM to monitor budgeted versus actual results. The monitoring of budgeted versus actual results is used by the CODM to assess performance of the business and in establishing company-wide's objectives and key results. Substantially all of our revenues and assets are attributed to or located in the United States. Significant segment expenses required to be disclosed as part of the segment disclosure of a single segment entity under Accounting Standards Codification ("ASC") 280 are presented throughout the consolidated financial statements including the consolidated statements of operations, consolidated statements of cash flows, and Note 5 - Revenues.

In August 2022, we announced a reorganization into a general manager ("GM") structure under which GMs have assumed broad responsibility for our individual businesses. Immediately after the GM reorganization, we began developing processes to enable us to produce sufficiently precise and timely business level financial information that did not exist within the enterprise resource planning system at the time of the announcement. GM level financial information is not currently shared with and used by the CODM to allocate resources and determine performance, and there are no plans to do so in the near future.

Revenue Recognition

Transaction-Based Revenues

We primarily earn transaction-based revenues from routing user orders for options, cryptocurrencies, and, equities to market makers when the performance obligation is satisfied, which is at the point in time when a routed order is executed by the market maker. The transaction price for options is on a per contract basis, while for equities it is primarily based on the bid-ask spread of the underlying trading activity. For cryptocurrencies, the transaction price is a fixed percentage of the notional order value. For each trade type, all market makers pay the same transaction price. Payments are collected monthly in arrears from each market maker.

Net Interest Revenues

Net interest revenues consist of interest revenues less interest expenses. We earn interest revenues on margin loans to users, segregated cash, cash equivalents, and securities, deposits with clearing organizations, corporate cash and investments, Cash Sweep, and carried customer credit card balances. We also earn and incur interest revenues and expenses on securities lending transactions. We incur interest expenses in connection with our revolving credit facilities and borrowings by the Credit Card Funding Trust.

Other Revenues

Other revenues primarily consists of Robinhood Gold subscription fees, which is a flat recurring rate. Subscription revenue is recognized ratably over the subscription period as the performance obligation is satisfied.

Other revenues also consist of proxy revenues, advertising revenues, and ACATS fees charged to users. We earn proxy revenue directly from issuers through Say Technologies, a wholly-owned subsidiary. Proxy services are made up of two performance obligations, (i) distribution of proxy materials to shareholders and (ii) collection, tallying, and reporting of shareholder response during a voting event. Revenue is recognized at a point in time upon satisfaction of these performance obligations.

Advertising revenue, generated from sales of advertising services on Sherwood Media is recognized as advertisements are delivered. ACATS fees are charged to users for facilitating the transfer of part or all of their accounts to another broker-dealer. We recognize revenue when our performance obligation of administering the transfer is satisfied.

Robinhood Match Incentives

We offer a match incentive on customers' eligible contributions to their retirement accounts and, from time to time, an incentive on other transfers of assets to our platform. The match on retirement contributions and asset transfers are paid upfront and are subject to forfeiture if the recipient does not hold the contributed funds or transferred assets in their account for a specified period of time. These incentives are deferred and recognized over the specified holding period.

For a limited time during 2024, we provided a match on eligible cash deposits made by Robinhood Gold subscribers. Matches on these cash deposits are paid out on a monthly basis ratably over the specified earning period. Future match payments are forfeited if deposits are not held on the platform over the specified earning period.

All match incentives are recognized as a reduction to revenue when earned. The matches are allocated to certain revenue categories on a proportional basis. For the years ended December 31, 2023, and 2024, no impairments of the deferred customer match incentive were recognized.

Concentrations of Revenue and Credit Risk

Concentrations of Revenue

We derived transaction-based revenues from individual market makers in excess of 10% of total revenues, as follows:

	Year Ended December 31,		
	2022	2023	2024
Market maker:			
Citadel Securities, LLC	16 %	12 %	12 %
Wintermute Trading Ltd	— %	2 %	10 %
All others individually less than 10%	43 %	26 %	34 %
Total as percentage of total revenue:	59 %	40 %	56 %

Concentrations of Credit Risk

We are engaged in various trading and brokerage activities in which the counterparties primarily include broker-dealers, banks, cryptocurrency market makers, and other financial institutions. In the event our counterparties do not fulfill their obligations, we may be exposed to risk. The risk of default depends

on the creditworthiness of the counterparty. Default of a counterparty in equities and options trades, which are facilitated through clearinghouses, would generally be spread among the clearinghouse's members rather than falling entirely on us. It is our policy to review, as necessary, the credit standing of each counterparty.

Operating Expenses

Brokerage and Transaction

Brokerage and transaction costs primarily consist of cash compensation and employee benefits, SBC, as well as allocated overhead for employees engaged in clearing and brokerage functions, market data expenses, expenses related to our instant withdrawals feature, fees paid to centralized clearinghouses and regulatory fees, customer statement-related costs, and other brokerage and transaction costs such as costs related to our Cash Sweep and securities lending programs. A large portion of our brokerage and transaction costs are variable and tied to trading and transaction volumes on our platforms. For the year ended December 31, 2022, brokerage and transaction costs included $ 57 million as a result of the Q4 2022 Processing Error (as defined in Note 16 - Commitments & Contingencies to our consolidated financial statements in this Annual Report).

Technology and Development

Technology and development costs primarily consist of costs incurred to support and improve our platforms and develop new products, costs associated with computer hardware and software, including amortization of internally developed software, and compensation and benefits, including SBC, for engineering, data science, and design personnel, as well as allocated overhead.

Operations

Operations costs consist of customer service related expenses, including cash compensation and employee benefits, SBC, as well as allocated overhead for employees engaged in customer support, and costs incurred to support and improve customer experience (such as third-party customer service vendors).

Provision for Credit Losses

The provision for credit losses consists of expected credit losses related to credit card and brokerage products. For credit card related, we have two types of provision for credit losses: i) one related to off-balance sheet credit card principal receivables, and ii) one related to on-balance sheet purchased credit card and interest receivables. Brokerage-related provision for credit losses primarily relates to unsecured balances of receivables from users due to Fraudulent Deposit Transactions and losses on margin lending.

Marketing

Marketing costs primarily consist of paid marketing channels such as digital marketing and brand marketing, as well as cash compensation, and employee benefits, SBC, and allocated overhead for employees engaged in the marketing function. Advertising costs are expensed as incurred and were $ 52 million, $ 74 million and $ 179 million in the years ended December 31, 2022, 2023, and 2024.

General and Administrative

General and administrative costs primarily consist of cash compensation and employee benefits, SBC, as well as allocated overhead for certain executives and employees engaged in legal, finance, human resources, risk, and compliance. General and administrative costs also include legal expenses, other professional fees, business insurance, and real estate charges including impairments on our operating leases and leasehold improvements, lease terminations, and settlements and penalties. For the

year ended December 31, 2023, general and administrative costs included a $ 485 million SBC charge related to the 2021 Founders Award Cancellation.

Employee Retirement Benefits

We offer a defined contribution 401(k) plan to full-time employees. Employees may elect to contribute to a traditional 401(k) plan, which qualifies as a deferred compensation arrangement under Section 401 of the Code. In this case, participating employees defer a portion of their pre-tax earnings. Employees may also contribute to a Roth 401(k) plan using post-tax dollars. We match employee contributions up to 3 %, and have incurred $ 14 million, $ 12 million, and $ 12 million of expense related to matching for the years ended December 31, 2022, 2023, and 2024.

Research and Development Costs

Research and development costs described in ASC 730, Research and Development, are expensed as incurred. Our research and development costs consist primarily of employee compensation and benefits for our engineering and research teams, including SBC. Research and development costs recorded in operating expenses under ASC 730 were $ 381 million, $ 349 million, and $ 323 million for the years ended December 31, 2022, 2023, and 2024.

Share-based Compensation

Common Stock Fair Value

The fair value of our common stock is determined on the grant date using the closing price of our common stock, which is traded on the Nasdaq Global Select Market.

Stock Options

We estimate the fair value of stock options granted to employees using the Black-Scholes option-pricing model. The fair value of stock options is recognized as compensation on a straight-line basis over the requisite service period. Forfeitures are accounted for when they occur.

The Black-Scholes option-pricing model incorporates various assumptions in estimating the fair value of stock-based awards. In addition to the fair value of our common stock, these variables include:

Expected volatility—As we do not have sufficient trading history of our common stock, we estimate the volatility of our common stock on the date of grant using the blended approach which considers the weighted average of historical stock price of our own stock and comparable publicly-traded companies over a period equal to the expected term of the award.

Expected term—We determine the expected term based on the average period the stock options are expected to remain outstanding using the simplified method, generally calculated as the midpoint of the stock options' vesting term and contractual expiration period, as we do not have sufficient historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior.

Risk-free interest rate—Based on the U.S. Treasury yield curve that corresponds with the expected term at the time of grant.

Expected dividend yield—We utilize a dividend yield of 0 % as we have not paid, and do not anticipate paying, dividends on our common stock.

Time-Based RSUs

We have granted time-based RSUs that vest upon the satisfaction of a time-based service condition ("Time-Based RSUs") and record SBC expense on a straight-line basis over the requisite service period, which is generally satisfied over one or four years . We have elected to account for forfeitures as they occur, with previously recognized SBC reversed in the period that the awards are forfeited.

Market-Based RSUs

We have granted RSUs that vest upon the satisfaction of all the following conditions: time-based service conditions, performance-based conditions, and market-based conditions. The time-based service condition for these awards is generally satisfied over six years . The performance-based conditions were satisfied upon the occurrence of an IPO. The market-based conditions are satisfied upon our achievement of specified share prices.

For market-based awards, we determined the grant-date fair value utilizing a Monte Carlo valuation model, which incorporates various assumptions including expected stock price volatility, expected term, risk-free interest rates, expected date of an IPO, and expected capital raise percentage. We estimated the expected term based on various vesting scenarios, as these awards were not considered "plain vanilla." We estimated the expected date of an IPO based on our expectation at the time of measurement of the award's value.

We recorded SBC expense for market-based equity awards on an accelerated attribution method over the requisite service period, and only if performance-based conditions are considered probable to be satisfied. We determined the requisite service period by comparing the derived service period to achieve the market-based condition and the explicit time-based service period, using the longer of the two service periods as the requisite service period. Upon the occurrence of our IPO in 2021, we recorded a cumulative one-time SBC expense determined using the grant-date fair values. Remaining SBC related to the Market-Based RSUs was fully recorded over the remaining derived requisite service period by December 31, 2024. Previously recognized SBC related to the Market-Based RSUs will not be reversed even if the specified share prices are not achieved.

Net Income (Loss) per Share

We present net income (loss) per share using the two-class method required for multiple classes of common stock. The rights, including the liquidation and dividend rights, of the holders of Class A common stock and Class B common stock are identical, except with respect to voting. As the liquidation and dividend rights are identical for Class A common stock and Class B common stock, the undistributed earnings are allocated on a proportionate basis and the resulting income (loss) per share will, therefore, be the same for both Class A common stock and Class B common stock on an individual or combined basis.

Basic earnings per share is computed by dividing net income available to our common stockholders, adjusted to exclude earnings allocated to participating securities, by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed on the basis of the weighted-average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period. The computation of the diluted earnings per share of Class A common stock assumes the conversion of our Class B common stock to Class A common stock, while the diluted EPS of Class B common stock does not assume the conversion of those shares to Class A common stock.

Cash and Cash Equivalents

Cash and cash equivalents include deposits with banks and money market funds or highly liquid financial instruments with maturities of three months or less at the time of purchase. We maintain cash in

bank accounts at financial institutions that exceed federally insured limits. We also maintain cash in money market funds which are not FDIC insured. We are subject to credit risk to the extent any financial institution with which we conduct business is unable to fulfill contractual obligations on our behalf. As we have not experienced any material losses in such accounts and we believe that we have placed our cash on deposit with financial institutions which are financially stable, we do not have an expectation of credit losses for these arrangements.

Cash, Cash Equivalents, and Securities Segregated Under Federal and Other Regulations

We are required to segregate cash, cash equivalents, and securities for the exclusive benefit of customers and proprietary accounts of brokers in accordance with the provision of Rule 15c3-3 under the Exchange Act. We continually review the credit quality of our counterparties and have not experienced a default. As a result, we do not have an expectation of credit losses for these arrangements. Segregated cash also includes certain customer funds for which we are an agent and custodian on behalf of our customers that are reflected on our consolidated balance sheets, and for which we follow statutory requirements to keep these funds segregated.

Restricted Cash

We are required to maintain restricted cash deposits to back letters of credit for certain property leases. We have no ability to draw on such funds as long as they remain restricted under the applicable agreements. Restricted cash also includes customers' credit card payments that we collect on behalf of other financial institutions that are pending remittance. Cash subject to restrictions that expire within one year is included in other current assets in our consolidated balance sheets. For the years ended December 31, 2023 and 2024, current restricted cash balances included in other current assets in our consolidated balance sheets were $ 46 million and $ 18 million. Cash subject to restrictions that exceed one year is included in other non-current assets in our consolidated balance sheets. For the years ended December 31, 2023 and 2024, non-current restricted cash balances were $ 17 million and $ 18 million.

Securities Borrowing and Lending

We operate a securities lending program under which shares that users have pledged to us to collateralize their margin borrowing are lent by us to third parties and a Fully-Paid Securities Lending program under which we borrow fully-paid shares from participating users and lend them to third parties. We also occasionally borrow securities from third parties for operational purposes, and we occasionally lend to third parties securities that we hold for our own account (such as our holdings to support fractional share operations).

When we lend securities to third parties, the borrower provides cash as collateral. We earn interest revenue on cash collateral deposited by borrowers, and we can also earn additional revenue for lending certain securities based on demand for those securities. For our Fully-Paid Securities Lending, portions of such revenues are paid to participating users, and those payments are recorded as interest expense.

When we borrow securities from users participating in the Fully-Paid Securities Lending program or from third parties, we provide cash as collateral and we record a receivable representing our right to the return of that collateral. The amount of that receivable is presented in "securities borrowed" on our consolidated balance sheets. In the case of our Fully-Paid Securities Lending program, the cash collateral is held by a third-party bank in a deposit account pledged to the user, which we administer as the user's agent. Users are not entitled to interest on such account, and any interest earned is for our benefit.

Our authorization from users to lend shares that collateralize their margin borrowing is found in our margin account agreement, our borrowing of fully-paid shares from users is conducted under the terms of our Fully-Paid Securities Lending program to which users consent when they enroll in that program, and

substantially all of our securities lending and borrowing transactions with third parties are conducted under terms based on an industry-standard master securities loan agreement ("MSLA"), which has an open contractual term and may be terminated upon notice by either party. We have also entered into fixed-term securities lending agreements with two financial institution counterparties (the "Fixed-Term Securities Lending Agreements"). One of these agreements has a contractual term of 30 days per lending transaction with a daily minimum commitment of $ 25 million and the other has a contractual term of 21 days per lending transaction with a daily minimum commitment of $ 35 million. Under these two agreements we lend to the counterparties (for a fixed term) securities that collateralize users' margin borrowing, and we obtain cash collateral from the counterparties that we use to provide liquidity support for our margin lending to users.

Each of the MSLAs and Fixed-Term Securities Lending Agreements establishes a master netting arrangement between the lender and the borrower. A master netting arrangement is an agreement between two counterparties that creates a right of set-off for amounts due to and from that same counterparty that is enforceable in the event of a default or bankruptcy. In connection with our securities borrowing and lending activities, however, our policy is to recognize all amounts that are subject to master netting arrangements on a gross basis in our consolidated balance sheets even though some of those amounts may be eligible for offset (i.e., to be presented on a net basis) under GAAP.

Cash Sweep

Our users may elect to participate in Cash Sweep, which allows them to earn interest on their uninvested brokerage cash. These balances are automatically swept to our partner banks, and are not reflected on the consolidated balance sheet.

Cryptocurrencies

We act as an agent in the cryptocurrency transactions that users initiate on our platforms. We have determined we are an agent, for accounting purposes, because we do not control the cryptocurrency before delivery to the user, we are not primarily responsible for the delivery of cryptocurrency to our users, we are not exposed to risks arising from fluctuations of the market price of cryptocurrency before delivery to the user, and we do not set the prices charged to users. After purchasing cryptocurrency on the platform, users are the legal owners of cryptocurrency held under custody by us and users have all the rights and benefits of ownership, including the rights to appreciation and depreciation of the cryptocurrency. We do not allow users to purchase cryptocurrency on margin and cryptocurrency does not serve as collateral for margin loans. We hold cryptocurrency in custody for users in one or more omnibus cryptocurrency wallets; we do not utilize third-party custodians. We hold cryptographic key information and maintain internal record keeping for the cryptocurrencies we hold in custody for users, and we are obligated to secure such assets from loss or theft. Based on the terms of our user agreement, the structure of our crypto offerings, and applicable law, and, although we have not obtained a formal legal opinion on this matter, after consultation with internal and external legal counsel, we believe the cryptocurrency we hold in custody for users of our platforms should be respected as users' property (and should not be available to satisfy the claims of our general creditors) in the event we were to enter bankruptcy. For additional information relating to platform bankruptcy generally, see Part I, Item 1A of this Annual Report, "Risk Factors—Risks Related to Cryptocurrency Products and Services—Cryptocurrency laws, regulations, and accounting standards are often difficult to interpret and are rapidly evolving in ways that are difficult to predict. Changes in these laws and regulations, or our failure to comply with them, could negatively impact cryptocurrency trading on our platform."

Investments

We invest in marketable debt securities and determine the classification at the time of purchase.

Available-for-sale investments are recorded at fair value. We have elected the fair value option for our available-for-sale investments as we believe carrying these investments at fair value and taking changes

in fair value through earnings best reflects their underlying economics. Fair value adjustments are presented in other (income) expense, net and interest earned on the debt securities as net interest revenues in our consolidated statements of operations.

Held-to-maturity investments are securities that we have both the ability and positive intent to hold until maturity and are recorded at amortized cost. Interest income is calculated using the effective interest method, adjusted for deferred fees or costs, premium, or discount existing at the date of purchase. Interest earned is included in net interest revenues in our consolidated statements of operations. We evaluate held-to-maturity investment for credit losses on a quarterly basis. We do not expect credit losses for our held-to-maturity investments that are obligations of states and political subdivisions and securities issued by U.S. government sponsored agencies. We monitor remaining securities by type and standard credit rating.

Fair Value of Financial Instruments

We apply fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, we may use various valuation approaches, including market, income and/or cost approaches. The fair value hierarchy requires us to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Fair value is a market-based measure considered from the perspective of a market participant. Accordingly, even when market assumptions are not readily available, our own assumptions reflect those that market participants would use in pricing the asset or liability at the measurement date. The fair value measurement accounting guidance describes the following three levels used to classify fair value measurements:

Level 1 Inputs: unadjusted quoted prices in active markets for identical assets or liabilities that are accessible by us

Level 2 Inputs: quoted prices for similar assets and liabilities in an active market, quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly

Level 3 Inputs: unobservable inputs that are significant to the fair value of the assets or liabilities

A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The carrying amounts of certain financial instruments approximate their fair value due to the short-term nature, which include cash and cash equivalents, cash segregated under federal and other regulations, receivables from brokers, dealers, and clearing organizations, receivables from users, net, deposits with clearing organizations, other current assets, accounts payable and accrued expenses, payable to users, securities loaned, and other current liabilities.

Credit Card Program

The Robinhood Credit Card program is funded under the Program Agreement between Robinhood Credit and Coastal Bank, where Coastal Bank is the legal lender and originator, the party to which the customer has a creditor-borrower relationship, and the legal owner of the receivables. Robinhood Credit is responsible for administering the credit card program on a mobile app, including, (i) setting customer credit limits within Coastal Bank’s underwriting standards, (ii) loan servicing, (iii) remitting collected principal from customers to Coastal Bank, and (iv) offering and maintaining the customer rewards program. Coastal Bank is responsible for (i) funding the customer credit, (ii) reporting customer credit activities, and (iii) holding customer receivables.

Under the Program Agreement, Robinhood Credit collects interest from customers that carry a balance and pays interest on the amount funded by Coastal Bank, with the difference between those

amounts resulting in net interest revenue. The interest collections and payments are indexed to the Federal Funds Rate and are settled monthly based on a notional of the outstanding principal balances at period end which are revolving with no fixed term. In addition, Robinhood Credit earns revenue from interchange fees from each credit card transaction. Robinhood Credit recognizes interchange revenue net of rewards paid to customers.

Under the terms of the Program Agreement, Robinhood Credit has the ability to purchase credit card receivables originated and held for a period of time by Coastal Bank. Prior to the purchase of the credit card receivables, the customer balances are off-balance sheet. Once purchased, the customer balances are shown on-balance sheet. Robinhood Credit continues to earn interest from customers and uses these purchased credit card receivables as collateral under a trust structure to access debt financing in the ordinary course of business. To help facilitate these transactions, we created a variable interest entity known as the Credit Card Funding Trust.

We have credit exposure related to outstanding principal balances of customer credit cards whether they are owned by Coastal Bank or the Credit Card Funding Trust. We guarantee payment to Coastal Bank in the event Coastal experiences a loss due to a failure by the customer to pay. Robinhood Credit is responsible to pay Coastal Bank customer balances that are ultimately charged off or deemed uncollectible, generally when balances become outstanding for over 180 days.

Robinhood Credit estimates the related allowance for credit card loss based on outstanding customer credit card principal balances and anticipated future customer payment rates based on past portfolio performance, both of which are unobservable inputs. The measurement of this allowance using this method approximates fair value.

Receivables From Brokers, Dealers, and Clearing Organizations

Receivables from brokers, dealers, and clearing organizations include receivables from market makers for routing user orders for execution and other receivables from third-party brokers. These receivables are short term and settle within 30 days. We continually review the credit quality of our counterparties and have not experienced a default. As a result, we do not have an expectation of credit losses for these arrangements.

Receivables From Users, Net

Receivables from users, net are primarily made up of margin receivables. Margin receivables are adequately collateralized by users' securities balances and are reported at their outstanding principal balance, net of an allowance for credit losses. We monitor margin levels and require users to deposit additional collateral, or reduce margin positions, to meet minimum collateral requirements and to avoid automatic liquidation of their positions.

We apply the practical expedient based on collateral maintenance provisions in estimating an allowance for credit losses for receivables from users. We have no expectation of credit losses for receivables from users that are fully secured, where the fair value of the collateral securing the balance is equal to or in excess of the receivable amount. This is based on our assessment of the nature of the collateral, potential future changes in collateral values, and historical credit loss information relating to fully secured receivables. In cases where the fair value of the collateral is less than the outstanding receivable balance from a user, we recognize an allowance for credit losses in the amount of the difference, or unsecured balance, immediately.

We write-off unsecured balances when the balance becomes outstanding for over 180 days or when we otherwise deem the balance to be uncollectible.

Receivables from users, net also consists of credit card receivables purchased from Coastal Bank. From time to time, purchased credit card receivables may be considered pledged under secured borrowings with Coastal Bank. As of December 31, 2024, none of the balance of the purchased credit card receivables was considered pledged. We record an allowance for credit losses related to purchased credit card principal balances receivable and credit card interest receivable from customers, shown as a reduction of receivables from users, net on the consolidated balance sheet. This represents management's estimate of expected credit losses from credit exposure over the remaining expected life of credit card receivables, and takes into account information from internal and external sources, including historical collection data, charge off trends by FICO cohort, and market data. We write-off balances outstanding over 180 days or when we otherwise deem the balance to be uncollectible. The accrual of interest revenue is suspended for aged credit card receivables past 90 days. Interest payments on such nonaccrual receivables are recorded as interest revenue on a cash basis. Once the balance is satisfied and brought current, the receivable returns to accrual status.

Deposits With Clearing Organizations

We are required to maintain collateral deposits with clearing organizations such as Depository Trust & Clearing Corporation and Options Clearing Corporation which allow us to use their security transactions services for trade comparison, clearance, and settlement. The clearing organizations establish financial requirements, including deposit requirements, to reduce their risk. The required level of deposits may fluctuate significantly from time to time based upon the nature, size of users' trading activity, and market volatility. As we have not experienced historic defaults, we do not have an expectation of credit losses for these arrangements.

Fractional Share Program

We operate our fractional share program for the benefit of our users and maintain an inventory of securities held exclusively for the fractional share program. This proprietary inventory is recorded within other current assets on our consolidated balance sheets.

When a user purchases a fractional share, we record the cash received for the user-held fractional share as pledged collateral and an offsetting liability to repurchase the shares as we concluded that we did not meet the criteria for derecognition under the accounting guidance. We measure our inventory of securities, user-held fractional shares and our repurchase obligation at fair value at each reporting period via the election of the fair value option, with realized and unrealized gains and losses recorded in brokerage and transaction expenses in our consolidated statement of operations. We do not earn revenue from our users when they purchase or sell fractional shares from us. We earn transaction-based revenue when shares are purchased from or routed to market makers to fulfill fractional share transactions.

Other Current Assets

Other current assets include USDC stablecoin assets owned by us that are considered financial assets, restricted cash subject to restrictions that expire within one year, other receivables, deferred costs of Robinhood Match Incentive Program (defined below), interest and dividends receivable, and securities owned by us used for the fractional share program.

Property, Software, and Equipment

Property, software, and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation and amortization is recorded on a straight-line basis over the useful life of the asset, which is as follows:

Property, Software, and Equipment	Useful Life
Computer equipment	3 years
Fixture and furniture	7 years
Leasehold improvements	Shorter of estimated useful life or lease term
Internally developed software	3 years

Repairs and maintenance that do not enhance or extend the asset's function and/or useful life are charged to expenses as incurred. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized.

Internally developed software is capitalized when preliminary development efforts are successfully completed and it is probable that the project will be completed and the software will be used as intended. Capitalized costs consist of SBC, salaries, and payroll related costs for employees, and fees paid to third-party consultants who are directly involved in development efforts. Capitalized costs are amortized over the estimated useful life of the software on a straight-line basis and included in technology and development in the consolidated statements of operations. We expense software development costs as they are incurred during the preliminary project stage.

Non-Marketable Equity Securities

Investments in non-marketable equity securities without readily determinable fair values are initially recorded at cost and are subsequently adjusted to fair value for impairments and price changes from observable transactions in the same or a similar security from the same issuer. Non-marketable equity securities are included in other non-current assets on the consolidated balance sheets and the related balances were not material for the periods presented.

Leases

We elected to apply the short-term lease measurement and recognition practical expedient to our leases where applicable, thus leases with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Operating lease right-of-use assets and operating lease liabilities are recognized at the present value of the future lease payments at the lease commencement date for each lease. The interest rate used to determine the present value of the future lease payments is our incremental borrowing rate because the interest rate implicit in most of our leases is not readily determinable. Our incremental borrowing rate is estimated to approximate the interest rate that we would pay to borrow on a collateralized basis with similar terms and payments as the lease. Operating lease right-of-use assets also include any prepaid lease payments and lease incentives. Our lease agreements generally contain lease and non-lease components. Non-lease components, which primarily include payments for maintenance and utilities, are combined with lease payments and accounted for as a single lease component. We include the fixed non-lease components in the determination of the right-of-use assets and operating lease liabilities. We record the amortization of the right-of-use asset and the accretion of lease liability as rent expense and allocate it as overhead in the consolidated statements of operations.

Variable Interest Entities

We evaluate our ownership, contractual and other interests in entities to determine if we have a variable interest in an entity. These evaluations are complex, involve judgment, and the use of estimates and assumptions based on available historical and prospective information, among other factors. If we determine that an entity for which we hold a contractual or ownership interest in is a variable interest entity ("VIE") and that we are the primary beneficiary, we consolidate such entity in the consolidated financial statements. The primary beneficiary of a VIE is the party that meets both of the following criteria: (1) has the power to make decisions that most significantly affect the economic performance of the VIE; and (2) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. We continuously monitor if any changes in the interest or relationship with the entity may impact the determination of whether we are still the primary beneficiary and require us to revise our previous conclusion.

Business Combinations and Asset Acquisitions

We account for acquisitions of entities or asset groups that qualify as businesses using the acquisition method of accounting. The purchase price of the acquisition is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the purchase price over those fair values is recorded as goodwill. During the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in the consolidated statements of operations.

Acquisitions that do not meet the definition of a business are accounted for as asset acquisitions. We allocate the cost of the acquisition, including direct and incremental transaction costs, to the individual assets acquired and liabilities assumed on a relative fair value basis. Goodwill is not recognized in an asset acquisition.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination and is allocated to reporting units expected to benefit from the business combination. We test goodwill for impairment at least annually in the fourth quarter or whenever events or changes in circumstances indicate that goodwill might be impaired. We evaluate our reporting units when changes in our operating structure occur, and if necessary, reassign goodwill using a relative fair value allocation approach. In testing for goodwill impairment, we first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if we conclude otherwise, we proceed to a quantitative assessment.

The quantitative assessment compares the estimated fair value of a reporting unit to its book value, including goodwill. If the fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. However, if the book value of a reporting unit exceeds its fair value, an impairment loss will be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

Intangible Assets, Net

Intangible assets are carried at cost and amortized on a straight-line basis over their estimated useful lives. We evaluate the remaining estimated useful life of its intangible assets being amortized on an ongoing basis to determine whether events and circumstances warrant a revision to the remaining period of amortization.

Impairment of Long-lived Assets

We evaluate the recoverability of long-lived assets, including property, software, and equipment, leases, and finite-lived intangible assets whenever events or circumstances indicate that the carrying amounts of such assets may not be recoverable compared to the undiscounted future net cash flows the assets are expected to generate. The impairment test is performed at the asset group level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. When the test results indicate that the carrying amount of long-lived assets is not recoverable, the carrying amount of such assets is reduced to fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values, and third–party independent appraisals, as considered necessary.

Payables to Users

Payables to users represent users' funds on deposit, and/or funds accruing to users as a result of settled trades and other security related transactions.

Loss Contingencies

We are subject to claims and lawsuits in the ordinary course of business, including arbitration, class actions and other litigation, some of which include claims for substantial or unspecified damages. We are also the subject of inquiries, investigations, and proceedings by regulatory and other governmental agencies. We review our lawsuits, regulatory inquiries and other legal proceedings on an ongoing basis and provide disclosures and record loss contingencies in accordance with the loss contingencies accounting guidance. We establish an accrual for losses at management's best estimate when we assess that it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. If the reasonable estimate is a range and no amount within that range is considered a better estimate than any other amount, an accrual is recorded based on the bottom amount of the range. Accrual for loss contingencies are recorded in accounts payable and accrued expenses on the consolidated balance sheets and expensed in general and administrative expenses in our consolidated statements of operations. We monitor these matters for developments that would affect the likelihood of a loss and the accrued amount, if any, and adjust the amount as appropriate.

Income Taxes

Income tax expense is an estimate of current income taxes payable in the current fiscal year based on reported income before income taxes. Deferred income taxes reflect the effect of temporary differences and carryforwards that we recognize for financial reporting and income tax purposes at enacted tax rates expected to be in effect when taxes are actually paid or recovered.

We account for income taxes under the asset and liability method, which requires recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that have been recognized in our consolidated financial statements, but have not been reflected in our taxable income. Deferred tax assets are evaluated for future realization and reduced by a valuation allowance to the extent we believe that they will not be realized. We consider many factors when assessing the likelihood of future realization of our deferred tax assets including, but not limited to, historical cumulative loss experience and expectations of future earnings, tax planning strategies, and the carry-forward

periods available for tax reporting purposes. Our judgment regarding future profitability may change due to many factors, including future market conditions and the ability to successfully execute business plans and/or tax planning strategies. Should there be a change in the ability to recover deferred tax assets, our tax provision would increase or decrease in the period in which the assessment is changed.

We recognize a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation, based on the technical merits. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized. We account for uncertain tax positions, including net interest and penalties, as a component of income tax expense or benefit. We make adjustments to these uncertain tax positions in accordance with applicable income tax guidance and based on changes in facts and circumstances. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made and could have a material impact to our consolidated financial statements and operating results.

Related Parties

We have defined related parties as members of our board of directors, executive officers, principal owners of our outstanding stock, and any immediate family members of each such related party, as well as any other person or entity with significant influence over our management or operations and any other affiliates. Related party transactions may include any transaction between entities under common control or with a related party.

NOTE 2: RECENT ACCOUNTING PRONOUNCEMENTS

Recently Adopted Accounting Pronouncements

In January 2025, the staff of the SEC issued SAB 122 which rescinded the SAB 121 requirement for entities that have obligations to safeguard users' crypto assets to recognize both a safeguarding liability and asset on the balance sheet measured at fair value of crypto in custody initially and at each subsequent reporting period. As permitted, we early adopted SAB 122 as part of the consolidated financial statements for the year ended December 31, 2024, with retrospective application for all comparative periods. As a result of our adoption of SAB 122, we derecognized both the asset captioned "Asset related to user cryptocurrencies safeguarding obligation" of $ 14.71 billion and $ 35.21 billion and liability captioned "User cryptocurrencies safeguarding obligation" of $ 14.71 billion and $ 35.21 billion as well as their related tax effects of $ 3.66 billion and $ 8.84 billion on our consolidated balance sheets as of December 31, 2023 and 2024. We also considered whether a liability representing anticipated losses from crypto assets which we hold in custody on behalf of users should be recognized under the ASC 450-20, *Loss Contingencies* framework. As of December 31, 2023 and 2024, the likelihood of loss from crypto assets which we held in custody on behalf of users was remote; as such, no liability was recorded on our consolidated balance sheets.

In November 2023, the FASB issued Accounting Standards Update 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." The amendments in guidance improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We adopted this guidance for our fiscal year ending December 31, 2024 and interim periods thereafter. For further information, refer to the Segment Information section in Note 1 - Description of Business and Summary of Significant Accounting Policies

Recently Issued Accounting Pronouncements Not Yet Adopted

In October 2023, the FASB issued Accounting Standards Update 2023-06, “Disclosure Improvements: Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative.” The amendments will impact various disclosure areas, including the statement of cash flows, accounting changes and error corrections, earnings per share, debt, equity, derivatives, and transfers of financial assets. The amendments in this guidance will be effective on the date the related disclosures are removed from Regulation S-X or Regulation S-K by the SEC, and will no longer be effective if the SEC has not removed the applicable disclosure requirement by June 30, 2027. Early adoption is prohibited. We are currently evaluating the impacts of the amendments on our consolidated financial statements.

In December 2023, the FASB issued Accounting Standards Update 2023-09, “Income taxes (Topic 740): Improvements to Income Taxes Disclosures.” This guidance requires annual disclosure of specific categories in the rate reconciliation and provides additional information for reconciling items that meet a quantitative threshold. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. We do not expect the adoption of this guidance to have a material impact on our consolidated financial statements and related disclosures.

In March 2024, the SEC adopted final rules under SEC Release No. 34-99678 and No. 33-11275, “The Enhancement and Standardization of Climate-Related Disclosures for Investors” (the “Final Rules”), which requires registrants to provide certain climate-related information in their registration statements and annual reports. The Final Rules require, among other things, disclosure in the notes to the audited financial statements of the effects of severe weather events and other natural conditions, subject to certain thresholds, as well as amounts related to carbon offsets and renewable energy credits or certificates in certain circumstances. The disclosure requirements of the Final Rules were to begin phasing in for annual periods beginning in fiscal year 2025. In April 2024, the SEC stayed the effectiveness of the Final Rules and the timing of the effectiveness of these disclosure requirements remain uncertain. We are currently monitoring the status of the Final Rules and evaluating the potential impact of the Final Rules.

In November 2024, the FASB issued Accounting Standards Update 2024-03, “Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40).” This guidance requires additional disclosures about certain amounts included in the expense captions presented on the statement of operations as well as disclosures about selling expenses. The guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The guidance can either be applied prospectively or retrospectively. We do not expect the adoption of this guidance to have a material impact on our consolidated financial statements and related disclosures.

NOTE 3: BUSINESS COMBINATIONS

Acquisition of X1

On July 3, 2023, we acquired all of the outstanding equity of X1 Inc. (“X1”), a U.S.-based company that offers a no-fee credit card with rewards on each purchase. The acquisition of X1 allows us to provide access to credit for our customers. In August 2023, X1 was renamed Robinhood Credit.

The acquisition date fair value of the consideration transferred for Robinhood Credit was $ 104 million, which was entirely paid in cash. The following table summarizes the fair value of assets acquired and liabilities assumed as of the date of acquisition:

In millions	Fair Value
Cash and cash equivalents	$ 14
Receivable from users, net	3
Prepaid expenses	1
Other current assets	48
Goodwill	72
Intangible assets	36
Accounts payable and accrued expenses	(44)
Other current liabilities	(25)
Other non-current liabilities	(1)
Net assets acquired	$ 104

The excess of purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill, which is not deductible for tax purposes. Goodwill is primarily attributed to the assembled workforce of Robinhood Credit and anticipated operational synergies. The fair values assigned to tangible and identifiable intangible assets acquired and liabilities assumed are based on management’s estimates and assumptions at the time of acquisition. The following table sets forth the components of identifiable intangible assets acquired and their estimated useful lives as of the date of acquisition:

(in millions, except years)	Fair Value	Useful Life
Developed technology	$ 25	4
Customer relationships	10	7
Trade names	1	1
Total	$ 36	

The overall weighted average useful life of the identified amortizable intangible assets acquired is 5 years. The estimated fair value of the intangible assets acquired approximate the amounts a market participant would pay for these intangible assets as of July 3, 2023. We used the replacement cost method to estimate the fair value of developed technology, and a multi-period excess earnings method was used to estimate the fair value of customer relationships.

Tangible net assets were valued at their respective carrying amounts as of the acquisition date, as these amounts approximated fair value. During the fourth quarter of 2023, we recorded a $ 7 million measurement period adjustment to accounts payable and accrued expenses with a corresponding increase to goodwill, and an adjustment to increase other current assets and other current liabilities by $ 25 million based on facts and circumstances as of the acquisition date.

Pro forma results of operations for Robinhood Credit have not been presented as the effect of this acquisition was not material.

Asset Acquisitions

On January 3, 2024, we acquired all outstanding stock of MNA Holdco LLC and its subsidiary Marex North America LLC ("Marex") and licenses held by Marex for approximately $ 3 million (net of cash acquired in the amount of $ 125 million), which was determined to be an asset acquisition. The license acquired was recognized as an indefinite-lived intangible asset.

Pending Acquisitions

In June 2024, we entered into an agreement to acquire all outstanding equity of Bitstamp, a globally-scaled cryptocurrency exchange with retail and institutional customers, for an aggregate consideration of approximately $ 200 million, subject to customary purchase price adjustments and payable in cash.

In November 2024, we entered into an agreement to acquire all outstanding equity of TradePMR, a custodial and portfolio management platform for registered investment advisors, for cash consideration of approximately $ 180 million and post-close equity compensation of approximately $ 120 million, for aggregate consideration and post-close compensation of approximately $ 300 million. The purchase consideration is subject to customary purchase price adjustments.

Both pending acquisitions are subject to customary closing conditions, including regulatory approvals, and are expected to close in the first half of 2025.

NOTE 4: GOODWILL AND INTANGIBLE ASSETS

Goodwill

The following table summarizes the carrying amount of goodwill:

	December 31,	
(in millions)	**2023**	**2024**
Beginning balance	$ 100	$ 175
Less: Accumulated impairment	—	—
Beginning balance, net	100	175
Additions due to business combinations [1]	68	4
Post-acquisition adjustments	7	—
Ending balance	$ 175	$ 179

[1] During the year ended December 31, 2023, substantially all of the additions related to the acquisition of Robinhood Credit as disclosed in Note 3 - Business Combinations, and the remainder related to other immaterial business acquisitions.

There was no impairment of goodwill for the years ended December 31, 2023 and 2024.

Intangible Assets

The following tables summarize the components of intangible assets:

	December 31, 2023			
(in millions, except years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted Average Remaining Useful Life - Years
Finite-lived intangible assets				
Developed technology	$ 48	$ (21)	$ 27	2.98
Customer relationships	23	(4)	19	7.04
Trade names	1	(1)	—	—
Indefinite-lived intangible assets	2	—	2	N/A
Total	$ 74	$ (26)	$ 48	

	December 31, 2024			
(in millions, except years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted Average Remaining Useful Life - Years
Finite-lived intangible assets				
Developed technology	$ 51	$ (33)	$ 18	2.63
Customer relationships	23	(13)	10	4.72
Indefinite-lived intangible assets	10	—	10	N/A
Total	$ 84	$ (46)	$ 38	

Amortization expense of intangible assets was $ 9 million, $ 14 million, and $ 20 million for the years ended December 31, 2022, 2023, and 2024. There was no impairment of intangible assets for the years ended December 31, 2023 and 2024.

As of December 31, 2024, the estimated future amortization expense of finite-lived intangible assets was as follows:

(in millions)	Finite-lived Intangible Assets
2025	$ 10
2026	8
2027	5
2028	2
2029	2
Thereafter	1
Total	$ 28

NOTE 5: REVENUES

Disaggregation of Revenues

The following table presents our revenues disaggregated by revenue source:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Transaction-based revenues:			
Options	$ 488	$ 505	$ 760
Cryptocurrencies	202	135	626
Equities	117	104	177
Other	7	41	84
Total transaction-based revenues	814	785	1,647
Net interest revenues:			
Margin interest	177	243	319
Interest on segregated cash, cash equivalents, securities, and deposits	57	210	261
Interest on corporate cash and investments	103	288	256
Cash Sweep	22	123	179
Securities lending, net	89	79	94
Credit card, net	—	9	24
Interest expenses related to credit facilities	(24)	(23)	(24)
Total net interest revenues	424	929	1,109
Other revenues:			
Gold subscription revenues	68	75	109
Proxy revenues	44	61	60
Other	8	15	26
Total other revenues	120	151	195
Total net revenues	$ 1,358	$ 1,865	$ 2,951

Fully-Paid Securities Lending

For our Fully-Paid Securities Lending program, we earn revenue for lending certain securities based on demand for those securities and portions of such revenues are paid to participating users, and those payments are recorded as interest expense. The program was launched during the three months ended June 30, 2022. The following table presents interest revenue earned and interest expense paid from Fully-Paid Securities Lending:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Interest revenue	$ 11	$ 44	$ 85
Interest expense	(2)	(7)	(13)
Fully-Paid Securities Lending, net	$ 9	$ 37	$ 72

Contract Balances

Contract receivables are recognized when we have an unconditional right to invoice and receive payment under a contract and are derecognized when cash is received. Transaction-based revenue receivables due from market makers are reported in receivables from brokers, dealers, and clearing organizations while other revenue receivables related to proxy revenues due from issuers are reported in other current assets on the consolidated balance sheets.

Contract liabilities, which primarily consist of unearned subscription revenue, are recognized when users remit cash payments in advance of the time we satisfy our performance obligations and are recorded as other current liabilities on the consolidated balance sheets.

The table below sets forth contract receivables and liabilities balances for the periods indicated:

	December 31, 2023	
(in millions)	**Contract Receivables**	**Contract Liabilities**
Beginning of the period, January 1, 2023	$ 60	$ 3
End of the period, December 31, 2023	87	4
Changes during the period	$ 27	$ 1

	December 31, 2024	
(in millions)	**Contract Receivables**	**Contract Liabilities**
Beginning of the period, January 1, 2024	$ 87	$ 4
End of the period, December 31, 2024	294	11
Changes during the period	$ 207	$ 7

The difference between the opening and ending balances of our contract receivables was primarily driven by higher transaction-based revenues due to increased trading volumes and timing differences between our performance and counterparties' payments. We recognized all revenue from amounts included in the opening contract liabilities balance for the year end December 31, 2024.

NOTE 6: RESTRUCTURING ACTIVITIES

April 2022 Restructuring

On April 26, 2022, we announced the April 2022 Restructuring as part of our efforts to improve efficiency and operating costs, increase our velocity, and ensure that we are responsive to the changing needs of our customers. The April 2022 Restructuring involved approximately 330 employees, representing approximately 9 % of our full-time employees at that time.

We allowed affected employees' share-based awards to continue vesting over a transitional period (generally two months during which they remained employed but were not expected to provide active service), which were generally accounted for as a modification allowing a portion of the awards to vest that otherwise would have been forfeited. However, as a result of the reversal of SBC expense that had been previously recognized (under the accelerated attribution method, generally), the April 2022 Restructuring resulted in a net reduction to SBC of $ 24 million, which was recognized in the second quarter of 2022 (refer to Note 13 - Common Stock and Stockholders' Equity, for more information).

In addition, we recognized $ 17 million of cash restructuring and related charges in the second quarter of 2022, which primarily consisted of employee-related wages, benefits, and severance expense. All of the restructuring charges relating to the April 2022 Restructuring had been paid in full in 2022.

August 2022 Restructuring

On August 2, 2022, we announced the August 2022 Restructuring, which involved approximately 780 employees, representing approximately 23 % of our full-time employees at the time, the planned closure of two offices, and related matters. These actions were part of a Company reorganization into a GM structure under which GMs have assumed broad responsibility for our individual businesses. As we continued to execute the August 2022 Restructuring, our lower headcount led us to evaluate our real estate portfolio. In the third quarter of 2022, we decided to partially or completely close five additional offices as part of the August 2022 Restructuring, four of which were not occupied.

In connection with the office closures describe above, we determined the carrying amount of the right-of-use assets and associated leasehold improvements exceeded their respective fair value, resulting in impairments of $ 30 million and $ 15 million. We utilized a probability-weighted approach and market estimates from a third-party real estate brokerage firm to project sublease income cash flows, net of brokerage commissions, for each of the office spaces and applied a market rate of return on similar assets as a discount factor to determine fair value. We attributed the impairments on a relative carrying value basis between the right-of-use assets and leasehold improvements. In addition, we accelerated depreciation of $ 9 million related to other fixed assets. The impairments were recognized in general and administrative expense on our consolidated statements of operations.

Similar to the April 2022 Restructuring, we allowed affected employees' share-based awards to continue vesting over a transitional period allowing a portion of the awards to vest that otherwise would have been forfeited. However, as a result of the reversal of SBC expense that had been previously recognized (under the accelerated attribution method, generally), the August 2022 Restructuring resulted in a net reduction to SBC of $ 53 million, which was recognized in the third quarter of 2022 (refer to Note 13 - Common Stock and Stockholders' Equity for more information).

In addition, we recognized $ 34 million of cash restructuring and related charges primarily related to employee-related wages, benefits, and severance expense. All of the restructuring charges relating to the August 2022 Restructuring had been paid in full in 2022.

NOTE 7: ALLOWANCE FOR CREDIT LOSSES

Allowance for Credit Losses - Brokerage Related

The following table summarizes the brokerage related allowance for credit losses as a reduction of receivables from users, net on the consolidated balance sheet:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Beginning balance	$ 40	$ 18	$ 15
Provision for credit losses	36	22	21
Write-offs	(58)	(25)	(23)
Recoveries	—	—	1
Ending Balance	$ 18	$ 15	$ 14

Allowance for Credit Losses - Credit Card Related

We have two types of allowance for credit losses related to credit cards: i) an allowance related to off-balance sheet credit card receivables, shown as part of accounts payable and accrued expenses on the consolidated balance sheet, and ii) an allowance related to purchased credit card receivables and interest receivable from customers, shown as a reduction of receivables from users, net on the consolidated balance sheet.

The following table summarizes the allowance related to off-balance sheet credit card receivables:

	Year Ended December 31,	
(in millions)	**2023**	**2024**
Beginning balance	$ —	$ 32
Opening balance from acquisition of Robinhood Credit	23	—
Provision for credit losses	19	40
Payments to Coastal Bank	(11)	(34)
Recoveries	1	2
Ending balance	$ 32	$ 40

The following table summarizes the allowance related to purchased credit card receivables and interest receivables from customers:

	Year Ended December 31,	
(in millions)	**2023**	**2024**
Beginning balance	$ —	$ 1
Provision for credit losses	2	15
Write-offs	(1)	(5)
Ending balance	$ 1	$ 11

The following tables present the aging analysis of our credit card receivables for the periods presented and the delinquency aging includes all past due principal on loans. Accrued interest receivable of $ 5 million and $ 3 million as of December 31, 2023 and 2024 were not included in the tables below.

(in millions)	December 31, 2023				
		Past due receivables			
	Current	<90 Days	≥ 90 days	Total Past due receivables	Total Receivables
On-balance sheet	$ —	$ —	$ —	$ —	$ —
Off-balance sheet	174	20	11	31	205
Total credit card loans	$ 174	$ 20	$ 11	$ 31	$ 205
% of Total loans	85 %	10 %	5 %	15 %	100 %

(in millions)	December 31, 2024				
		Past due receivables			
	Current	<90 Days	≥ 90 days	Total Past due receivables	Total Receivables
On-balance sheet	$ 186	$ 2	$ 1	$ 3	$ 189
Off-balance sheet	177	15	10	25	202
Total credit card loans	$ 363	$ 17	$ 11	$ 28	$ 391
% of Total loans	93 %	4 %	3 %	7 %	100 %

The risk in our credit card receivables portfolio correlates to broad economic trends as well as customers' financial condition. The key indicator we monitor when assessing the credit quality and risk is customers' credit scores as they measure the creditworthiness of customers. We use a national third-party provider to update FICO credit scores on a monthly basis. The updated scores are incorporated into a series of credit management reports, which are utilized to monitor risk. The table below presents our credit card receivables by our credit quality indicator, FICO score, including both on-balance sheet and off-balance sheet amounts, as of December 31, 2023 and December 31, 2024. We present our receivables by FICO scores.

	December 31,	
(in millions, except FICO scores)	2023	2024
Below 640	$ 55	$ 64
640-690	64	100
Greater than 690	86	227
Total credit card loans	$ 205	$ 391

NOTE 8: INVESTMENTS AND FAIR VALUE MEASUREMENT

Investments

Available-for-sale

As of December 31, 2023 and December 31, 2024, we had $ 500 million and $ 750 million of available-for-sale time deposits classified as cash equivalents on the consolidated balance sheets. These investments had a maturity of three months or less at the time of purchase, and an aggregate market value equal to amortized cost. Refer to *Fair Value of Financial Instruments* below for further details.

Held-to-maturity

The following tables summarize our held-to-maturity investments:

	December 31, 2023				
(in millions)	Amortized Cost	Allowance for Credit Losses	Unrealized Gains	Unrealized Losses	Fair Value
Debt securities:					
Corporate debt securities	$ 205	$ —	$ —	$ (1)	$ 204
U.S. Treasury securities	202	—	—	—	202
U.S. government agency securities	42	—	—	—	42
Certificates of deposit	34	—	—	—	34
Commercial paper	3	—	—	—	3
Total held-to-maturity investments	$ 486	$ —	$ —	$ (1)	$ 485

	December 31, 2024				
(in millions)	Amortized Cost	Allowance for Credit Losses	Unrealized Gains	Unrealized Losses	Fair Value
Debt securities:					
U.S. Treasury securities	$ 337	$ —	$ 1	$ —	$ 338
Corporate debt securities	51	—	—	—	51
U.S. government agency securities	10	—	—	—	10
Total held-to-maturity investments	$ 398	$ —	$ 1	$ —	$ 399

There were no sales of held-to-maturity investments during the year ended December 31, 2024.

The table below presents the amortized cost and fair value of held-to-maturity investments by contractual maturity:

	December 31, 2023		
(in millions)	Within 1 Year	1 to 2 Years	Total
Amortized cost			
Debt securities:			
Corporate debt securities	$ 153	$ 52	$ 205
U.S. Treasury securities	184	18	202
U.S. government agency securities	39	3	42
Certificates of deposit	34	—	34
Commercial paper	3	—	3
Total held-to-maturity investments	$ 413	$ 73	$ 486
Fair value			
Debt securities:			
Corporate debt securities	$ 152	$ 52	$ 204
U.S. Treasury securities	184	18	202
U.S. government agency securities	39	3	42
Certificates of deposit	34	—	34
Commercial paper	3	—	3
Total held-to-maturity investments	$ 412	$ 73	$ 485

	December 31, 2024		
(in millions)	Within 1 Year	1 to 2 Years	Total
Amortized cost			
Debt securities:			
U.S. Treasury securities	$ 337	$ —	$ 337
Corporate debt securities	51	—	51
U.S. government agency securities	10	—	10
Total held-to-maturity investments	$ 398	$ —	$ 398
Fair value			
Debt securities:			
U.S. Treasury securities	$ 338	$ —	$ 338
Corporate debt securities	51	—	51
U.S. government agency securities	10	—	10
Total held-to-maturity investments	$ 399	$ —	$ 399

Fair Value of Financial Instruments

Financial assets and liabilities measured at fair value on a recurring basis as of the date indicated below were presented on our consolidated balance sheets as follows:

	December 31, 2023			
(in millions)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Cash equivalents:				
Time deposits	$ —	$ 500	$ —	$ 500
Money market funds	146	—	—	146
Deposits with clearing organizations:				
U.S. Treasury securities[(1)]	50	—	—	50
Asset-backed securities				
Stablecoin	20	—	—	20
Equity securities - securities owned	10	—	—	10
Other non-current assets:				
Money market funds - escrow account	2	—	—	2
User-held fractional shares	1,592	—	—	1,592
Total financial assets	$ 1,820	$ 500	$ —	$ 2,320
Liabilities				
Fractional shares repurchase obligations	1,592	—	—	1,592
Total financial liabilities	$ 1,592	$ —	$ —	$ 1,592

(in millions)	December 31, 2024 Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents:				
Time deposits	$ —	$ 750	$ —	$ 750
Money market funds	53	—	—	53
Cash, cash equivalents, and securities segregated under federal and other regulations:				
U.S. Treasury securities	1,193	—	—	1,193
Other current assets:				
Stablecoin	361	—	—	361
Equity securities - securities owned	15	—	—	15
Other non-current assets:				
Money market funds - escrow account	2	—	—	2
User-held fractional shares	2,530	—	—	2,530
Total financial assets	$ 4,154	$ 750	$ —	$ 4,904
Liabilities				
Fractional shares repurchase obligations	2,530	—	—	2,530
Total financial liabilities	$ 2,530	$ —	$ —	$ 2,530

(1) As of December 31, 2023, U.S. Treasury securities were pledged to a clearing organization to meet margin requirements for our security lending program.

The fair value for certain financial instruments that are not required to be measured or reported at fair value was presented on our consolidated balance sheets as follows:

(in millions)	December 31, 2023 Level 1	Level 2	Level 3	Total
Assets				
Held-to-maturity investments:				
Corporate debt securities	$ —	$ 204	$ —	$ 204
U.S. Treasury securities	202	—	—	202
U.S. government agency securities	—	42	—	42
Certificates of deposit	—	34	—	34
Commercial paper	—	3	—	3
Total held-to-maturity investments	$ 202	$ 283	$ —	$ 485

(in millions)	December 31, 2024 Level 1	Level 2	Level 3	Total
Assets				
Held-to-maturity investments:				
U.S. Treasury securities	$ 338	$ —	$ —	$ 338
Corporate debt securities	—	51	—	51
U.S. government agency securities	—	10	—	10
Total held-to-maturity investments	$ 338	$ 61	$ —	$ 399

The fair values used for held-to-maturity investments are obtained from an independent pricing service and represent fair values determined by pricing models using a market approach that considers observable market data, such as interest rate volatility, relevant yield curves, credit spreads and prices from market makers and live trading systems. Management reviews the valuation methodology and quality controls utilized by the pricing services in management's overall assessment of the reasonableness of the fair values provided.

During the year ended December 31, 2024, we did not have any transfers in or out of Level 3 assets or liabilities.

NOTE 9: INCOME TAXES

The components of income (loss) before income taxes were as follows:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Domestic	$ (1,028)	$ (534)	$ 1,063
Foreign	1	1	1
Income (loss) before income taxes	$ (1,027)	$ (533)	$ 1,064

The components of the provision for (benefit from) income taxes were as follows:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Current:			
Federal	$ —	$ 5	$ 16
State	1	3	6
Foreign	—	—	—
Total current tax expense (benefit)	1	8	22
Deferred:			
Federal	—	—	(333)
State	—	—	(36)
Foreign	—	—	—
Total deferred tax expense (benefit)	—	—	(369)
Total provision for (benefit from) income taxes	$ 1	$ 8	$ (347)

The reconciliation of statutory federal income tax rate and our effective income tax rate was as follows (in percentages):

	Year Ended December 31,		
	2022	2023	2024
Federal tax benefit at statutory rate	21.0 %	21.0 %	21.0 %
State tax benefit, net of federal benefit	1.8	(1.9)	1.1
Share-based compensation	(12.3)	(29.7)	(3.5)
Research and development credits	3.6	5.6	(4.8)
Non-deductible regulatory settlements	(0.3)	(4.6)	(0.7)
Other	—	0.2	0.3
Change in valuation allowance	(13.9)	8.0	(46.0)
Effective tax rate	(0.1)%	(1.4)%	(32.6)%

Significant components of our deferred tax assets and liabilities consisted of the following:

	Year Ended December 31,	
(in millions)	2023	2024
Deferred tax assets:		
Research and experimentation expenditure amortization	151	248
Tax credit carryforwards	161	174
Lease liabilities	27	33
Net operating loss carryforwards	176	29
Share-based compensation	43	16
Accruals and other liabilities	17	16
Provision for credit losses	12	16
Other	26	31
Total deferred tax assets	$ 613	$ 563
Deferred tax liabilities:		
Deferred customer match incentives	(7)	(74)
Right of use assets	(17)	(24)
Depreciation and amortization	(14)	(6)
Total deferred tax liabilities	(38)	(104)
Valuation allowance	(574)	(88)
Net deferred tax assets	$ 1	$ 371

The reconciliation of the beginning and ending amount of the deferred tax asset valuation allowance was as follows:

	Year ended December 31,		
(in millions)	2022	2023	2024
Balance at beginning of period	$ 495	$ 607	$ 574
Charged/(credited) to net income	112	(34)	(486)
Charges utilized/(write-offs)	—	1	—
Balance at end of period	$ 607	$ 574	$ 88

The realization of tax benefits of net deferred assets is dependent upon future levels of taxable income, of an appropriate character, in the periods the items are expected to be deductible or taxable.

Based on our analysis of all positive and negative evidence available for the year ended December 31, 2024, having demonstrated sustained profitability which is objective and verifiable, and taking into account anticipated future earnings, we concluded it is more likely than not that our U.S. federal, and certain U.S. states net deferred tax assets will be realizable. Accordingly, we have recognized a non-recurring tax benefit of $ 506 million related to the valuation allowance release. In addition, we recognized deferred tax expense of $ 137 million for the portion of U.S. federal and certain U.S. states deferred tax assets benefited during the year, resulting in a net deferred tax benefit of $ 369 million for the year ended December 31, 2024.

We continue to maintain a valuation allowance for our California, and other certain other U.S. states and certain foreign net deferred tax assets, as we believe it is more likely than not that the tax benefits of these jurisdictions' net deferred tax assets may not be realized. The Company continues to maintain a valuation allowance against its Californian net deferred tax assets due to the uncertainty regarding realizability of these deferred tax assets as they have not met the "more likely than not" realization criteria, particularly as the Company expects research and development tax credit generation to exceed its ability to use the credits in future years. The valuation allowance for California, and other certain U.S. states and certain foreign net deferred tax assets increased by approximately $8 million for the year ended December 31, 2024.

As of December 31, 2024, we have $ 20 million of U.S. federal, $ 354 million of state, and $ 4 million of non-U.S. net operating loss carryforwards available to reduce future taxable income. Of the U.S. federal net operating loss carryforwards, $ 20 million will carryforward indefinitely. Our state net operating losses begin to expire in 2026, while our non-U.S. net operating losses do not expire. As of December 31, 2024, we have utilized federal and state net operating losses generated from tax years 2013 through 2022. We have U.S. federal tax credit carryforwards of $ 170 million that will begin to expire in 2041, if not utilized, and state tax credit carryforwards of $ 119 million that will begin to expire in 2025. As of December 31, 2024, we have utilized U.S. federal and state tax credits generated from tax years 2014 through 2021.

Utilization of the net operating loss and credit carryforwards may be subject to a substantial annual limitation due to the ownership change limitations provided by the Code, and similar state provisions. The annual limitation may result in the expiration of net operating losses and tax credits before utilization.

We had unrecognized tax benefits of approximately $ 98 million of which $ 65 million would affect our effective tax rate if recognized as of December 31, 2024. The remaining $ 33 million of unrecognized tax benefits would not impact the effective tax rate due to realizability of those deferred tax assets. As of December 31, 2023, we had $ 74 million of unrecognized tax benefits, which would not affect the effective tax rate due to realizability of those deferred tax assets. We record interest and penalties related to unrecognized tax benefits in income tax expenses. There were no interest or penalties accrued during the years ended December 31, 2023 and 2024.

The reconciliation of the beginning and ending amount of unrecognized tax benefits were as follows (in millions):

	Year Ended December 31,	
	2023	2024
Unrecognized benefit - beginning of period	$ 58	$ 74
Gross increases - current year tax positions	16	23
Gross increases - prior year tax positions	—	1
Gross decrease - prior year tax positions	—	—
Unrecognized benefit - end of period	$ 74	$ 98

We file in U.S. federal, various state, and foreign jurisdictions. The tax years from 2013 remain open to examination by the U.S. federal and state authorities, due to carryover of unused net operating losses and tax credits. The tax years from 2023 remain open for the most significant foreign jurisdiction.

NOTE 10: PROPERTY, SOFTWARE, AND EQUIPMENT, NET

Property, software, and equipment are presented net of accumulated depreciation and amortization and summarized as follows:

	Year Ended December 31,	
(in millions)	**2023**	**2024**
Internally developed software	$ 122	$ 171
Leasehold improvements	39	42
Computer equipment	27	28
Furniture and fixtures	13	13
Construction in progress	30	39
Total	231	293
Less: accumulated depreciation and amortization	(111)	(154)
Property, software, and equipment, net	$ 120	$ 139

Depreciation expense of property and equipment was $ 26 million, $ 16 million, and $ 14 million for the years ended December 31, 2022, 2023, and 2024.

Amortization expense of internally developed software was $ 26 million, $ 41 million, and $ 43 million for the years ended December 31, 2022, 2023, and 2024.

NOTE 11: SECURITIES BORROWING AND LENDING

Our securities lending transactions are subject to enforceable master netting arrangements with other broker-dealers; however, we do not net securities borrowing and lending transactions. Therefore, activity related to securities borrowing and lending activities are presented gross on our consolidated balance sheets.

When we borrow securities from users participating in the Fully-Paid Securities Lending program or from third parties, we provide cash collateral to our users and third parties, which is recorded on our consolidated balance sheets as “securities borrowed”, an asset, representing our rights to the return of that collateral. When we lend securities to third parties, we receive cash as collateral, which is recorded on our consolidated balance sheets as “securities loaned”, a liability, representing our obligation to return the collateral.

The following tables set forth certain balances related to our securities borrowing and lending activities:

(in millions)	December 31, 2023	2024
Assets	**Securities borrowed**	
Gross amount of cash collateral provided to users for securities borrowing transactions	$ 1,602	$ 3,236
Gross amount offset on the consolidated balance sheets	—	—
Amounts of assets presented on the consolidated balance sheets	1,602	3,236
Gross amount not offset on the consolidated balance sheets:		
Cash collateral provided to users and third parties for securities borrowing transactions	1,602	3,236
Fair value of securities borrowed from users and third parties	(1,536)	(3,118)
Net amount	$ 66	$ 118

Liabilities	**Securities loaned**	
Gross amount of cash collateral received from counterparties for securities lending transactions	$ 3,547	$ 7,463
Gross amount offset on the consolidated balance sheets	—	—
Amounts of liabilities presented on the consolidated balance sheets	3,547	7,463
Gross amount not offset on the consolidated balance sheets:		
Cash collateral received from counterparties for securities lending transactions	3,547	7,463
Fair value of securities pledged to counterparties	(3,188)	(6,887)
Net amount	$ 359	$ 576

As described in Note 1 - Description of Business and Summary of Significant Accounting Policies, we obtain securities on terms that permit us to pledge and/or transfer securities to others. As of December 31, 2023 and 2024, we were permitted to re-pledge securities with a fair value of $ 4.78 billion and $ 11.04 billion under margin account agreements with users, and securities with a fair value of an immaterial balance for fiscal year 2023 and 2024 that we borrowed under MSLAs with third parties. Under the Fully-Paid Securities Lending program, as of December 31, 2023 and 2024, we were permitted to borrow securities with a fair value of $ 14.03 billion and $ 38.70 billion including securities with a fair value of $ 1.54 billion and $ 3.12 billion that we had borrowed from users.

As of December 31, 2023 and 2024, we had re-pledged securities with a fair value of $ 3.19 billion and $ 6.89 billion, in each case under MSLAs and Fixed-Term Securities Lending Agreements with third parties. In addition, as of December 31, 2023 and 2024, we had re-pledged $ 676 million and $ 1.60 billion of the permitted amounts under the margin account agreements with clearing organizations to meet deposit requirements.

NOTE 12: FINANCING ACTIVITIES AND OFF-BALANCE SHEET RISK

Revolving Credit Facilities

RHM March 2024 Credit Agreement

On March 22, 2024, RHM entered into a second amended and restated credit agreement with a syndicate of banks (the “RHM March 2024 Credit Agreement”) amending and restating the unsecured revolving line of credit entered into in October 2019 and as thereafter amended. The RHM March 2024

Credit Agreement has an initial commitment of $ 750 million with a maturity date of March 22, 2027. Under circumstances described in the RHM March 2024 Credit Agreement, the aggregate commitments may be increased by up to $ 187.5 million, for a total commitment of up to $ 937.5 million. Borrowings under the RHM March 2024 Credit Agreement will bear interest at a rate per annum equal to the Alternate Base Rate or Adjusted Term Secured Overnight Financing Rate ("SOFR") plus an applicable margin rate of 1.50 %. For purposes of the RHM Credit Agreement, the Alternate Base Rate is the greatest of (i) the prime rate then in effect, (ii) the Federal Reserve Bank of New York rate then in effect plus 0.5 % and (iii) the Adjusted Term SOFR for a one month interest period plus 1.0 %. The Adjusted Term SOFR Rate is equal to the Term SOFR, published by the Term SOFR Administrator, plus the Term SOFR Adjustment. The Term SOFR Adjustment is 0.10 %. If the Adjusted Term SOFR Rate is less than the floor of 0.0 %, such rate shall be deemed to be equal to the floor. RHM is obligated to pay a commitment fee calculated at a per annum rate equal to 0.25 % on any unused amount of the RHM March 2024 Credit Agreement.

RHS March 2024 Credit Agreement

On March 22, 2024, RHS, our wholly-owned subsidiary, entered into the Third Amended and Restated Credit Agreement (the "RHS March 2024 Credit Agreement") among RHS, as borrower, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, amending and restating the $ 2.175 billion 364-day senior secured revolving credit facility entered into in March 2023.

The RHS March 2024 Credit Agreement provides for a 364-day senior secured revolving credit facility with a total commitment of $ 2.25 billion. Under circumstances described in the RHS March 2024 Credit Agreement, the aggregate commitments may be increased by up to $ 1.125 billion, for a total commitment of $ 3.375 billion. Borrowings under the credit facility must be specified to be Tranche A, Tranche B, Tranche C or a combination thereof. Tranche A loans are secured by users' securities purchased on margin and are used primarily to finance margin loans. Tranche B loans are secured by the right to the return from NSCC of NSCC margin deposits and cash and property in a designated collateral account and used for the purpose of satisfying NSCC deposit requirements. Tranche C loans are secured by the right to the return of eligible funds from any reserve account of the borrower and cash and property in a designated collateral account and used for the purpose of satisfying reserve requirements under Rule 15c3-3 of the Exchange Act.

Borrowings under the RHS March 2024 Credit Agreement will bear interest at a rate per annum equal to the greatest of (i) Daily Simple SOFR plus 0.10 % (as defined in the RHS March 2024 Credit Agreement), (ii) the Federal Funds Effective Rate (as defined in the RHS March 2024 Credit Agreement) and (iii) the Overnight Bank Funding Rate (as defined in the RHS March 2024 Credit Agreement), in each case, as of the day the loan is initiated, plus an applicable margin rate. The applicable margin rate is 1.25 % for Tranche A loans and 2.50 % for Tranche B and Tranche C loans. Undrawn commitments will accrue commitment fees at a rate per annum equal to 0.50 %.

The RHS March 2024 Credit Agreement requires RHS to maintain a minimum consolidated tangible net worth and a minimum excess net capital, and subjects RHS to a specified limit on minimum net capital to aggregate debit items. In addition, the RHS March 2024 Credit Agreement contains certain customary affirmative and negative covenants, including limitations with respect to debt, liens, fundamental changes, asset sales, restricted payments, investments and transactions with affiliates, subject to certain exceptions. Amounts due under the RHS March 2024 Credit Agreement may be accelerated upon an "event of default," as defined in the RHS March 2024 Credit Agreement, such as failure to pay amounts owed thereunder when due, breach of a covenant, material inaccuracy of a representation, or occurrence of bankruptcy or insolvency, subject in some cases to cure periods.

As of December 31, 2023 and December 31, 2024, there were no borrowings outstanding and we were in compliance with all covenants, as applicable, under our revolving credit facilities.

Credit Card Funding Trust

Under terms of the Coastal Bank Program Agreement (discussed below), Robinhood Credit has the ability to purchase credit card receivables originated and held for a period of time by Coastal Bank. Robinhood Credit continues to earn interest from customers and uses these purchased credit card receivables as collateral under a trust structure to access debt financing in the ordinary course of business. To help facilitate these transactions, we created a VIE known as the Credit Card Funding Trust (the “Trust”).

We are the primary beneficiary of the Trust as, through our role as the servicer and administrator, we have the power to direct the activities that most significantly affect the Trust’s economic performance and, due to owning all the equity interest in the Trust, have the right to receive benefits or the obligation to absorb losses. As such, we consolidate the Trust in the consolidated financial statements. Substantially all of the Trust’s assets and liabilities are the purchased credit card receivables, included in receivables from users, net, and the outstanding borrowing, included in other current liabilities, on the consolidated balance sheets.

Our exposure to losses in the Trust is limited to the carrying value of net assets held by the Trust, including expected credit losses related to the purchased credit card receivables (Refer to Note 7 - Allowance for Credit Losses). For the Trust, the creditors have no recourse to our general credit and the liabilities of the Trust can only be settled by the Trust’s assets. Additionally, the assets of the Trust can only be used to settle obligations of the Trust.

The credit card receivables of the Trust have risks and characteristics similar to other off-balance sheet credit card receivables owned by Coastal Bank and were underwritten to the same standard. Accordingly, the performance of these assets is expected to be similar to other comparable credit card receivables.

As of December 31, 2024, the Trust had two arrangements in place, one to borrow up $ 200 million from Barclays Bank (“Barclays”) and one to borrow up to $ 100 million from Silicon Valley Bank (“SVB”). Borrowings under the Barclays arrangement will mature November 2026 and bear interest at Barclays commercial paper rate plus 1.75 % during the revolving period and a higher fixed margin during the other periods. Borrowings under the SVB arrangement will mature in April 2025 and bear interest at an annual rate of SOFR plus 2.75 % for outstanding borrowings less than $ 50 million, and SOFR plus 2.50 % for outstanding borrowings greater than $ 50 million. The weighted average interest rate of the SVB and Barclays arrangements is 7.81 %. During the year ended December 31, 2024, we purchased $ 748 million of credit card receivables. As of December 31, 2024, the carrying value of purchased credit card receivables that had not been collected, net of provision for credit losses, was $ 179 million, and the outstanding balance of borrowing principal and interest was $ 131 million. There were no purchases of credit card receivables or borrowings under this arrangement for the year ended December 31, 2023. For the year ended December 31, 2024, the related interest revenue and expense of the Trust were immaterial .

Off-Balance Sheet Risk

Coastal Bank Program Agreement

Under the Program Agreement most recently amended in November 2023, Coastal Bank may fund up to $ 300 million of credit card receivables. Robinhood Credit pays Coastal Bank interest based on the average balance of advances during the month at the federal funds rate plus a margin of 3.75 % on the first $ 150 million and 3.00 % on such amounts in excess of $ 150 million.

The credit card receivables and the funding from Coastal Bank are off-balance sheet, considering Coastal Bank is the legal lender and originator, the party to which the customer has a creditor-borrower

relationship, and the legal owner of the receivables. As of December 31, 2024, the off-balance sheet credit card receivables funded under the Program Agreement was $ 202 million.

Transaction Settlement

In the normal course of business, we engage in activities involving settlement and financing of securities transactions. User securities transactions are recorded on a settlement date basis. Effective May 2024, the settlement date for equities has been shortened from two business days after the trade date to one business day after the trade date, while the settlement date for options remains unchanged at one business day after the trade date. These activities may expose us to off-balance sheet risk in the event that the other party to the transaction is unable to fulfill its contractual obligations. In such events, we may be required to purchase financial instruments at prevailing market prices in order to fulfill our obligations.

NOTE 13: COMMON STOCK AND STOCKHOLDERS' EQUITY

Preferred Stock

Pursuant to our Charter, our board of directors may issue shares of our preferred stock in one or more series and, subject to the applicable law of the State of Delaware, our board of directors may set the powers, rights, preferences, qualifications, limitations and restrictions of such preferred stock. As of December 31, 2024, no terms of the preferred stock were designated, and no shares of preferred stock were outstanding.

Common Stock

Voting Rights

We have three authorized classes of common stock: Class A, Class B, and Class C. Holders of our Class A common stock are entitled to one vote per share on all matters to be voted upon by our stockholders, holders of our Class B common stock are entitled to 10 votes per share on all matters to be voted upon by our stockholders and, except as otherwise required by applicable law, holders of our Class C common stock are not entitled to vote on any matter to be voted upon by our stockholders. The holders of our Class A common stock and Class B common stock vote together as a single class, unless otherwise required by our Charter or applicable law.

Conversion of Class B Common Stock

Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. All Class B common stock will automatically convert (as a class) into Class A common stock upon the earliest of (i) the date and time specified by the affirmative vote of the holders of at least 80 % of the then-outstanding shares of Class B common stock, voting separately as a class, (ii) the date fixed by our board of directors that is no less than 61 days and no more than 180 days following the date on which the number of then-outstanding shares of Class B common stock represents less than 5 % of the aggregate number of shares of Class A common stock and Class B common stock then outstanding, (iii) the date fixed by our board of directors that is no less than 61 days and no more than 180 days following the date that (A) each founder is no longer providing services to our Company as an officer, employee, or consultant and (B) each founder is not a director of our Company as a result of a voluntary resignation by such founder from our board of directors or as a result of a written request or agreement by such founder not to be renominated as a director of our Company at an annual or special meeting of stockholders, (iv) nine months after the death or total disability of both founders (subject to a delay of up to 18 months as may be approved by a majority of our independent directors), or (v) August 2, 2036, the date that is 15 years from the completion of our IPO.

Shares of Class B common stock will also automatically convert into shares of Class A common stock upon sale or transfer except for certain permitted transfers described in our Charter. In addition, each share of Class B common stock held by a stockholder who is a natural person, or held by permitted transferees or permitted entities of such natural person (each as described in our Charter) will automatically convert into shares of Class A common stock nine months following the death or total disability of such natural person (subject to a delay of up to 18 months as may be approved by a majority of our independent directors). Notwithstanding the foregoing, in the event such natural person is a founder, to the extent (i) a person designated by such founder and approved by a majority of the independent directors then in office or (ii) the other founder, in each case, has or shares voting control over the shares of Class B common stock held by the deceased or disabled founder, such shares will be treated as being held of record by such person or other founder and will not convert into shares of Class A common stock as a result of such founder's death or total disability.

Conversion of Class C Common Stock

Upon the conversion or exchange of all outstanding shares of our Class B common stock into shares of Class A common stock, each outstanding share of Class C common stock will convert automatically into one share of Class A common stock on the date or time fixed by our board of directors.

Dividend Rights

Subject to the rights of any holders of our preferred stock, the holders of our common stock will be entitled to receive ratable dividends, if any, as may be declared from time to time by our board of directors out of funds legally available for the payment of dividends.

Right to Receive Liquidation Distributions

If we liquidate, dissolve or wind up, after all liabilities and, if applicable, the holders of each series of our preferred stock have been paid in full, the holders of our common stock will be entitled to share ratably in all remaining assets.

No Preemptive or Similar Rights

Our common stock has no preemptive or conversion rights or other subscription rights. No redemption or sinking fund provisions are applicable to our common stock. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate and issue in the future.

Warrants

As of December 31, 2024, we had outstanding warrants with a strike price of $ 26.60 that can be exercised to purchase 12.87 million shares of Class A common stock. The warrants expire on February 12, 2031 and can be exercised with cash or net shares settled at the holder's option. As of December 31, 2024, 1.4 million warrants had been exercised via net settlement, resulting in 456,764 shares of Class A common stock issued, and the maximum purchase amount of all outstanding warrants was $ 342 million.

Share Repurchases

On August 30, 2023, we entered into a Share Purchase Agreement (the "Share Purchase Agreement") with the United States Marshal Service (the "USMS"), for and on behalf of the United States, pursuant to which we agreed to repurchase 55,273,469 shares of the Company's Class A common stock from the USMS for $ 10.96 per share. The transaction closed on August 31, 2023. We repurchased, and subsequently retired, all of the shares for an aggregate amount of $ 608 million, recorded entirely in additional paid-in capital on the consolidated balance sheet in absence of retained earnings, which included $ 2 million in transaction costs. In 2024, we paid $ 3 million in taxes related to the 1% excise tax

on net share repurchases as a result of the Inflation Reduction Act of 2022, which was also recorded in additional paid-in capital.

On May 28, 2024, we announced that our board of directors approved the Repurchase Program authorizing the Company to repurchase up to $ 1 billion of its outstanding Class A common stock. While the Repurchase Program does not have an expiration date, we continue to expect to complete over a period of two to three years . The timing and amount of repurchase transactions will be determined by us from time to time at our discretion based on our evaluation of market conditions, share price, and other factors. Repurchase transactions may be made using a variety of methods, such as open market share repurchases, including the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act, or other financial arrangements or transactions. The Repurchase Program does not obligate us to acquire any particular amount of Class A common stock and the Repurchase Program may be suspended or discontinued at any time at our discretion. All shares repurchased will be subsequently retired. As of December 31, 2024, we repurchased 10 million shares of our Class A common stock for $ 257 million.

Equity Incentive Plans

Amended and Restated 2013 Stock Plan and 2020 Equity Incentive Plan

Our Amended and Restated 2013 Stock Plan, as amended (the “2013 Plan”), and our 2020 Equity Incentive Plan, as amended (the “2020 Plan”), provided for share-based awards to eligible participants, granted as incentive stock options (“ISOs”), non-statutory stock options (“NSOs”), RSUs, stock appreciation rights (“SARs”) or restricted stock awards (“RSAs”). Our 2013 Plan was terminated in connection with adoption of our 2020 Plan, and our 2020 Plan was terminated in connection with the adoption of our 2021 Plan (defined below) but any awards outstanding under our 2013 Plan and 2020 Plan remain in effect in accordance with their terms. Any shares that were or otherwise would become available for grant under the 2013 Plan or 2020 Plan will be available for grant under the 2021 Plan. No new awards may be granted under our 2013 Plan or 2020 Plan.

2021 Omnibus Incentive Plan

Our 2021 Omnibus Incentive Plan (the “2021 Plan”) became effective on July 27, 2021, and provides for the grant of share-based awards (such as options, including ISOs and NSOs, SARs, RSAs, RSUs, performance units, and other equity-based awards) and cash-based awards. Under the 2021 Plan, options could be granted with an exercise price per share not less than the fair market value at the date of grant. Options granted generally vest over a four-year term from the date of grant, at a rate of 25 % after one year , then monthly on a straight-line basis thereafter. Generally, options granted are exercisable for up to ten years from the date of grant. RSUs granted mostly vest monthly on a straight-line basis and expire seven or ten years from the date of grant.

As of December 31, 2024, an aggregate of 448 million shares had been authorized for issuance under the 2013 Plan, 2020 Plan, and 2021 Plan, of which 151 million shares had been issued under the plans, 37 million shares were reserved for issuance upon the exercise or settlement of outstanding equity awards under the plans, and 260 million shares remained available for new grants under the 2021 Plan. On January 1, 2025, an additional 44.2 million shares became available for grant under the 2021 Plan pursuant to its annual evergreen feature.

Stock Option Activity

A summary of stock option activity for the year ended December 31, 2024 is as follows:

	Number of Shares	Weighted-Average Exercise Price	Weighted- Average Remaining Life	Total Intrinsic Value *(in millions)*
Balance at December 31, 2023	12,141,566	$ 4.78	3.76	$ 100
Granted during the period	—	—		
Exercised during the period	(3,954,721)	4.54		
Expired during the period	(55,184)	14.15		
Forfeited during the period	(288,107)	14.15		
Balance at December 31, 2024	7,843,554	$ 4.49	2.80	$ 257
Options vested and expected to vest at December 31, 2024	7,843,554	$ 4.49	2.80	$ 257
Options exercisable at December 31, 2024	7,278,423	$ 3.74	2.72	$ 244

The weighted-average grant date fair value of options granted during the years ended December 31, 2022 was $ 14.15 . No options were granted during 2023 nor 2024. The fair value of each stock option was estimated on the grant date using the Black-Scholes option pricing model with the following weighted-average assumptions:

	Year Ended December 31,		
	2022	2023	2024
Dividend yield	0 %	N/A	N/A
Risk-free interest rate	1.61 %	N/A	N/A
Expected volatility	40.72 %	N/A	N/A
Expected term (years)	4.61	N/A	N/A

The total intrinsic value of options exercised during 2022, 2023, and 2024 was $ 25 million, $ 20 million, and $ 74 million. The intrinsic value is calculated as the difference between the exercise price of the underlying stock option award and the market value of the stock at the time of exercise. The total grant date fair value of options that vested during 2023 and 2024 was $ 7 million and $ 3 million and was immaterial for 2022.

Time-Based RSUs

We have granted Time-Based RSUs that vest upon the satisfaction of a time-based service condition. The following table summarizes the activity related to our Time-Based RSUs for the year ended December 31, 2024:

	Number of RSUs	Weighted- average grant date fair value
Unvested at December 31, 2023	34,551,998	$ 14.99
Granted	17,313,464	17.81
Vested	(26,502,597)	16.56
Forfeited	(7,129,777)	15.44
Unvested at December 31, 2024	18,233,088	$ 15.20

The fair value of Time-Based RSUs vested during 2022, 2023, and 2024 was $ 542 million, $ 490 million and $ 439 million, respectively.

Market-Based RSUs

In 2019 and 2021, we granted Market-Based RSUs to our founders under which vesting is conditioned upon both the achievement of share price targets and the continued employment by each recipient over defined service periods. There were no Market-Based RSUs granted during 2022, 2023 or 2024.

In February 2023, we cancelled the 2021 Market-Based RSUs of 35.5 million unvested shares. We recognized $ 485 million SBC expense related to the cancellation during the year ended December 31, 2023, which was included in the general and administrative expense in our consolidated statements of operations. No further expense associated with these awards was recognized after the cancellation. No other payments, replacement equity awards or benefits were granted in connection with the cancellation.

The following table summarizes the activity related to our Market-Based RSUs for the year ended December 31, 2024:

	Eligible to Vest[1]	Not Eligible to Vest[2]	Total Number of RSUs	Weighted- average grant date fair value
Unvested at December 31, 2023	345,796	22,130,926	22,476,722	$ 25.67
Granted	—	—	—	—
Vested	(230,532)	—	(230,532)	2.34
Forfeited[3]	(115,264)	(11,065,463)	(11,180,727)	25.79
Unvested at December 31, 2024	—	11,065,463	11,065,463	$ 26.04

[1] Represents RSUs that became eligible to vest upon achievement of share price targets and vest upon satisfaction of time-based service requirements.

[2] Represents RSUs that have not yet become eligible to vest because share price targets have not yet been achieved.

[3] The 11 million forfeited shares reflects the impact of the resignation of our co-founder and former Chief Creative Officer during the first quarter of 2024.

The fair value of Market-Based RSUs that vested during 2022, 2023, and 2024 was $ 5 million,$ 5 million and $ 4 million.

2021 Employee Share Purchase Plan

Our ESPP became effective on July 27, 2021 and enables eligible employees to purchase shares of our common stock at a discount through payroll deductions of up to 15 % of their eligible compensation up to the statutory maximum. The purchase price is equal to 85 % of the fair market value of a share of our common stock on the first date of an offering or the date of purchase, whichever is lower. The ESPP has an automatic rollover feature, whereby employees begin a new 12-month offering period if the fair value of the Company's common stock on a purchase date is less than that on the original offering date.

The aggregate number of shares reserved for issuance under the ESPP will automatically increase on the first day of each calendar year beginning on January 1, 2022 and ending with (and including) January 1, 2031. Such annual increase will be equal to the lesser of (i) 1 % of the outstanding shares of all classes of our common stock on the last day of the immediately preceding calendar year and (ii) such number of shares determined by the board of directors. No more than 200 million shares of common stock may be issued under our ESPP.

In the year ended December 31, 2024, 2 million shares were purchased under the ESPP at a weighted-average price of $ 7.17 . The fair value of shares to be issued under our ESPP was estimated on the grant date using the Black-Scholes option pricing model. As of December 31, 2024, approximately 36.8 million shares remained available for issuance under the ESPP. On January 1, 2025, an additional 8.8 million shares became authorized for issuance under the ESPP pursuant to its annual evergreen feature.

Share-Based Compensation

The following table presents SBC in our consolidated statements of operations for the periods indicated:

	Year Ended December 31,		
(in millions)	**2022**	**2023**	**2024**
Brokerage and transaction	$ 5	$ 7	$ 9
Technology and development	212	211	192
Operations	8	8	7
Marketing	4	5	8
General and administrative	425	640	88
Total	$ 654	$ 871	$ 304

(1) For the year ended December 31, 2022 and 2023, SBC expense primarily consisted $ 314 million and $ 292 million related to Time-Based RSUs and $ 323 million and $ 567 million related to Market-Based RSUs. For year ended 2024, SBC expense primarily consisted of $ 300 million related to Time-Based RSUs and negative $ 8 million related to Market-Based RSUs, as a portion of the Market-Based RSUs became fully vested in prior periods and was net of an $ 11 million reversal of previously recognized expense related to unvested awards that were forfeited upon the resignation of our co-founder and former Chief Creative Officer during the first quarter of 2024.

The tax benefits recognized in the consolidated statements of operations for SBC were $ 154 million and $ 73 million for year ended December 31, 2024 and December 31, 2023 and were no t material during the year ended December 31, 2022.

We have capitalized SBC expense related to internally developed software of $ 28 million, $ 17 million, and $ 26 million for years 2022, 2023, and 2024.

The April 2022 Restructuring and the August 2022 Restructuring resulted in net reductions of $ 24 million and $ 53 million in SBC expense, respectively. Both reductions were substantially related to Time-Based RSUs. The net reductions were primarily recognized in technology and development expense, $ 16 million and $ 22 million, and general and administrative expense, $ 6 million and $ 28 million.

As of December 31, 2024, there was $ 230 million of unrecognized SBC expense that is expected to be recognized over a weighted-average period of 0.86 years.

NOTE 14: NET INCOME (LOSS) PER SHARE

The following table presents the calculation of basic and diluted income (loss) per share:

	Year Ended December 31,					
(in millions, except share and per share data)	2022		2023		2024	
	Class A	Class B	Class A	Class B	Class A	Class B
Basic EPS:						
Numerator						
Net income (loss)	$ (878)	$ (150)	$ (465)	$ (76)	$ 1,214	$ 197
Net income (loss) attributable to common stockholders	$ (878)	$ (150)	$ (465)	$ (76)	$ 1,214	$ 197
Denominator						
Weighted-average common shares outstanding - basic	750,681,627	127,948,397	763,580,698	127,276,961	758,213,055	122,900,101
Basic EPS	$ (1.17)	$ (1.17)	$ (0.61)	$ (0.61)	$ 1.60	$ 1.60
Diluted EPS:						
Numerator						
Net income (loss)	$ (878)	$ (150)	$ (465)	$ (76)	$ 1,214	$ 197
Reallocation of net income as a result of conversion of Class B to Class A common stock	—	—	—	—	197	—
Reallocation of net income to Class B common stock	—	—	—	—	—	$ (5)
Net income (loss) for diluted EPS	$ (878)	$ (150)	$ (465)	$ (76)	$ 1,411	$ 192
Denominator						
Weighted-average common shares outstanding - basic	750,681,627	127,948,397	763,580,698	127,276,961	758,213,055	122,900,101
Dilutive effect of stock options and unvested shares	—	—	—	—	25,058,348	—
Conversion of Class B to Class A common stock	—	—	—	—	122,900,101	—
Weighted-average common shares outstanding - diluted	750,681,627	127,948,397	763,580,698	127,276,961	906,171,504	122,900,101
Diluted EPS	$ (1.17)	$ (1.17)	$ (0.61)	$ (0.61)	$ 1.56	$ 1.56

The following potential common shares were excluded from the calculation of diluted net income (loss) per share because their effect would have been anti-dilutive or issuance of such shares is contingent upon the satisfaction of certain conditions that were not satisfied by the end of the period:

	Year Ended December 31,		
	2022	2023	2024
Time-Based RSUs	56,156,677	34,625,253	828,224
Market-Based RSUs	58,457,784	22,476,722	11,065,463
Stock options	15,226,096	12,141,566	—
Warrants	14,278,034	14,278,034	12,868,262
ESPP	364,427	305,692	—
Total anti-dilutive securities	144,483,018	83,827,267	24,761,949

NOTE 15: LEASES

Our operating leases are comprised of office facilities, with the most significant leases relating to our corporate headquarters in Menlo Park, CA and our office in New York City, NY. Our leases have remaining terms of one year to eight years , and many leases include one or more options to renew. We do not assume renewals in our determination of the lease term unless the renewals are deemed to be reasonably assured at lease commencement. We do not have any finance leases. Refer to Note 6 - Restructuring Activities, for further information relating to impacts on leases due to the April and August 2022 Restructurings.

Lease assets and liabilities recognized on our consolidated balance sheets were as follows:

		December 31,	
(in millions)	Classification	2023	2024
Lease right-of-use assets			
Operating lease assets	Other non-current assets	$ 68	$ 94
Lease liabilities			
Current operating lease liabilities	Other current liabilities	20	21
Non-current operating lease liabilities	Other non-current liabilities	89	110
Total lease liabilities		$ 109	$ 131

Fixed operating lease costs primarily consist of monthly base rent amounts due. Variable operating lease costs primarily relate to common area maintenance, property taxes, insurance, and other operating expenses. The components of lease expense were as follows:

	Year Ended December 31,		
(in millions)	2022	2023	2024
Fixed operating lease costs	$ 33	$ 21	$ 22
Variable operating lease costs	7	7	8
Short-term lease costs	—	1	1
Sublease income	—	(3)	(6)
Total lease costs	$ 40	$ 26	$ 25

Other information related to our operating leases was as follows:

	December 31,	
	2023	2024
Weighted-average remaining lease term	6.57 years	6.86 years
Weighted-average discount rate	7.24 %	6.92 %

Cash flows related to leases were as follows:

	Year Ended December 31,		
(in millions)	2022	2023	2024
Operating cash flows:			
Payments for operating lease liabilities	$ 23	$ 39	$ 28
Supplemental cash flow data:			
Lease liabilities arising from obtaining right-of-use assets [1]	$ 32	$ (8)	$ 42

[1] For the year ended December 31, 2022, lease liabilities arising from obtaining right-of-use assets primarily related to initial recognition of new leases. For the year ended December 31, 2023, lease liabilities arising from obtaining right-of-use assets primarily related to a lease modification, partially offset by remeasurements resulting from reassessments of existing lease terms. For the year ended December 31, 2024, lease liabilities arising from obtaining right-of-use assets primarily related to initial recognition of new leases and lease extensions.

Future minimum lease payments under non-cancellable operating leases (with initial lease terms in excess of one year) as of December 31, 2024 are as follows:

(in millions)	
2025	$ 29
2026	27
2027	25
2028	25
2029	23
Thereafter	60
Total undiscounted lease payments	189
Less: imputed interest	(38)
Less: lease incentives	(14)
Less: leases executed but not yet commenced	(6)
Total lease liabilities	$ 131

NOTE 16: COMMITMENTS & CONTINGENCIES

We are subject to contingencies arising in the ordinary course of our business, including contingencies related to legal, regulatory, non-income tax and other matters. We record an accrual for loss contingencies at management's best estimate when we determine that it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. If the reasonable estimate is a range and no amount within that range is considered a better estimate than any other amount, an accrual is recorded based on the bottom amount of the range. If a loss is not probable, or a probable loss cannot be reasonably estimated, no accrual is recorded. Amounts accrued for contingencies in the aggregate were $ 190 million and $ 128 million as of December 31, 2023 and 2024. In our opinion, an adequate

accrual had been made as of each such date to provide for the probable losses of which we are aware and for which we can reasonably estimate an amount.

Legal and Regulatory Matters

The securities industry, and many other industries in which we operate, are highly regulated and many aspects of our business involve substantial risk of liability. In past years, there has been an increase in litigation and regulatory investigations involving the brokerage, cryptocurrency, derivatives, and credit card industries. Litigation has included and may in the future include class action suits that generally seek substantial and, in some cases, punitive damages. Federal and state regulators, exchanges, other SROs, or international regulators investigate issues related to regulatory compliance that may result in enforcement action. We are also subject to periodic regulatory audits and inspections that have in the past and could in the future lead to enforcement investigations or actions.

We have been named as a defendant in lawsuits and from time to time we have been threatened with, or named as a defendant in arbitrations and administrative proceedings. The outcomes of these matters are inherently uncertain and some may result in adverse judgments or awards, including penalties, injunctions, or other relief, and we may also determine to settle a matter because of the uncertainty and risks of litigation.

With respect to matters discussed below, we believe, based on current knowledge, that any losses (in excess of amounts accrued, if applicable) as of December 31, 2024 that are reasonably possible and can be reasonably estimated will not, in the aggregate, have a material adverse effect on our business, financial position, operating results, or cash flows. However, for many of the matters disclosed below, particularly those in early stages, we cannot reasonably estimate the reasonably possible loss (or range of loss), if any. In addition, the ultimate outcome of legal proceedings involves judgments and inherent uncertainties and cannot be predicted with certainty. Any judgment entered against us, or any adverse settlement, could materially and adversely impact our business, financial condition, operating results, and cash flows. We might also incur substantial legal fees, which are expensed as incurred, in defending against legal and regulatory claims.

Described below are certain pending matters in which there is at least a reasonable possibility that a material loss could be incurred. We intend to continue to defend these matters vigorously.

Best Execution, Payment for Order Flow, and Sources of Revenue Civil Litigation

Beginning in December 2020, multiple putative securities fraud class action lawsuits were filed against RHM, RHF, and RHS. Five cases were consolidated in the United States District Court for the Northern District of California. An amended consolidated complaint was filed in May 2021, alleging violations of Section 10(b) of the Exchange Act and various state law causes of action based on claims that we violated the duty of best execution and misled putative class members by publishing misleading statements and omissions in customer communications relating to the execution of trades and revenue sources (including PFOF). Plaintiffs seek unspecified monetary damages, restitution, disgorgement, and other relief. In February 2022, the court granted Robinhood's motion to dismiss the amended consolidated complaint without prejudice. In March 2022, plaintiffs filed a second consolidated amended complaint, alleging only violations of Section 10(b) of the Exchange Act, which Robinhood moved to dismiss. In October 2022, the court granted Robinhood's motion in part and denied it in part. In November 2022, Robinhood filed a motion for judgment on the pleadings, which the court denied in January 2023. In March 2024, Plaintiffs filed a motion for class certification, which Robinhood opposed. In October 2024, the court denied class certification without prejudice. Plaintiffs filed a renewed motion for class certification in January 2025, which Robinhood is opposing.

State Regulatory Matters

The New York Attorney General is conducting an investigation into brokerage execution quality and collaring the prices of certain trade orders. The MSD is examining RHF's customer complaint supervision, the disruptions experienced by BOATS during the Robinhood 24 Hour Market overnight trading session on August 4-5, 2024, and the offering of presidential election event contracts. We are cooperating with these investigations.

SEC Settlement

On January 13, 2025, as part of the January 2025 SEC Settlement, RHF and RHS resolved the SEC's investigations concerning Regulation SHO, Electronic Blue Sheets requests, account takeovers, anti-money laundering compliance and cybersecurity issues, including the data security incident we experienced in November 2021 when an unauthorized third-party socially engineered a customer support employee by phone and obtained access to certain customer support systems (the "November 2021 Data Security Incident"), and various brokerage recordkeeping issues, including off-channel communications. RHF and RHS paid penalties totaling $ 45 million for these violations, were censured, and agreed to certain undertakings. The settlement related to (i) RHS's failures to comply with various provisions of Regulation SHO in connection with its stock lending and fractional trading programs from May 2019 until March 2020 and December 2019 until December 2023, respectively; (ii) RHS's failures to submit complete and accurate electronic blue sheet data in response to SEC staff Electronic Blue Sheet requests from at least October 2018 through April 2024; (iii) RHF and RHS's untimely filing of suspicious activity reports from January 2020 through March 2022; (iv) RHF and RHS's failure to implement adequate policies and procedures designed to detect, prevent, and mitigate identity theft in connection with customer accounts from April 2019 through June 2022 in violation of Regulation S-ID; (v) RHF and RHS's failure to adequately address known risks posed by a vulnerability related to remote access to our systems from at least June 28, 2021 through November 3, 2021 in violation of Regulation S-P; and (vi) RHF and RHS's failures to maintain and preserve (a) off-channel brokerage communications sent or received by employees from at least 2019 through 2022, (b) core operational databases in a manner required by regulation or for the required length of time between December 2020 and December 2023, and (c) certain customer communications between 2020 and March 2021 due to our third-party archiving vendor's ingestion limits being exceeded.

Brokerage Enforcement Matters

FINRA Enforcement and Examination staff are conducting investigations related to, among other things, RHS's reporting of fractional share trades, as applicable, to a Trade Reporting Facility, the Over-the-Counter Reporting Facility, the Order Audit Trail System, and the Consolidated Audit Trail; RHS's reporting of accounts holding significant options positions to the Large Option Position Report system; processing of certain requests for transfers of assets from Robinhood through ACATS; responses to Electronic Blue Sheets requests from FINRA; the delays in notification from third parties and process failures within our brokerage systems and operations in connection with the handling of a 1-for-25 reverse stock split transaction of Cosmo Health, Inc, in December 2022 (the "Q4 2022 Processing Error"); RHF's and RHS's compliance with FINRA registration requirements for member personnel; marketing involving social media influencers and affiliates; collaring the prices of certain trade orders; RHS's and RHF's compliance with best execution obligations; RHS's compliance with FINRA Rules 6190, 5260 and 6121; RHF's compliance with regulations governing the delivery of required documents; matters related to RHS's and RHF's supervision of technology; origin code reporting; short interest reporting; customer complaint supervision and restriction issues; the disruptions experienced by BOATS during the Robinhood 24 Hour Market overnight trading session on August 4-5, 2024; account takeovers (i.e., circumstances under which an unauthorized actor successfully logs into a customer account), anti-money laundering compliance and cybersecurity issues; and the Early 2021 Trading Restrictions (as defined below) and employee trading issues as described more fully below. We are in advanced discussions with FINRA to resolve the majority of these matters. There can be no assurances that these discussions will lead to resolution of the investigations and examinations.

In December 2024 and January 2025, FINRA advised us in writing that it had closed the previously disclosed examinations and investigations into compliance with Rule 3210, Regulation SHO, and recordkeeping, including off-channel communications.

The FDIC is investigating issues related to compliance with the Electronic Funds Transfer Act ("EFTA"). On January 13, 2025, the SEC advised us in writing that it had closed the previously disclosed investigation into the broker-dealers' compliance with the EFTA.

Robinhood Crypto Matters

RHC received subpoenas from the California Attorney General's Office (the "CAGO") seeking information about, among other things, RHC's trading platform, business and operations, custody of customer assets, customer disclosures, and coin listings. On August 31, 2024, RHC reached a settlement with the CAGO to resolve this matter for which we paid $ 3.9 million. The settlement related to certain disclosures by RHC and delivery of customers' cryptocurrency assets under California Corporations Code Sections 29520 and 29505 during the period January 2018 through April 2022.

RHC also has received investigative subpoenas from the SEC regarding, among other topics, RHC's cryptocurrency listings, custody of cryptocurrencies, and platform operations. RHC is cooperating with this investigation. On May 4, 2024, RHC received a "Wells Notice" (the "May 2024 Wells Notice") from the SEC Staff stating that the SEC Staff has advised RHC that it made a "preliminary determination" to recommend that the SEC file an enforcement action against RHC alleging violations of Sections 15(a) and 17A of the Exchange Act. The potential action may involve a civil injunctive action, public administrative proceeding, and/or a cease-and-desist proceeding and may seek remedies that include an injunction, a cease-and-desist order, disgorgement, pre-judgment interest, civil money penalties, and censure, revocation, and limitations on activities.

Text Message Litigation

In August 2021, Cooper Moore filed a putative class action against RHF alleging that RHF initiated or assisted in the transmission of commercial electronic text messages to Washington State residents without their consent in violation of Washington state law. The complaint sought unspecified total statutory and treble monetary damages, injunctive relief, and attorneys' fees and costs. In July 2024, the court granted final approval of a $ 9 million settlement.

Early 2021 Trading Restrictions Matters

Beginning on January 28, 2021, due to increased deposit requirements imposed on RHS by the NSCC in response to unprecedented market volatility, particularly in certain securities, RHS temporarily restricted or limited its customers' purchase of certain securities, including GameStop Corp. and AMC Entertainment Holdings, Inc., on our U.S. trading platform (the "Early 2021 Trading Restrictions").

A number of individual and putative class actions related to the Early 2021 Trading Restrictions were filed against RHM, RHF, and RHS, among others, in various federal and state courts. In April 2021, the Judicial Panel on Multidistrict Litigation entered an order centralizing the federal cases identified in a motion to transfer and coordinate or consolidate the actions filed in connection with the Early 2021 Trading Restrictions in the United States District Court for the Southern District of Florida. The court subsequently divided plaintiffs' claims against Robinhood into three tranches: federal antitrust claims, federal securities law claims, and state law claims.

In January 2022, the court dismissed the state law claims with prejudice. In August 2023, the United States Court of Appeals for the Eleventh Circuit affirmed the district court's order.

In May 2022, the court dismissed the federal antitrust claims with prejudice. In June 2024, the United States Court of Appeals for the Eleventh Circuit affirmed the district court's order.

In November 2021, plaintiffs for the federal securities tranche filed a complaint alleging violations of Sections 9(a) and 10(b) of the Exchange Act. The complaint seeks unspecified monetary damages, costs and expenses, and other relief. In January 2022, we moved to dismiss the federal securities law complaint. In August 2022, the court granted in part and denied in part Robinhood's motion to dismiss. In November 2023, the court denied Plaintiffs' motion for class certification without prejudice. In April 2024, the court denied Plaintiffs' motion for leave to file a renewed motion for class certification. On May 28, 2024, Robinhood notified the court that it had reached a settlement in principle with the Plaintiffs in their individual capacities. Robinhood subsequently notified the court that one of these Plaintiffs was unwilling to sign the settlement agreement and requested additional time to negotiate with that individual. On August 14, 2024, the court dismissed the lead and named Plaintiffs' claims. Robinhood has reached settlements with a number of remaining individual plaintiffs, continues to negotiate with others, and has filed a motion to compel arbitration of the majority of the remaining claims.

RHM, RHF, RHS, and our CEO Vladimir Tenev, among others, have received requests for information, and in some cases, subpoenas and requests for testimony, related to investigations and examinations of the Early 2021 Trading Restrictions from the USAO, DOJ, Antitrust Division, the SEC's Division of Enforcement, FINRA, the New York Attorney General's Office, other state attorneys general offices, and a number of state securities regulators. Also, a related search warrant was executed by the USAO to obtain Mr. Tenev's cell phone. There have been several inquiries based on specific customer complaints. We have received requests from the SEC Division of Enforcement and FINRA related to employee trading in certain securities that were subject to the Early 2021 Trading Restrictions, including GameStop Corp. and AMC Entertainment Holdings, Inc., during the week of January 25, 2021. These matters include requests related to whether any employee trading in these securities may have occurred after the decision to impose the Early 2021 Trading Restrictions and before the public announcement of the Early 2021 Trading Restrictions on January 28, 2021. We are cooperating with these investigations. FINRA Enforcement has also requested information about policies, procedures, and supervision related to employee trading generally. On January 10, 2025, SEC Enforcement advised us in writing that it had closed its investigation into the Early 2021 Trading Restrictions and any contemporaneous employee trading issues.

IPO Litigation

In December 2021, Philip Golubowski filed a putative class action in the U.S. District Court for the Northern District of California against RHM, the officers and directors who signed Robinhood's IPO offering documents, and Robinhood's IPO underwriters. Plaintiff's claims are based on alleged false or misleading statements in Robinhood's IPO offering documents allegedly in violation of Sections 11 and 12(a) of the Securities Act. Plaintiff seeks unspecified compensatory damages, rescission of shareholders' share purchases, and an award for attorneys' fees and costs. In February 2022, certain alleged Robinhood stockholders submitted applications seeking appointment by the court to be the lead plaintiff to represent the putative class in this matter, and in March 2022, the court appointed lead plaintiffs. In June 2022, plaintiffs filed an amended complaint. In August 2022, Robinhood filed a motion to dismiss the complaint. In February 2023, the court granted Robinhood's motion without prejudice. In March 2023, plaintiffs filed a second amended complaint. In January 2024, the court granted Robinhood's motion to dismiss the second amended complaint without leave to amend. In February 2024, plaintiffs filed a notice of appeal to the 9th Circuit and the appeal is currently pending.

In January 2022, Robert Zito filed a complaint derivatively on behalf of Robinhood against Robinhood's directors at the time of its IPO in the U.S. District Court for the District of Delaware. Plaintiff alleges breach of fiduciary duties, waste of corporate assets, unjust enrichment, and violations of Section 10(b) of the Exchange Act. Plaintiff's claims are based on allegations of false or misleading statements in Robinhood's IPO offering documents, and plaintiff seeks an award of unspecified damages and restitution

to the Company, injunctive relief, and an award for attorney's fees and costs. In March 2022, the district court entered a stay of this litigation pending resolution of Robinhood's motion to dismiss in the Golubowski securities action discussed above.

In August 2022, a shareholder sent a letter to the RHM board of directors demanding, among other things, that the board of directors pursue causes of action on behalf of the Company related to allegations of misconduct in connection with the Early 2021 Trading Restrictions, Robinhood's IPO offering documents, and the November 2021 Data Security Incident. The board of directors has formed a Demand Review Committee that is reviewing the demand.

Pay Transparency Litigation

In July 2024, RHM, RHY, and RHC were sued in a putative class action captioned John Milito v. Robinhood Markets, Inc. et. al., alleging that Robinhood violated Washington's Equal Pay and Opportunity Act, because some of the Company's job postings allegedly failed to include a wage scale or salary range. The complaint seeks unspecified total statutory damages, attorneys' fees and costs, injunctive relief, and declaratory relief. The case is currently stayed in the Superior Court in King County in Washington pending a certified question to the Washington Supreme Court.

Cash Sweep Litigation

In October 2024, RHM, RHF, and RHS were sued in a putative class action captioned Dey v. Robinhood Markets, Inc. et. al., in the U.S. District Court for the Northern District of California. Plaintiff asserts breach of fiduciary duty, gross negligence, negligent misrepresentation and omissions, breach of implied covenant of good faith and dealing, and violation of California's unfair competition law based on allegations that defendants failed to pay a reasonable rate of interest to non-Robinhood Gold brokerage account holders on cash balances swept to program bank deposit programs. The complaint seeks, among other things, certification of the class, unspecified monetary, punitive, treble, and statutory damages, restitution, disgorgement, attorneys' fees and costs, injunctive relief, and declaratory relief. In January 2025, Robinhood filed a motion to dismiss.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2024. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2024, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control

over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the U.S. Our management, under the oversight of our board of directors, evaluated the effectiveness of our internal control over financial reporting as of December 31, 2024 based on the framework in Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2024.

Our independent registered public accounting firm, Ernst & Young LLP, who audited the Consolidated Financial Statements included in this Annual Report on Form 10-K, issued an audit report on the Company's internal control over financial reporting. That Report of Independent Registered Public Accounting Firm is included in Item 8 of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud might occur without being detected.

ITEM 9B. OTHER INFORMATION

(b) On October 11, 2024 , Morgan Stanley Smith Barney initiated a termination of the "Rule 10b5-1 trading arrangement" (as defined in Item 408(a) of Regulation S-K) adopted on June 12, 2024 by Steven Quirk , our Chief Brokerage Officer . That previously disclosed "Rule 10b5-1 trading arrangement" had provided that Mr. Quirk may sell (i) up to 528,408 shares of our Class A common stock (less any shares previously sold under predecessor Rule 10b5-1 trading arrangements), (ii) shares of our Class A common stock resulting from the settlement of up to 122,161 unvested RSUs (less any shares previously sold under predecessor Rule 10b5-1 trading arrangements and shares withheld for applicable taxes), (iii) up to 9,378 shares of our Class A common stock, and (iv) shares of our Class A common stock resulting from the settlement of up to 369,779 unvested RSUs (less any shares withheld for applicable taxes), in each case on or prior to September 19, 2025 . On November 12, 2024 , Mr. Quirk adopted a new Rule 10b5-1 trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act pursuant to which he may sell (i) up to 370,195 shares of our Class A common stock, and (ii) shares of our Class A common stock resulting from the settlement of up to 441,179 unvested RSUs (less any shares withheld for applicable taxes), in each case on or prior to February 21, 2026 .

On November 11, 2024 , Jeffrey Pinner , our Chief Technology Officer , adopted a "Rule 10b5-1 trading arrangement" (as defined in Item 408(a) of Regulation S-K) intended to satisfy the affirmative defense of

Rule 10b5-1(c) under the Exchange Act pursuant to which he may sell shares of our Class A common stock resulting from the settlement of up to 285,948 unvested RSUs (less any shares withheld for applicable taxes), in each case on or prior to April 30, 2026 .

RSUs convert into Class A common stock on a one-for-one basis upon vesting and settlement.

In addition, certain of our officers may, from time to time, make elections to participate in our ESPP and to have shares withheld to cover withholding taxes or pay the exercise price of options, which may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute "non-Rule 10b5-1 trading arrangements" (as defined in Item 408(c) of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The information required by this item is incorporated by reference to our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference to our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is incorporated by reference to our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Annual Report:

1. The following consolidated financial statements of Robinhood Markets Inc. and subsidiaries are filed as part of this Annual Report under Part II, Item 8:

- Reports of Independent Registered Public Accounting Firm on Consolidated Financial Statements
- Consolidated Balance Sheets as of December 31, 2024 and 2023
- Consolidated Statements of Operations for the Years Ended December 31, 2024, 2023 and 2022
- Consolidated Statements of Comprehensive Income (Loss) for the Years Ended December 31, 2024, 2023, and 2022
- Consolidated Statements of Cash Flows for the Years Ended December 31, 2024, 2023 and 2022
- Consolidated Statements of Stockholders' Equity for the Years Ended December 31, 2024, 2023 and 2022
- Notes to Consolidated Financial Statements

2. Financial Statement Schedules:

All schedules are omitted because of the absence of conditions under which they are required or because information called for is shown in the consolidated financial statements and notes thereto in Part II, Item 8 of this Annual Report.

3. Exhibits:

The information required by this Item is set forth in the Exhibit Index that precedes the signature page of this Annual Report.

ITEM 16. FORM 10-K SUMMARY

None.

EXHIBIT INDEX

The documents listed below are filed (or furnished, as noted) as exhibits to this Annual Report on Form 10-K:

		Incorporated by Reference			
Exhibit Number	Description	Form*	Filing Date	Exhibit	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Robinhood Markets, Inc., dated August 2, 2021 (our "Charter")	8-K	2021-08-02	3.1	
3.2	Amended and Restated Bylaws of Robinhood Markets, Inc., dated December 14, 2022 (our "Bylaws")	8-K	2022-12-16	3.1	
4.1	Form of Class A Common Stock Certificate of Robinhood Markets, Inc.	S-1/A	2021-07-19	4.1	
4.2	Form of ten-year Warrant to Purchase Stock of Robinhood Markets, Inc., issued to multiple investors on February 12, 2021	S-1	2021-07-01	4.2	
4.3	Description of Robinhood Securities Registered Under Section 12 of the Exchange Act	10-K	2022-02-24	4.3	
10.1(a)	Form of Indemnification Agreement between Robinhood Markets, Inc. and, separately, each of its directors and executive officers (other than VC Fund Affiliated Directors)	S-1/A	2021-07-19	10.1	
10.1(b)	Form of Indemnification Agreement (VC Fund-Affiliated Directors)	10-Q	2022-05-06	10.1	
10.2†	Underwriting Agreement, dated July 28, 2021, between Robinhood Markets, Inc., as the issuer, and Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as representatives of the several underwriters named therein	10-Q	2021-08-18	10.3	
10.3+	Offer Letter between Robinhood Markets, Inc. and Jason Warnick, dated November 8, 2018	S-1	2021-07-01	10.6	
10.4†+	Offer Letter between Robinhood Markets, Inc. and Daniel Gallagher, as amended and restated on December 15, 2020	S-1	2021-07-01	10.7	
10.5†+	Offer Letter between Robinhood Markets, Inc. and Paula Loop, dated May 14, 2021	S-1	2021-07-01	10.8	
10.6†+	Offer Letter between Robinhood Markets, Inc. and Jonathan Rubinstein, dated May 14, 2021	S-1	2021-07-01	10.9	
10.7†+	Offer Letter between Robinhood Markets, Inc. and Robert Zoellick, dated May 14, 2021	S-1	2021-07-01	10.10	
10.8	Exchange Agreement, dated July 26, 2021 between Robinhood Markets, Inc., Baiju Bhatt, Vladimir Tenev, and certain of his related entities	10-Q	2021-08-18	10.8	
10.9	Form of Equity Exchange Right Agreement, entered into on July 26, 2021 between Robinhood Markets, Inc. and, separately, (a) Baiju Bhatt and (b) Vladimir Tenev	S-1/A	2021-07-19	10.13	

10.10(a)	Voting Agreement, dated July 26, 2021, among Robinhood Markets, Inc., Baiju Bhatt, Vladimir Tenev, and certain related entities	10-Q	2021-08-18	10.10
10.10(b)	Joinder Agreement, dated December 13, 2021 by Bhatt Family LLC, becoming party to the Voting Agreement, dated July 26, 2021, among Robinhood Markets. Inc., Baiju Bhatt, Vladimir Tenev, and certain related entities	10-Q	2022-05-06	10.2
10.11(a)†+	Robinhood Markets, Inc. 2020 Equity Incentive Plan, as amended on June 18, 2020 and form grant notices and award agreements thereunder	S-1	2021-07-01	10.2
10.11(b)+	Second Amendment to the Robinhood Markets, Inc. 2020 Equity Incentive Plan, dated March 10, 2021	S-1	2021-07-01	10.4
10.11(c)+	Third Amendment to the Robinhood Markets, Inc. 2020 Equity Incentive Plan, dated May 26, 2021	S-1	2021-07-01	10.5
10.11(d)+	Form of 2021 Market-Based RSU Award, dated May 26, 2021, between Robinhood Markets, Inc. and, separately (a) Baiju Bhatt and (b) Vladimir Tenev	S-1	2021-07-01	10.17
10.11(e)+	Form of RSU Agreement for Non-Employee Directors (including the Notice of Grant) under the 2020 Plan	S-1	2021-07-01	10.18
10.12(a)†+	Robinhood Markets, Inc. Amended and Restated 2013 Stock Plan and form grant notices and award agreements thereunder	S-1	2021-07-01	10.3
10.12(b)+	Form of Notice of Time-Based Restricted Stock Unit Award and Restricted Stock Unit Agreement under the Robinhood Markets, Inc. Amended and Restated 2013 Stock Plan for Vladimir Tenev and Baiju Bhatt	S-1	2021-07-01	10.15
10.12(c)+	Form of 2019 Market-Based RSU Award, as amended and restated on May 26, 2021, between Robinhood Markets, Inc. and, separately (a) Baiju Bhatt and (b) Vladimir Tenev	S-1	2021-07-01	10.16
10.13(a)+	Robinhood Markets, Inc. 2021 Omnibus Incentive Plan (the “2021 Plan”)	S-8	2021-07-29	99.1
10.13(b)+	Form of Restricted Stock Unit Agreement for Employees and Non-Employee Directors (including the Notices of Grant) under the 2021 Plan	10-Q	2021-08-18	10.16
10.13(c)+	Form of Fully Vested Stock Award Agreement for Non-Employee Directors (including the Notice of Grant) under the 2021 Plan	10-Q	2021-08-18	10.17
10.13(d)+	Form of Option Agreement for Employees and Non-Employee Directors (including the Notices of Grant) under the 2021 Plan	10-K	2022-02-24	10.15(d)
10.14(a)+	Robinhood Markets, Inc. 2021 Employee Share Purchase Plan (the “ESPP”)	S-8	2021-07-29	99.2
10.14(b)+	Forms of ESPP Subscription Agreement and Notice of Withdrawal	10-Q	2021-08-18	10.19

10.15(a)+	Offer Letter between Robinhood Markets, Inc. and Gretchen Howard, dated November 16, 2018	10-Q	2022-05-06	10.3	
10.15(b)+	Letter Agreement, dated March 15, 2023, between Gretchen Howard and Robinhood Markets, Inc.	8-K	2023-03-15	10.1	
10.16+	Form of Stock Option Agreement for Employees and Non-Employee Directors (including Notices of Grant) under the Robinhood Markets, Inc. 2021 Omnibus Incentive Plan	10-Q	2022-05-06	10.6	
10.17	Amended and Restated Credit Agreement, dated as of April 11, 2022, among Robinhood Securities, LLC, as borrower, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent	8-K	2022-04-14	10.1	
10.18+	Form of Restricted Stock Unit Cancellation Agreement, dated February 3, 2023 between Robinhood Markets, Inc. and separately, (a) Vladimir Tenev and (b) Baiju Bhatt	8-K	2023-02-08	10.1	
10.19	Second Amended and Restated Credit Agreement dated as of March 24, 2023, among Robinhood Securities LLC,as borrower, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent	8-K	2023-03-24	10.1	
10.20	Share Purchase Agreement, dated as of August 30, 2023, by Robinhood Markets, Inc, as purchaser, and the United States Marshals Service, for and on behalf of the United States	8-K	2023-09-01	10.1	
10.21	Third Amended and Restated Credit Agreement, dated as of March 22, 2024, among Robinhood Securities LLC, as borrower, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent	8-K	2024-03-22	10.1	
10.22+	Robinhood Markets, Inc. Change in Control and Severance Plan for Key Employees				X
10.23(a)+	Offer Letter between Robinhood Markets, Inc. and Steve Quirk, dated July 13, 2021				X
10.23(b)+	Amended Offer Letter between Robinhood Markets, Inc. and Steve Quirk, dated November 18, 2021				X
10.23(c)+	Amended Offer Letter between Robinhood Markets, Inc. and Steve Quirk, dated January 7, 2022				X
10.24	Offer Letter between Robinhood Markets, Inc. and Jeff Pinner, dated July 24, 2024				X
19.1	Robinhood Market s , Inc. Confidential Information and Insider Trading Poli cy				X
21.1	Subsidiaries of Robinhood Markets, Inc.				X
23.1	Consent of Independent Registered Public Accounting Firm				X
24.1	Power of Attorney (included in signature pages hereto)				X

31.1	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act				X
31.2	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act				X
32.1‡	CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act				X
32.2‡	CFO Certification pursuant to Section 906 of the Sarbanes-Oxley Act				X
97.1	Robinhood Markets, Inc. Incentive-based Compensation Recovery Policy, Effective October 2, 2023	10-K	2024-02-27	97.1	
101.INS	iXBRL (Inline eXtensible Business Reporting Language) Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document				X
101.SCH	iXBRL Taxonomy Extension Schema Document				X
101.CAL	iXBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	iXBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	iXBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	iXBRL Taxonomy Extension Presentation Linkbase Document.				X
104	Cover Page Interactive Data File (contained in Exhibit 101)				X

* File number is 001-40691 except that the S-1 (and S-1/A) file number is 333-257602 and the S-8 file number is 333-258250.

\+ Indicates a management contract or compensatory plan.

† Certain schedules and exhibits have been omitted pursuant to Rule 601(a)(5) of Regulation S-K under the Securities Act. A copy of any omitted schedule or exhibit will be furnished to the SEC upon request.

‡ The certifications attached as Exhibits 32.1 and 32.2 that accompany this Annual Report on Form 10-K are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Robinhood Markets, Inc. under the Securities Act or the Exchange Act, whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Menlo Park, California, on February 18, 2025.

Robinhood Markets, Inc.

By:	/s/ Vladimir Tenev
Name:	Vladimir Tenev
Title:	Chief Executive Officer and President

By:	/s/ Jason Warnick
Name:	Jason Warnick
Title:	Chief Financial Officer *(Principal Financial Officer and Principal Accounting Officer)*

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Vladimir Tenev and Jason Warnick, jointly and severally, his or her attorney-in-fact, with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

	Signature	Title	Date
By:	/s/ Vladimir Tenev	Chief Executive Officer, President, and Director	February 18, 2025
	Vladimir Tenev		
By:	/s/ Jason Warnick	Chief Financial Officer	February 18, 2025
	Jason Warnick	(Principal Financial Officer and Principal Accounting Officer)	
By:	/s/ Baiju Bhatt	Director	February 18, 2025
	Baiju Bhatt		
By:	/s/ Paula Loop	Director	February 18, 2025
	Paula Loop		
By:	/s/ Jonathan Rubinstein	Director	February 18, 2025
	Jonathan Rubinstein		
By:	/s/ Meyer Malka	Director	February 18, 2025
	Meyer Malka		
By:	/s/ Robert Zoellick	Director	February 18, 2025
	Robert Zoellick		
By:	/s/ Dara Treseder	Director	February 18, 2025
	Dara Treseder		
By:	/s/ Susan Segal	Director	February 18, 2025
	Susan Segal		
By:	/s/ Christopher Payne	Director	February 18, 2025
	Christopher Payne		

Robinhood Markets, Inc.

CHANGE IN CONTROL AND SEVERANCE PLAN FOR KEY EMPLOYEES

1. Introduction. The purpose of this Robinhood Markets, Inc. Change in Control and Severance Plan for Key Employees is to provide assurances of specified benefits to key employees of the Company in the event of certain terminations of employment as described in this Plan (as such terms are defined below). This Plan is an "employee welfare benefit plan", as defined in Section 3(1) of ERISA, established solely for the purpose of providing severance benefits to a select group of management or highly compensated employees within the meaning of regulations published by the Secretary of Labor at Title 29, Code of Federal Regulations § 2520.104-24, (i.e., a "top hat" plan), and will be construed accordingly. This document constitutes both the written instrument under which this Plan is maintained and the required summary plan description for this Plan.

2. Definitions. As used herein, the following definitions will apply:

2.1. "Administrator" means (a) the Board or any committee thereof, (b) solely with respect to Participants who are not Executive Officers of the Company, the Chief Executive Officer of the Company or (c) any other officer of the Company to whom the Board has delegated any authority or responsibility with respect to this Plan pursuant to Section 11, but only to the extent of such delegation.

2.2. "Affiliate" means any corporation or any other entity (including, but not limited to, partnerships and joint ventures) controlling, controlled by, or under common control with the Company.

2.3. "Annual Base Salary" means the Participant's annual base salary as in effect as of the date of the Participant's Involuntary Termination (without regard to any reduction that would constitute Good Reason).

2.4. "Board" means the board of directors of the Company.

2.5. "Bonus Payment Date" means the date when a Participant's actual bonus is paid to such Participant pursuant to the Company's annual cash bonus program.

2.6. "Cause" means, with respect to a Participant, (a) the definition of "Cause" (or words of similar import) set forth in any Individual Agreement in effect at the time of the termination of the Participant's employment or (b) if there is no such Individual Agreement or such term is not defined therein, as determined by the Administrator in good faith, the Participant's: (i) unauthorized misuse of the trade secrets or proprietary information of the Company or any Affiliate; (ii) conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude; (iii) commission of an act of fraud against the Company or any Affiliate; (iv) negligence or misconduct in the performance of his or her duties that would result in termination of employment in the standard course of the Company's business operations; (v) breach of any Individual Agreement that would result in termination of employment in the standard course of the Company's business operations; (vi) failure to comply with the Company's written policies or rules that would result in termination of employment in the standard course of the Company's business operations; (vii) failure to perform his or her assigned duties after notice and opportunity to perform; or (viii) failure to cooperate in good faith with a governmental or internal investigation of the Company, any Affiliate or any of their respective directors, officers or employees, if the Company has requested the Participant's cooperation.

2.7. "Certificate of Incorporation" means the Company's Amended and Restated Certificate of Incorporation, as may be amended from time to time.

2.8. "Change in Control" means the occurrence of any of the following events:

(a) a merger, reorganization, consolidation or similar form of business transaction directly involving the Company or indirectly involving the Company through one or more intermediaries, unless, immediately following such transaction, more than fifty percent (50%) of the voting power of the then-outstanding voting stock or other securities of the Person resulting from consummation of the transaction (which Person may be any Parent that as a result of the transaction owns directly or indirectly the Company and all or substantially all of the Company's assets) entitled to vote generally in elections of directors of such Person is held by the existing Company stockholders (determined immediately prior to the transaction and related transactions);

(b) a single transaction or series of related transactions in which a Person (other than any employee benefit plan of the Company or an Affiliate, or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or an Affiliate) is or becomes the beneficial owner (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the outstanding voting power of the Company's then-outstanding voting securities;

(c) a single transaction or series of related transactions in which the Company, directly or indirectly, sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets to another Person other than an Affiliate;

(d) at any time during any period of two consecutive years (not including any period prior to the Registration Date) individuals who at the beginning of such period constituted the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority thereof; provided, however, that, any individual becoming a member of the Board subsequent to the first day of such period whose election, or nomination for election, by the Company's stockholders was approved by a vote of at least a majority of the Incumbent Directors shall be considered as though such individual were an Incumbent Director, but excluding, for purposes of this proviso, any such individual whose initial assumption of office occurs as a result of, or in connection with, an actual or threatened proxy contest with respect to the election or removal of Board members or other actual or threatened solicitation of proxies or consents by or on behalf of any Person or Persons (whether or not acting in concert) other than the Board; or

(e) the liquidation or dissolution of the Company.

Notwithstanding anything to the contrary herein, a Change in Control will not be deemed to have occurred by virtue of (i) the consummation of any transaction or series of related transactions immediately following which the holders of the shares of the Company immediately prior to the transaction or series of transactions continue to have substantially the same proportionate ownership and voting power in an entity which owns all or substantially all of the assets of the Company immediately following the transaction or series of transactions, (ii) any acquisition of additional securities of the Company or voting power with respect to the Common Stock by any or some combination of the Specified Stockholders (as defined below), including as a result of a Permitted Transfer (as defined in the Certificate of Incorporation) or in connection with a transaction or issuance (including pursuant to outstanding Company Equity Awards) or any other transaction approved by the

Board or a committee thereof, (iii) any change in the Specified Stockholders' voting power with respect to the Common Stock resulting from a conversion of shares of Common Stock reducing the number of shares or votes outstanding or (iv) any acquisition or disposition of shares of Class B Common Stock by the Specified Stockholders or change in the total voting power of the Common Stock held by the Specified Stockholders as a result of (x) the conversion of any shares of Common Stock into shares of Class B Common Stock, (y) the conversion of any shares of Class B Common Stock into shares of any other class of Common Stock or (z) any change in the voting power of the holders of the Class B Common Stock, including solely as a result of any decrease in the total number of shares of Common Stock or of any series of class thereof, as applicable, outstanding. For the avoidance of doubt, an initial public offering, any subsequent public offering or any other capital raising event shall not constitute a "Change in Control".

2.9. "Change in Control Period" means the time period beginning on the date that is three (3) months prior to a Change in Control and ending on the date that is eighteen (18) months following a Change in Control.

2.10. "CIC Severance Multiplier" means the following based on the Participant's position with the Company (if a Participant holds more than one position, only one CIC Severance Multiplier will apply, as determined by the Administrator in its sole discretion):

Participant's Position	**CIC Severance Multiplier**
Chief Executive Officer	2
All Other Executive Officers	1.5
Vice President	1

2.11. "CIC Severance Period" means the following based on the Participant's position with the Company (if a Participant holds more than one position, only one Severance Period will apply, as determined by the Administrator in its sole discretion):

Participant's Position	**CIC Severance Period**
Chief Executive Officer	24 months
All Other Executive Officers	18 months
Vice President	12 months

2.12. "Class A Common Stock" means the Company's Class A Common Stock, par value $0.0001 per share.

2.13. "Class B Common Stock" means the Company's Class B Common Stock, par value $0.0001 per share.

2.14. "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

2.15. "Code" means the U.S. Internal Revenue Code of 1986, as amended.

2.16. "Common Stock" means the Class A Common Stock, the Class B Common Stock or the Company's Class C common stock, par value $0.0001 per share.

2.17. "Company" means Robinhood Markets, Inc., a Delaware corporation, or any successor thereto.

2.18. "Disability" means a Participant's inability to perform the customary duties of his or her position of employment by reason of any medically determinable physical or mental impairment that can be expected to result in death or that can be expected to last for a continuous period of not less than 12 months. The Administrator may require such medical or other evidence as it deems necessary to judge the nature and permanency of the Participant's condition.

2.19. "Equity Awards" means a Participant's outstanding stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance stock units and other equity-based awards.

2.20. "Equity Severance Period" means the following based on the Participant's position with the Company (if a Participant holds more than one position, only one Equity Severance Period will apply, as determined by the Administrator in its sole discretion):

Participant's Position	**Equity Severance Period**
Chief Executive Officer	18 months
All Other Executive Officers	(i) 9 months, if the Participant has worked in any position as a full-time employee of the Company or of any Affiliate of the Company for 24 months or more; or (ii) 6 months, if the Participant has worked in any position as a full-time employee of the Company or of any Affiliate of the Company for less than 24 months
Vice President	3 months

2.21. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, including the rules and regulations promulgated thereunder.

2.22. "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

2.23. "Executive Officer" means an "executive officer" as defined in Rule 3b-7 under the Exchange Act.

2.24. "Good Reason" means, with respect to a Participant, (a) the definition of "Good Reason" (or words of similar import) set forth in any Individual Agreement in effect at the time of the termination of the Participant's employment or (b) if there is no such Individual Agreement or such term is not defined therein, the occurrence of one or more of the following (through a single action or series of actions) without the Participant's written consent: (i) a material reduction in the Participant's Annual Base Salary or Target Annual Bonus opportunity (which, for the avoidance of doubt, excludes one-time bonuses such as sign-on, spot, and relocation bonuses) other than as part of an across-the-board proportional reduction applicable to similarly situated employees of the Company (for illustrative purposes, a reduction of less than ten percent (10%) of the Participant's base salary in any one year will not alone constitute Good Reason); (ii) a change in the geographic location of the Participant's primary work facility or location by more than 30 miles from its current primary location other than travel reasonably required in the performance of the Participant's responsibilities; (iii) in the case of the Chief Executive Officer or a Participant who reports directly to the Chief Executive Officer, a material reduction of such Participant's duties, authority or responsibilities; provided, however, that a change resulting solely because the Company reorganizes one or more business units, its functional organization or its reporting relationships will not be considered a material reduction of the Participant's duties, authority or responsibilities; or (iv) the Company's material breach of any obligations under any Individual Agreement.

Notwithstanding the foregoing, the Participant will be not entitled to resign for Good Reason without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within 60 days of the initial existence of the grounds for "Good Reason" and the Company fails to reasonably cure such grounds within a reasonable cure period of not less than 30 days following the date of such notice. In addition, the Participant's resignation will not qualify as a resignation for "Good Reason" unless (x) the grounds for "Good Reason" are not reasonably cured within the cure period specified in the preceding sentence and (y) the Participant resigns within 30 days following the end of such cure period.

2.25. "Individual Agreement" means, as to any Participant, any agreement as may be in effect from time to time between the Participant and the Company (or any Affiliate) that provides for benefits upon an Involuntary Termination or upon a change in control (or similar phrase).

2.26. "Involuntary Termination" means a termination of the Participant's employment with the Company and its Affiliates (a) by the Participant for Good Reason, or (b) by the Company and its Affiliates for a reason other than Cause, the Participant's death or Disability. For the avoidance of doubt, a transfer of the Participant's employment or service from one business group, including corporate groups, or Affiliate of the Company to another business group or Affiliate of the Company shall not be considered an Involuntary Termination of the Participant's employment with the Company and its Affiliates.

2.27. "Participant" means any Executive Officer of the Company, any employee of the Company or of any Affiliate of the Company at a level equivalent to Vice President (level 8 or future

equivalent) or above and any other employee of the Company or of any Affiliate of the Company who has been designated by the Board to participate in this Plan either by position or by name.

2.28. "Person" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity, or a "group" within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act.

2.29. "Plan" means the Robinhood Markets, Inc. Change in Control and Severance Plan for Key Employees, as set forth in this document, and as hereafter amended from time to time.

2.30. "Proration Factor" means a fraction, the numerator of which is the number of days between (and including) the start of the year in which the Participant's Involuntary Termination occurs and the date of the Participant's Involuntary Termination and the denominator of which is 365.

2.31. "Registration Date" means the effective date of the Registration Statement.

2.32. "Registration Statement" means the registration statement on Form S-1 filed with the Securities and Exchange Commission for the initial public offering of the Class A Common Stock.

2.33. "Section 280G" means Section 280G of the Code, including the rules and regulations promulgated thereunder.

2.34. "Section 409A" means Section 409A of the Code, as amended, including the rules and regulations promulgated thereunder, or any state law equivalent.

2.35. "Severance Benefits" means the compensation and other benefits that the Participant will be provided in the event of an Involuntary Termination.

2.36. "Severance Multiplier" means the following based on the Participant's position with the Company (if a Participant holds more than one position, only one Severance Multiplier will apply, as determined by the Administrator in its sole discretion):

Participant's Position	**Severance Multiplier**
Chief Executive Officer	1.5
All Other Executive Officers	1
Vice President	0.75

2.37. "Severance Period" means the following based on the Participant's position with the Company (if a Participant holds more than one position, only one Severance Period will apply, as determined by the Administrator in its sole discretion):

Participant's Position	**Severance Period**
Chief Executive Officer	18 months

All Other Executive Officers	12 months
Vice President	9 months

2.38. "Specified Stockholder" means, individually or collectively (in any combination thereof), any Founder (as defined in the Certificate of Incorporation) or a Permitted Entity (as defined in the Certificate of Incorporation) of such Founder.

2.39. "Target Annual Bonus" means the Participant's target annual cash bonus amount pursuant to the Company's annual cash bonus program (without regard to any reduction that would constitute Good Reason).

3. Eligibility for Severance Benefits. A Participant is eligible for Severance Benefits, as described in Sections 4 and 5, only if he or she experiences an Involuntary Termination.

4. Involuntary Termination not within the Change in Control Period. Subject to the Participant's compliance with Section 7, upon an Involuntary Termination that is not within the Change in Control Period, the Participant will be eligible to receive the following Severance Benefits, subject to the terms and conditions of this Plan:

4.1. Cash Severance. An amount in cash equal to (a) the Participant's Annual Base Salary multiplied by (b) the Severance Multiplier, payable, subject to Section 9, in a single lump sum on or before the 70th day after the Participant's Involuntary Termination; provided, however, that notwithstanding the foregoing, the amount in cash payable to the Chief Executive Officer of the Company pursuant to this Section 4.1 will equal the greater of the amount determined based on the foregoing and $1,500,000.

4.2. Bonus. An amount in cash equal to (a) 50% of the Participant's Target Annual Bonus for the year of the Participant's Involuntary Termination, multiplied by (b) the Proration Factor, provided that if a Participant's Involuntary Termination occurs prior to the Bonus Payment Date in the year of such termination (i.e., in respect of the prior fiscal year), an additional amount in cash equal to 50% of the Participant's Target Annual Bonus for the year immediately preceding the year of the Participant's Involuntary Termination. Such amount shall be payable, subject to Section 9, in a single lump sum on or before the 70th day after the Participant's Involuntary Termination.

4.3. Equity Award Vesting Acceleration Benefit. The Participant's Equity Awards that remain unvested as of the date of the Participant's Involuntary Termination and would have otherwise vested within the Equity Severance Period for the Participant following such termination will accelerate in full and, to the extent applicable, become immediately exercisable. Subject to Section 9, any vested restricted stock units will be settled on the 70th day after the Participant's Involuntary Termination. The provisions of this Section 4.2 will not apply to any performance-based Equity Awards (the "Performance Awards"), the treatment of which will be determined in accordance with the applicable award agreement.

4.4. COBRA Premiums. If the Participant timely elects COBRA continuation coverage, an amount in cash equal to the monthly COBRA premium (on an after-tax basis) that the Participant would be required to pay to continue the group health coverage in effect on the date of the Participant's Involuntary Termination (which amount will be based on the premium for the first month of COBRA

coverage) for the Participant and any covered dependents of the Participant, multiplied by the number of months in the Severance Period, payable, subject to Section 9, in a single lump sum on or before the 70th day after the Participant's Involuntary Termination.

5. Involuntary Termination during the Change in Control Period. Subject to the Participant's compliance with Section 7, upon an Involuntary Termination that is within the Change in Control Period, the Participant will be eligible to receive the following Severance Benefits, subject to the terms and conditions of this Plan:

5.1. Cash Severance. An amount in cash equal to (a) the Participant's Annual Base Salary multiplied by (b) the CIC Severance Multiplier, payable, subject to Section 9, in a single lump sum on the 70th day after the Participant's Involuntary Termination; provided, however, that, notwithstanding the foregoing, the amount in cash payable to the Chief Executive Officer of the Company pursuant to this Section 5.1 will equal the greater of the amount determined based on the foregoing and $2,000,000.

5.2. Bonus. An amount in cash equal to the sum of (a) the Participant's Target Annual Bonus and (b) (i) 50% of the Participant's Target Annual Bonus for the year of the Participant's Involuntary Termination, multiplied by (ii) the Proration Factor, provided that if a Participant's Involuntary Termination occurs prior to the Bonus Payment Date in the year of such termination (i.e., in respect of the prior fiscal year), an additional amount in cash equal to 50% of the Participant's Target Annual Bonus for the year immediately preceding the year of the Participant's Involuntary Termination. Such amount shall be payable, subject to Section 9, in a single lump sum on the 70th day after the Participant's Involuntary Termination.

5.3. COBRA Premiums. If the Participant timely elects COBRA continuation coverage, an amount in cash equal to the monthly COBRA premium (on an after-tax basis) that the Participant would be required to pay to continue the group health coverage in effect on the date of the Participant's Involuntary Termination (which amount will be based on the premium for the first month of COBRA coverage) for the Participant and any covered dependents of the Participant, multiplied by the number of months in the CIC Severance Period, payable, subject to Section 9, in a single lump sum on the 70th day after the Participant's Involuntary Termination.

5.4. Equity Award Vesting Acceleration Benefit. The Participant's Equity Awards that remain unvested as of the date of the Participant's Involuntary Termination will accelerate in full and, to the extent applicable, become immediately exercisable. Subject to Section 9, any vested restricted stock units will be settled on the 70th day after the Participant's Involuntary Termination. The provisions of this Section 5.4 will not apply to any Performance Awards, the treatment of which will be determined in accordance with the applicable award agreement.

5.5. Coordination with Severance Benefits Payable Pursuant to Section 4. Notwithstanding the foregoing, in the event the Participant experiences an Involuntary Termination prior to a Change in Control and becomes entitled to receive Severance Benefits pursuant to Section 4, (a) the cash Severance Benefits the Participant will be eligible to receive pursuant to Sections 5.1, 5.2 and 5.3 will be reduced (but not below zero) by the cash Severance Benefits the Participant received or is entitled to receive pursuant to Sections 4.1., 4.2 and 4.3 and (b) any Equity Awards that were unvested as of the date of the Participant's Involuntary Termination and would have been forfeited pursuant to their terms will instead accelerate in full as of the Change in Control, with any Performance Awards determined in accordance with the applicable award agreement. Any excess cash Severance

Benefits that become payable to the Participant and any additional restricted stock units that accelerate vesting, in each case pursuant to this Section 5.5, will, subject to Section 9, be paid or settled, as applicable, as soon as practicable following the Change in Control and in no event later than 30 days following the Change in Control.

6. Limitation on Payments. In the event that the Severance Benefits and any other severance or benefits otherwise payable to a Participant (i) constitute "parachute payments" within the meaning of Section 280G (the "280G Payments") and (ii) but for this Section 6, would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then the 280G Payments will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by the Participant on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. If a reduction in the 280G Payments is necessary so that no portion of such benefits is subject to the Excise Tax, such reduction will be first applied to reduce any cash payments and will thereafter be applied to reduce noncash payments and benefits, in each case, in reverse order beginning with the payments or benefits that are to be paid the furthest in time from the date of such determination; provided, however, that, in no event may the 280G Payments be reduced in a manner that would result in subjecting the Participant to additional taxation or penalties under Section 409A.

Unless the Participant and the Company otherwise agree in writing, any determination required under this Section 6 will be made in writing by the Company's independent public accountants immediately prior to the Change in Control or such other person or entity as determined in good faith by the Company (the "Accounting Firm"), whose determination will be conclusive and binding upon the Participant and the Company. For purposes of making the calculations required by this Section 6, the Accounting Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Participant and the Company will furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably request in order to make a determination under this Section 6. The Company will bear all costs the Accounting Firm may incur in connection with any calculations contemplated by this Section 6.

7. Conditions to Receipt of Severance.

7.1. Release Agreement. As a condition to receiving the Severance Benefits, each Participant will be required to sign and not revoke a separation and release of claims agreement in a form reasonably satisfactory to the Company (the "Release"). In all cases, the Release must become effective and irrevocable no later than the 60th day following the Participant's Involuntary Termination (the "Release Deadline Date"). If the Release does not become effective and irrevocable by the Release Deadline Date, the Participant will forfeit any right to the Severance Benefits. In no event will the Severance Benefits be paid or provided until the Release becomes effective and irrevocable.

7.2. Confidential Information and Other Requirements. A Participant's receipt of Severance Benefits will be subject to the Participant continuing to comply with the terms of any

employee invention and confidentiality agreement or similar agreement, including any Individual Agreement that includes restrictive covenant obligations, between the Participant and the Company. Any unpaid Severance Benefits under this Plan will be forfeited immediately if the Participant violates any such agreement and/or the provisions of this Section 7.

8. Other Arrangements. Notwithstanding any provision of this Plan, but subject to the limitation on 280G Payments set forth in Section 6, in the case of an Involuntary Termination of a Participant who is party to one or more Individual Agreements, such Participant will be entitled under this Plan to receive (a) either (i) the aggregate cash severance payments provided under the circumstances of the termination by Sections 4.1, 4.2, 4.3, 5.1, 5.2, and 5.3, but subject to Section 5.5, of this Plan or (ii) the aggregate cash severance payments provided under the circumstances of the termination by such Individual Agreements, whichever of clauses (a)(i) and (a)(ii) is greater (but not both); and (b) either (i) the equity award acceleration benefits provided under the circumstances of the termination by Sections 5.4 and 5.5. of this Plan or (ii) the aggregate equity award acceleration benefits provided under the circumstances of the termination by such Individual Agreements, whichever of clauses (b)(i) and (b)(ii) is greater, determined based on the fair market value of a share of Class A Common Stock (as determined pursuant to the applicable equity plan under which such Equity Award was granted) at the time of termination (but not both), and by accepting benefits under clause (a)(i) and/or clause (b)(i), the Participant agrees, and shall be deemed to have agreed, to amend each Individual Agreement so as to waive its cash severance and/or equity acceleration (as applicable) benefits in favor of this Plan's cash severance and/or equity acceleration (as applicable) benefits; provided, however, that the severance payments and other benefits provided herein or under such Individual Agreement will be made at the time and in the form necessary to comply with, and not trigger any taxes or penalties under, Section 409A. For the avoidance of doubt, any Severance Benefits payable hereunder will not result in a duplication of the amount the Participant is eligible to receive pursuant to any Individual Agreement. If a Participant was otherwise eligible to participate in any other Company severance and/or change in control plan (whether or not subject to ERISA), then participation in this Plan will supersede and replace eligibility in such other plan.

9. Section 409A.

9.1. This Plan and the Severance Benefits are intended to comply with or be exempt from the requirements of Section 409A and will be construed and interpreted in accordance with such intent. To the extent that any Severance Benefit is subject to Section 409A, the Severance Benefit will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A in order to avoid taxes or penalties under Section 409A.

9.2. No Participant or the creditors or beneficiaries of a Participant will have the right to subject any deferred compensation (within the meaning of Section 409A) payable under this Plan to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to any Participant or for the benefit of any Participant under this Plan may not be reduced by, or offset against, any amount owing by any such Participant to the Company or any of its Affiliates.

9.3. If, at the time of a Participant's separation from service (within the meaning of Section 409A), (a) such Participant is a specified employee (within the meaning of Section 409A and using the identification methodology selected by the Company from time to time) and (b) the Company makes a good-faith determination that an amount payable pursuant to this Plan constitutes deferred

compensation (within the meaning of Section 409A), the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company will not pay such amount on the otherwise scheduled payment date but will instead pay it on the first business day after such six-month period. Such amount will be paid without interest, unless otherwise determined by the Administrator, in its discretion, or as otherwise provided in any Individual Agreement.

9.4. Notwithstanding any provision of this Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A, the Company reserves the right to make amendments to this Plan as the Company deems necessary or desirable, in its sole discretion and without the consent of the Participants, to avoid the imposition of taxes or penalties under Section 409A. In any case, a Participant will be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on such Participant or for such Participant's account in connection with any Severance Benefits (including any taxes and penalties under Section 409A), and neither the Company nor any of its Affiliates will have any obligation to indemnify or otherwise hold such Participant harmless from any or all of such taxes or penalties.

9.5. Each payment and benefit payable under this Plan is intended to constitute a separate payment for purposes of Section 409A. In addition, to the extent necessary to comply with Section 409A of the Code, if the period during which a Release must be executed and become irrevocable spans two calendar years, payment of the Severance Benefits will commence in the second calendar year.

10. Withholdings**.** The Company or any Affiliate will have the right and is hereby authorized to withhold from any Severance Benefits due under this Plan or from any compensation or other amount owing to a Participant, the amount (in cash, shares, other securities or other property) of any applicable withholding taxes in respect of the amounts payable under this Plan and to take such other action as may be necessary in the opinion of the Administrator or the Company to satisfy all obligations for the payment of such taxes.

11. Administration**.** This Plan will be administered and interpreted by the Administrator (in his or her sole discretion). The Administrator is the "named fiduciary" of this Plan for purposes of ERISA and will be subject to the fiduciary standards of ERISA when acting in such capacity. Any decision made or other action taken by the Administrator with respect to this Plan, and any interpretation by the Administrator of any term or condition of this Plan, or any related document, will be conclusive and binding on all persons and be given the maximum possible deference allowed by law. In accordance with Section 2.1, the Administrator (a) may, in its sole discretion and on such terms and conditions as it may provide, delegate in writing to one or more officers of the Company all or any portion of its authority or responsibility with respect to this Plan and (b) has the authority to act for the Company (in a non-fiduciary capacity) as to any matter pertaining to this Plan.

12. Eligibility to Participate. To the extent that the Administrator has delegated administrative authority or responsibility to one or more officers of the Company in accordance with Sections 2.1 and 11, each such officer will not be excluded from participating in this Plan if otherwise eligible, but he or she is not entitled to act upon or make determinations regarding any matters pertaining specifically to his or her own benefit or eligibility under this Plan. The Administrator will act upon and make determinations regarding any matters pertaining specifically to the benefit or eligibility of each such officer under this Plan.

13. Amendment or Termination. The Board, by action of the Administrator, reserves the right to amend or terminate this Plan or the benefits provided hereunder at any time, subject to the provisions of this Section 13. Any amendment or termination will be effective as of the date determined by the Board; provided, however, that, except as set forth in Section 9, any such amendment or termination will not affect any right of any Participant to claim benefits under this Plan for events occurring prior to the effective date of such amendment or termination. Any amendment or termination of this Plan will be in writing. Notwithstanding the foregoing, beginning on the date that a Change in Control occurs, the Company may not, without a Participant's written consent, amend or terminate this Plan in any way, nor take any other action under this Plan, which (a) prevents the Participant from becoming eligible for Severance Benefits or (b) reduces or alters to the detriment of the Participant the Severance Benefits payable, or potentially payable, to the Participant (including, without limitation, imposing additional conditions). Any action of the Company in amending or terminating this Plan will be taken in a non-fiduciary capacity.

14. Claims and Appeals.

14.1. Claims Procedure. Any employee or other person who believes he or she is entitled to any Severance Benefits may submit a claim in writing to the Administrator within 90 days of the earlier of (a) the date the claimant learned the amount of his or her Severance Benefits or (b) the date the claimant learned that he or she will not be entitled to any Severance Benefits. If the claim is denied (in full or in part), the claimant will be provided a written notice explaining the specific reasons for the denial and referring to the provisions of this Plan on which the denial is based. The notice also will describe any additional information needed to support the claim and this Plan's procedures for appealing the denial. The denial notice will be provided within 90 days after the claim is received. If special circumstances require an extension of time (up to 90 days), written notice of the extension will be given within the initial 90-day period. This notice of extension will indicate the special circumstances requiring the extension of time and the date by which the Administrator expects to render its decision on the claim.

14.2. Appeal Procedure. If the claimant's claim is denied, the claimant (or his or her authorized representative) may apply in writing to the Administrator for a review of the decision denying the claim. Review must be requested within 60 days following the date the claimant received the written notice of their claim denial or else the claimant loses the right to review. The claimant (or representative) then has the right to review and obtain copies of all documents and other information relevant to the claim, upon request and at no charge, and to submit issues and comments in writing. The Administrator will provide written notice of its decision on review within 60 days after it receives a review request. If additional time (up to 60 days) is needed to review the request, the claimant (or representative) will be given written notice of the reason for the delay. This notice of extension will indicate the special circumstances requiring the extension of time and the date by which the Administrator expects to render its decision. If the claim is denied (in full or in part), the claimant will be provided a written notice explaining the specific reasons for the denial and referring to the provisions of this Plan on which the denial is based. The notice also will include a statement that the claimant will be provided, upon request and free of charge, reasonable access to, and copies of, all documents and other information relevant to the claim and a statement regarding the claimant's right to bring an action under Section 502(a) of ERISA. The decision of the Administrator is final and binding on all parties.

15. Attorneys' Fees. The parties will each bear their own expenses, legal fees and other fees incurred in connection with this Plan.

16. Source of Payments. All payments under this Plan will be paid from the general funds of the Company; no separate fund will be established under this Plan, and this Plan will have no assets. No right of any person to receive any payment under this Plan will be any greater than the right of any other general unsecured creditor of the Company.

17. Benefits Nontransferable. In no event may any current or former employee of the Company or any of its Affiliates sell, transfer, anticipate, assign or otherwise dispose of any right or interest under this Plan. At no time will any such right or interest be subject to the claims of creditors nor liable to attachment, execution or other legal process.

18. No Right to Continued Employment. Neither the establishment or maintenance or amendment of this Plan, nor the making of any benefit payment hereunder, will be construed to confer upon any individual any right to continue to be an employee of the Company. This Plan in no way alters a Participant's at-will employment arrangement with the Company, and the Company expressly reserves the right to discharge any of its employees, including the Participant, at any time, with or without cause. However, as described in this Plan, a Participant may be entitled to Severance Benefits depending upon the circumstances of his or her termination of employment.

19. Successors. Any successor to the Company of all or substantially all of the Company's business and/or assets (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or other transaction) will assume the obligations under this Plan and agree expressly to perform the obligations under this Plan in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Plan, the term "Company" will include any successor to the Company's business and/or assets which become bound by the terms of this Plan by operation of law, or otherwise.

20. Applicable Law. This Plan will be governed by, and construed in accordance with, ERISA, and, to the extent applicable, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State. For purposes of any action, lawsuit or other proceedings brought to enforce this Plan, relating to it, or arising from it, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the courts of San Mateo County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

21. Severability. If any provision of this Plan is or becomes or is deemed to be invalid, illegal, or unenforceable for any reason in any jurisdiction or as to any Participant, such invalidity, illegality or unenforceability will not affect the remaining parts of this Plan, and this Plan will be construed and enforced as to such jurisdiction or Participant as if the invalid, illegal or unenforceable provision had not been included.

22. Headings and Construction. Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings will not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof. Whenever the words "include", "includes" or "including" are used in this Plan, they will be deemed to be followed by the words "but not limited to", and the word "or" will not be deemed to be exclusive. Pronouns and other words of gender will be read as gender neutral. Words importing the plural will include the singular and the singular will include the plural.

23. Indemnification. The Company hereby agrees to indemnify and hold harmless the officers and employees of the Company, and the members of its Board, from all losses, claims, costs or other liabilities arising from their acts or omissions in connection with the administration, amendment or termination of this Plan, to the maximum extent permitted by applicable law. This indemnity will cover all such liabilities, including judgments, settlements and costs of defense. The Company will provide this indemnity from its own funds to the extent that insurance does not cover such liabilities. This indemnity is in addition to and not in lieu of any other indemnity provided to such person by the Company.

July 13, 2021

Dear Steve:

Congratulations! We're delighted to offer you employment at Robinhood Markets, Inc. ("Robinhood" or the “Company”). We hope you'll join us in our mission to democratize finance for all.

You will join us as a Chief Brokerage Officer initially reporting to Gretchen Howard. Your starting annual salary will be $500,000, less applicable taxes, deductions and withholdings. You will be paid biweekly on Robinhood’s regularly scheduled pay dates. You will be working from Chicago, Illinois. Your salary is contingent upon you working from a Robinhood Chicago office (after such an office is established) within 30 days after Robinhood has lifted its mandatory work from home order for your work location. Your first day of work at Robinhood will be your “Start Date.” We currently anticipate that your Start Date will be January 04, 2022, or another date mutually agreed upon in writing.

Sign-On Bonus. You will receive a sign-on bonus of $400,000 less applicable taxes, deductions and withholdings, in two equal installments. The first installment will be paid to you within 30 days following your Start Date, provided you are continuously employed with Robinhood through that date. This first installment of your sign-on bonus is an advance payment to assist you in transitioning into your new role and is not earned until you complete 12 months of employment at Robinhood. If your employment terminates for any reason before the one-year anniversary of your Start Date, you will be required to repay a pro rata portion of the first installment of your sign-on bonus to Robinhood (based on the number of full calendar months you were employed at Robinhood as of your termination date) on or before your last day of employment**.** The second installment will be paid to you within 30 days following the 1-year anniversary of your Start Date, provided you are continuously employed with Robinhood through that date. This second installment of your sign-on bonus is an advance payment and is not earned until you complete 24 months of employment at Robinhood. If your employment terminates for any reason after you received your second installment but before your two-year anniversary of your Start Date, you will be required to repay a pro rata portion of the second installment of your sign-on bonus to Robinhood (based on the number of full calendar months you were employed at Robinhood between your first and second anniversary dates) on or before your last day of employment.

Equity. We will recommend to Robinhood's Board of Directors (the "Board") that you be granted an award of restricted stock units for Robinhood's Common Stock ("RSUs") with a target value of $9,000,000 as of your Start Date. If the Company's Common Stock is not publicly traded as of your Start Date, then the number of RSUs will be calculated on the grant date by dividing the target value by the fair market value of the Company's Common Stock as of your Start Date as determined in accordance with the most recent 409A valuation approved by the Board in its sole discretion, rounded up to the nearest whole share. If the Company's Common Stock is publicly traded as of your Start Date, then the number of RSUs will be determined by dividing the target value by the price per share that is used by the Company to calculate RSUs for other service providers in accordance with the Company's standard equity award practices in effect at the time of grant, rounded up to the nearest whole share. Vesting of the RSUs requires satisfaction of two vesting conditions: a time-based vesting condition and a liquidity-based condition (if Robinhood is publicly traded as of your start date, only a time-based vesting condition will apply). You will vest in the RSUs over four years, with 6.25% of the RSUs vesting on the 1st quarterly anniversary of the first of the month following your Start Date, and then 6.25% of the RSUs vesting on the 1st of the month of each quarterly anniversary thereafter, until the grant is fully vested, subject to you continuing in employment or service with the Company through each respective vesting date. Earned RSUs vest and become stock owned by you only after the Company shares are generally liquid, meaning after the Company has been acquired or after an initial public offering. The RSUs will be subject to the terms and conditions of the Equity Incentive Plan then in effect and a restricted stock unit agreement between you and the Company. The grant of such RSUs is subject to the Board's approval and this promise to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of Robinhood. Further details on any specific RSU grant to you will be provided upon approval of such grant by the Board.

Annual Performance Bonus. Pursuant to the terms of any Annual Performance Bonus Plan then in effect, you will be eligible to receive a discretionary annual bonus up to 25% of your eligible earnings received during the applicable plan year. If your Start Date with the Company is after January 1st of the plan year, then any bonus you receive will be prorated to account for the number of days worked during that plan year. You must be employed by the Company before October 1st to be eligible for an annual performance bonus for that plan year. Annual performance bonuses are not guaranteed and are based on a number of factors, including the Company's performance against its objectives and your individual performance. To be eligible for an annual performance bonus, you must be employed in good standing by the Company on the date bonuses are paid.

Termination of Service. In the event of your cessation of employment from the Company, you will be eligible to participate in Robinhood's Change in Control and Severance Plan for Key Employees then in effect at the time of your termination.

Employee Benefits. You'll have access to Robinhood benefits offerings. Summary details of these plans will be sent separately, and you will be required to complete an enrollment process to activate your benefits after your Start Date. Robinhood may modify your benefits from time to time as it deems necessary.

Proprietary Information and Inventions Agreement. In order to work at Robinhood, we need you to read, complete, and sign the Proprietary Information and Invention Assignment Agreement during your onboarding process. This, among other things, prohibits unauthorized use or disclosure of Robinhood's confidential information or any third party proprietary and confidential information. To review the Proprietary Information and Invention Assignment Agreement prior to signing the offer letter, please reach out to your recruiter to receive a copy.

No Breach of Obligations To Prior Employers. We do not want you to violate any obligations you may have to your current or former employers. This includes making sure that you do not disclose any confidential or proprietary information of any former employer or use it in your work for Robinhood. By signing this offer letter and the other agreements referenced in this letter, you represent that your working for Robinhood will not violate any agreement between you and your current or past employers.

At-Will Employment. Your employment with Robinhood will be "at-will." This means that either you or Robinhood may terminate the employment relationship at any time, with or without notice, and with or without cause. This at-will relationship cannot be changed, either orally or in writing, or by any policy or conduct, unless you receive a document expressly stating that your employment is no longer at-will, signed both by you and Robinhood's VP of People or President.

Robinhood Policies. Our policies matter. As an employee of Robinhood, you will be expected to comply with the policies in our Employee Handbook, Code of Ethics and other policies applicable to your employment.

Eligibility to Work in the United States. When you begin employment with Robinhood, please bring appropriate documentation to verify your authorization to work in the United States. Robinhood may not employ anyone who cannot provide documentation showing that they are legally authorized to work in the United States.

Registration Requirement For FINRA Registered Representatives. If you are required to register with FINRA, applicable, this offer is contingent upon a successful review and acceptance of your Form U4 so that you become an associated person of Robinhood Securities, LLC or Robinhood Financial LLC (as applicable). Your employment is contingent upon your ability to successfully register with FINRA in all 50 states of the United States. This will require the completion and submission of a Form U4 (available at: https://www.finra.org/sites/default/files/form-u4.pdf), and fingerprinting within 30 days following the filing of your Form U4 (deadline currently extended due to the current stay at home orders). Your employment is also contingent upon your ability to successfully become a registered representative in all jurisdictions listed on Form U4, including all 50 states of the United States, District of Columbia, Puerto Rico, and the Virgin Islands.

In order for us to submit your Form U4 and access any relevant information relating to your prior registration with FINRA, you are required to sign an authorization for WebCRD review as well as a Form U4 Arbitration Acknowledgement. Robinhood will review and verify your past employment in WebCRD and when made available your most recent U5 information. Your employment is contingent upon verification of the information provided and Robinhood's assessment of references and past employers. If you were previously registered with the NFA, you will be required to submit CFTC Form 8-T.

In connection with becoming an associated person of Robinhood Securities, LLC or Robinhood Financial LLC (as applicable), additional forms will be separately provided to

you requesting that you disclose all of your outside business activities as well as any outside brokerage accounts. Your employment is contingent upon Robinhood's review of the information provided as well as your agreement, if applicable, to any specific conditions or limitations as Robinhood may deem necessary.

Background Check. This offer is contingent upon (and you may not start employment until) the successful completion of your background check, which includes fingerprinting and an OFAC screening due to regulatory requirements. Due to the current stay at home orders, we are extending your time to be fingerprinted until approved fingerprinting agencies are reopened in your area. We expect our employees to operate with the highest integrity, to be accurate and honest in providing information in the application, interview, and hiring process, and to disclose any information that may prevent or interfere with prompt licensing (if applicable to the job). Robinhood reserves the right to rescind this offer or terminate employment due to an unsatisfactory background check, adverse disclosure events reported on a Form U4/U5 (if applicable), or any inaccurate or undisclosed information in connection with the application, interview, or hiring process.

Arbitration Agreement. You will also be asked to sign a Mutual Agreement To Arbitrate. Arbitration is a process of private dispute resolution, and in the unlikely event that there is a dispute between you and Robinhood, Robinhood would like to submit the dispute to arbitration. Please read the agreement for more information.

Entire Agreement. This offer letter and the referenced agreements and policies constitute the entire agreement between you and Robinhood and supersede any prior understandings or agreements, whether oral or written, between you and Robinhood.

Accepting this Offer. To accept this offer, please sign and date this letter. We would love to hear from you sooner, but we will give you until July 2, 2021 to accept, unless we mutually agree in writing to a later deadline. We can't wait for you to join our team!

I have read and accept this employment offer.

{{CANDIDATE_SIGNATURE}}

_____

Signature

{{CANDIDATE_SIGNATURE_DATE}}

_____

Date

AMENDMENT TO OFFER LETTER

Dear

Steve

Welcome to Robinhood! We are thrilled that you are joining our team.

This letter amends your prior offer letter to change your start date at Robinhood until All other terms and conditions of the previous offer letter remain the same.

January 10th, 2022

Please sign below to acknowledge your acceptance of this Amendment. We look forward to welcoming you on your first day!

I accept the terms and conditions of this Amendment to my offer letter.

DocuSigned by:
B7638AD338B2420...

November 18, 2021

Signature Date

Very truly yours,

Robinhood Markets Inc.

Marcelo Modica

By: Marcelo Modica
Title: Chief People Officer

Robinhood

Dear Steve Quirk,

Welcome to Robinhood! We are thrilled that you are joining our team.

This letter amends your prior offer letter from an In-Office Working Model to our*Work from Home model,* in which you will primarily work from home but will be expected to come into your designated office as directed by your management. Under the Work from Home model, employees are required to live within 3 hours of their designated office location by April 1, 2022, and employees will need to be able to reach their office location via their own ability (driving, public transit, etc.) that does not use company funds.

Your designated office remains Chicago

Your salary is contingent upon you remaining in the Work from Home Model, assigned to this office location, and being able to get to the designated office within 3 hours. All other terms and conditions of the previous offer letter remain the same.

Please sign below to acknowledge your acceptance of this Amendment. We look forward to welcoming you on your first day!

DocuSigned by:
B7638AD338B2420...

I accept the terms and conditions of this Amendment to my offer letter.

January 7, 2022

Signature Date

Very truly yours,

Robinhood Markets Inc.

By: Marcelo Modica
Title: Chief People Officer

Robinhood

85 Willow Road
Menlo Park, CA 94025

July 24, 2024

Dear Jeff:

Congratulations! We're delighted to offer you employment at Robinhood Markets, Inc. ("Robinhood"). We hope you'll join us in our mission to democratize finance for all.

You will join us as Chief Technology Officer reporting to Vlad Tenev, CEO. Your starting annual salary will be $550,000, less applicable taxes, deductions and withholdings. You will be paid biweekly on Robinhood's regularly scheduled pay dates. Your first day of work at Robinhood will be your "Start Date." We currently anticipate that your Start Date will be August 12, 2024, or another date mutually agreed upon in writing. Your work location is Robinhood's Menlo Park location. You will report to Menlo Park on your start date unless specified otherwise. As your compensation and employment are tied to your work location, relocation to another country, state, or zip code must be pre-approved by your Manager and People Partner. Additionally, working outside of the US must be pre-approved by your Manager and People Partner.

Sign-On Bonus. You will receive a sign-on bonus of $2,000,000 less applicable taxes, deductions and withholdings. Your sign on bonus will be paid in two equal installments. The first installment will be paid to you within 30 days following your Start Date, provided you are continuously employed with Robinhood through that date. This first installment of your sign-on bonus is an advance payment to assist you in transitioning into your new role and is not earned until you complete 12 months of employment at Robinhood. If your employment terminates for any reason before the one year anniversary of your Start Date, you will be required to repay a pro rata portion of the first installment of your sign-on bonus to Robinhood (based on the number of full calendar months you were employed at Robinhood as of your termination date) on or before your last day of employment. The second installment will be paid to you within 30 days following the completion of 12 months of employment at Robinhood, provided you are continuously employed with Robinhood through that date. This second installment of your sign-on bonus is an advance payment and is not earned until you complete 24 months of employment at Robinhood. If your employment terminates for any reason after you received your second installment but before your two year anniversary of your Start Date, you will be required to repay a pro rata portion of the second installment of your sign-on bonus to Robinhood (based on the number of full calendar months you were employed at Robinhood between your first and second anniversary dates) on or before your last day of employment.

Equity. We will recommend to the People and Compensation Committee of Robinhood's Board of Directors (the "Compensation Committee") that you be granted an award of restricted stock units ("RSUs") with a target value of $17,500,000. Each RSU will cover one share of Robinhood

Class A common stock. The number of RSUs granted will be determined by dividing the target value by the price per share that is used by the Company to calculate RSUs for your start date in accordance with the Company's standard equity award practices in effect at the time of grant. You will vest in the RSUs quarterly over approximately four years, with 1/16th of the RSUs vesting on the first quarterly vesting date -- either March 1, June 1, September 1 or December 1 -- that is at least three months after the date on which you start work, and with the remainder vesting in 15 equal quarterly installments thereafter, subject to you continuing in employment or service with the Company through each respective vesting date. To provide a few examples: if your Start Date is February 1st, then your first vest will be June 1st; if your start date is March 1st, then your first vest will be June 1st; and if your start date is March 2nd, then your first vest will be September 1st. The RSUs will be subject to the terms and conditions of Robinhood's 2021 Omnibus Incentive Plan and a restricted stock unit agreement between you and the Company. The grant of such RSUs is subject to the Compensation Committee's approval and this promise to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of Robinhood. Further details on any specific RSU grant to you will be provided upon approval of such grant by the People and Compensation Committee.

Annual Robinhood Bonus Plan. Pursuant to the terms of any Senior Leadership Team (as identified by the People Committee) Annual Performance Bonus Plan then in effect, you will be eligible to receive a discretionary annual bonus up to 75% of your eligible earnings received during the applicable plan year. If your Start Date is on or before September 30th of the current calendar year, you will be eligible to participate in the Annual Bonus Plan this year, subject to the terms of the Plan. If your Start Date occurs after September 30th of the current calendar year, and provided you remain in a plan-eligible position, you will be eligible to begin participating in the Bonus Plan in the calendar year following your start date, subject to the terms of the Plan. Annual performance bonuses are not guaranteed and are based on a number of factors, including the Company's performance against its objectives. To be eligible for an annual performance bonus, you must be employed in good standing by the Company on the date bonuses are paid. Please also note that the bonus plan doesn't change the at-will nature of your employment. The plan and target bonus percentage are subject to modification or rescission by Robinhood at its sole discretion.

Employee Benefits. You'll have access to Robinhood benefits offerings. Summary details of these plans will be sent separately, and you will be required to complete an enrollment process to activate your benefits after your Start Date. Robinhood may modify your benefits from time to time as it deems necessary.

Proprietary Information and Inventions Agreement. In order to work at Robinhood, we need you to read, complete, and sign the Proprietary Information and Invention Assignment Agreement during your onboarding process. This, among other things, prohibits unauthorized use or disclosure of Robinhood's confidential information or any third party proprietary and confidential information. Review the Proprietary Information and Invention Assignment Agreement included in this document prior to signing the offer letter.

No Breach of Obligations To Prior Employers or Conflicts of Interest. We do not want you to violate any obligations you may have to your current or former employers. This includes making sure that you do not disclose any confidential or proprietary information of any former employer to Robinhood or use it in your work for Robinhood. By signing this offer letter and the other agreements referenced in this letter, you represent that your working for Robinhood will not violate any agreement between you and your current or past employers. We also want to avoid any actual, or perceived, conflict of interest between your role at Robinhood and any other activities or roles you are involved in. If you have any such outside activities you must submit an Outside Business Activity Disclosure Form and receive prior approvals.

At-Will Employment. Your employment with Robinhood will be "at-will." This means that either you or Robinhood may terminate the employment relationship at any time, with or without notice, and with or without cause. This at-will relationship cannot be changed, either orally or in writing, or by any policy or conduct, unless you receive a document expressly stating that your employment is no longer at-will, signed both by you and Robinhood's VP of People or CEO.

Robinhood Policies. Our policies matter. As an employee of Robinhood, you will be expected to comply with the policies in our Employee Handbook, Code of Conduct and other policies applicable to your employment.

Eligibility to Work in the United States. When you begin employment with Robinhood, please bring appropriate documentation to verify your authorization to work in the United States. Robinhood may not employ anyone who cannot provide documentation showing that they are legally authorized to work in the United States.

Registration Requirement For FINRA Registered Representatives. If you are required to register with FINRA, this offer is contingent upon a successful review and acceptance of your Form U4 so that you become an associated person of Robinhood Securities, LLC or Robinhood Financial LLC (as applicable). Your employment is contingent upon your ability to successfully register with FINRA in all 50 states of the United States. This will require the completion and submission

of a Form U4 (available at: https://www.finra.org/sites/default/files/form-u4.pdf), and fingerprinting within 30 days following the filing of your Form U4 (deadline currently extended due to the current stay at home orders). Your employment is also contingent upon your ability to successfully become a registered representative in all jurisdictions listed on Form U4, including all 50 states of the United States, District of Columbia, Puerto Rico, and the Virgin Islands.

In order for us to submit your Form U4 and access any relevant information relating to your prior registration with FINRA, you are required to sign an authorization for WebCRD review as well as a Form U4 Arbitration Acknowledgement. Robinhood will review and verify your past employment in WebCRD and when made available your most recent U5 information. Your employment is contingent upon verification of the information provided and Robinhood's assessment of references and past employers. If you were previously registered with the NFA, you will be required to submit CFTC Form 8-T.

In connection with becoming an associated person of Robinhood Securities, LLC or Robinhood Financial LLC (as applicable), additional forms will be separately provided to you requesting that you disclose all of your outside business activities as well as any outside brokerage accounts. Your employment is contingent upon Robinhood's review of the information provided as well as your agreement, if applicable, to any specific conditions or limitations as Robinhood may deem necessary.

Background Check. This offer is contingent upon (and you may not start employment until) the successful completion of your background check, which includes fingerprinting and an OFAC screening due to regulatory requirements. We expect our employees to operate with the highest integrity, to be accurate and honest in providing information in the application, interview, and hiring process, and to disclose any information that may prevent or interfere with prompt licensing (if applicable to the job). Robinhood reserves the right to rescind this offer or terminate employment due to an unsatisfactory background check, adverse disclosure events reported on a Form U4/U5 (if applicable), or any inaccurate or undisclosed information in connection with the application, interview, or hiring process.

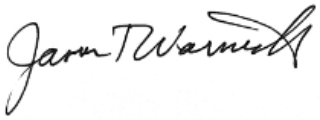
Arbitration Agreement. During your onboarding process, you will also be required to sign a Mutual Agreement To Arbitrate document. Arbitration is a process of private dispute resolution, and in the unlikely event that there is a dispute between you and Robinhood, it would be submitted to arbitration for resolution. Please read the agreement included in this document for more information.

Robinhood | 85 Willow Road
Menlo Park, CA 94025

Entire Agreement. This offer letter and the referenced agreements and policies constitute the entire agreement between you and Robinhood and supersede any prior understandings or agreements, whether oral or written, between you and Robinhood.

Accepting this Offer. To accept this offer, please sign and date this letter. We would love to hear from you sooner, but we will give you until August 2, 2024 to accept, unless we mutually agree in writing to a later deadline.
If you have any questions, please reach out to your Recruiter or Hiring Manager. We can't wait for you to join our team!

Robinhood Markets, Inc.



By: Jason Warnick
Title: Chief Financial Officer

I have read and accept this employment offer.

{{CANDIDATE_SIGNATURE}}
_____
Signature

{{CANDIDATE_SIGNATURE_DATE}}
_____
Date

Robinhood

85 Willow Road
Menlo Park, CA 94025

Robinhood

85 Willow Road
Menlo Park, CA 94025

Mutual Agreement To Arbitrate

I understand that Robinhood Markets, Inc. ("the Company")values its relationship with its employees and hopes to avoid potential employment disputes, though I also understand that disputes may arise on occasion. By entering into this Mutual Agreement to Arbitrate ("Agreement"), the Company and I anticipate gaining the benefits of an efficient, impartial, final and binding dispute-resolution procedure. I understand that acceptance of this Agreement is a condition of my employment or continued employment with the Company, and my signature below will be deemed to be consent to this Agreement. I understand that by offering this Agreement, the Company agrees to be bound by its terms if I consent to this Agreement.

Claims Covered By This Agreement. The Company and I agree to resolve exclusively through binding arbitration all claims, disputes, or controversies ("claims"), past, present or future, arising out of my employment (or its termination), between us involving (1) myself, (2) the Company, (3) the Company's officers, directors, employees or agents, (4) the Company's parent, subsidiary and affiliated entities, (5) the Company's benefit plans or the plans' sponsors, fiduciaries, administrators, affiliates and agents (except where the plans expressly preclude arbitration), or (6) their successors and assigns, to the maximum extent permitted by law. This Agreement is intended to be both retrospective and prospective, and claims are intended to include past, present, and future claims, including claims that may have originated or accrued prior to the signing of this Agreement. Examples of claims that we both agree to submit to arbitration include claims of discrimination, harassment, retaliation, wrongful termination, unpaid wages, breach of contract, defamation, and all other claims related to the employment relationship. The Arbitrator's decision shall be final and binding upon the parties and subject to review only as provided by Applicable Law (defined below).

Claims Not Covered By This Agreement. This Agreement does not (1) prohibit the filing or pursuit of injunctive relief in a court of law; (2) cover claims which, under Applicable Law, are not subject to or are excluded from arbitration; (3) cover claims which are subject to arbitration under the Code of Arbitration Procedure for Industry Disputes before the Financial Industry Regulatory Authority (FINRA) or other applicable self-regulatory organizations; (4) restrict my right to file administrative claims with any government agency (where the parties may not restrict an employee's ability to file such claims); or (5) cover claims, except at my election, for sexual assault or sexual harassment as those terms are defined in 9 U.S.C. § 401 that arose or accrued on or after March 3, 2022, understanding that the Company and I still agree to resolve the underlying claims in arbitration to the fullest extent permitted by law. I understand that I am not barred from reporting any good faith allegations of unlawful employment practices or criminal conduct to appropriate federal, state or local agencies, or from making other truthful statements or disclosures. I further acknowledge that I can participate in a proceeding with any appropriate federal state, or local government agency enforcing discrimination laws. I understand that nothing in this Agreement shall be deemed to prohibit me from (i) filing an unfair labor practice charge under the National Labor Relations Act or participating or assisting in proceedings before the National Labor Relations Board; or (ii) filing a charge or complaint of age or other employment-related discrimination with the Equal Employment Opportunity Commission ("EEOC") or state or local equivalent, or from participating in any investigation or proceeding conducted by the EEOC or state or local equivalent.

Class and Collective Action Waiver. Unless prohibited by Applicable Law, the Company and I agree that all claims may only be brought in the party's individual capacity, and the Company and I mutually waive our right to bring, maintain, and participate as a member in any class or collective action (or any action involving class or collective certification procedures) against the other. Claims asserted in a private attorney general capacity involving any violations suffered by a party individually shall be arbitrated on an individual basis only. Any non-individual claims asserted in a private attorney general capacity involving violations suffered by other individuals will be stayed pending the outcome of the arbitration involving any violations suffered by a party individually.

Arbitration Procedure. The arbitration will be administered by JAMS in accordance with the JAMS Employment Arbitration Rules & Procedures (and no other rules), which are currently available at http://www.jamsadr.com/rules-employment-arbitration. I understand that the Company will supply me with a printed copy of those rules upon my request. The Arbitrator shall be a retired judge (the "Arbitrator"), selected under the JAMS Rules. If JAMS does not have an office in the state where I was last employed, then the arbitration will be administered by the American Arbitration Association by a retired judge.

Applicable Law. The substantive provisions of the Federal Arbitration Act ("FAA") shall govern the interpretation and enforcement of this Agreement. If for any reason the substantive provisions of the FAA do not apply, interpretation and enforcement of this Agreement shall be governed by the substantive law of the state where I work or worked for the Company. For claims subject to arbitration, the Arbitrator will apply the substantive law of the State where I work or worked, or federal law, or both, as applicable.

Arbitrator Authority. The arbitrator may not (1) without the consent of all parties, combine more than one individual's claim or claims into a single case, (2) participate in or facilitate notification of others of potential claims, or (3) arbitrate or preside over any form of a class, collective, or representative proceeding. If a party violates this Agreement by commencing an action asserting a claim in a court of law, then the court (and not an arbitrator) shall have the authority to resolve any disputes about the interpretation, formation, existence, enforceability, validity, and scope of this Agreement, including the Class and Collective Action Waiver. However, if a party complies with this Agreement and files for arbitration without filing a complaint in a court of law, then the arbitrator shall have the authority to resolve any disputes about the interpretation of this Agreement for purposes of discovery or the merits of the underlying claim, but shall have no authority to resolve any disputes about the formation, existence, enforceability, or validity of this Agreement, including the Class and Collective Action Waiver.

Arbitration Location. The arbitration shall take place in the county (or comparable governmental unit) where I am or was last employed by the Company.

Arbitration Costs. I understand that if I initiate a claim, I will be required to pay an initial JAMS Case Management Fee pursuant to the JAMS Employment Arbitration Rules & Procedures, and that the balance of administrative fees and costs unique to arbitration shall be allocated as provided in the JAMS Rules and under Applicable Law. However, I will not have

to pay any case filing fees if doing so would render this Agreement unenforceable under Applicable Law.

Protected Activity. Nothing in this Arbitration Agreement prevents me from (a) communicating with the Securities and Exchange Commission, the Commodity Futures Trading Commission, or the Financial Industry Regulatory Authority, or any other applicable regulatory agency; (b) exercising protected rights, including without limitation, as applicable, those rights granted under Section 7 of the National Labor Relations Act to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection, or otherwise disclosing information as permitted by applicable law, regulation, or order; or (c) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that I have reason to believe is unlawful. I acknowledge that I do not require prior authorization to engage in activity protected by this paragraph, and I do not need to notify Robinhood that I have engaged in such activity. Robinhood does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information.

Entire Agreement, Modification, And Severability. This is the complete Agreement between the parties on the subject of arbitration, except as provided herein. No party is relying on any representations except as specifically set forth in this Agreement. Any modification or amendment of this Agreement must be in writing and signed by myself and the Company's Chief Executive Officer. If any provision of this Agreement is held to be void or unenforceable, that shall not affect the validity of the remainder of the Agreement. All other provisions shall remain in full force and effect. If the Class and Collective Action Waiver is found to be unenforceable despite this severability provision, then any claim brought on a class or collective action basis must be filed in a court of competent jurisdiction, and such court shall be the exclusive forum for such claims, but the portion of the Class and Collective Action Waiver that is enforceable shall be enforced in arbitration.

Understanding of Agreement. I acknowledge that I have carefully read this Agreement, that I understand its terms, and that I have entered into the Agreement voluntarily and not in reliance on any promises or representations other than those contained in this Agreement itself.

Consent by Company. By offering this Agreement, I understand that the Company agrees to be bound by its terms if I consent to this Agreement.

I understand that by signing this Agreement I am giving up my right to a jury trial for claims covered by this Agreement.

I further acknowledge that I have been given the opportunity to discuss this Agreement with my own private legal counsel at my expense and have availed myself of that opportunity to the extent I wish to do so.

This Agreement will be legally binding once it is signed by me.

Robinhood

85 Willow Road
Menlo Park, CA 94025

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PROPRIETARY INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

In exchange for (i) my employment or continued employment with Robinhood Markets, Inc., (the ***Company***"); (ii) the promise to provide me with the Company's Proprietary Information, as described below; (iii) the ability to participate in Company or Company-sponsored programs or plans; and (iv) other valuable things given to me by the Company, I voluntarily enter into this Proprietary Information and Invention Assignment Agreement ("***Agreement***") with the Company.

1. Purpose of Agreement. I understand that:

- The Company is engaged in a continuous program of research, development, production and marketing in connection with its current and projected business;
- The Company develops and uses valuable business, technical, financial, proprietary, and/or customer information that it protects by limiting its disclosure and by keeping it secret or confidential;
- The Company derives value from the development and use of its confidential and Proprietary Information;
- It is critical for the Company to preserve and protect its confidential and Proprietary Information, the Company's rights in certain inventions and works and its related intellectual property rights;
- I am entering into this Agreement, whether or not I am expected to create Inventions or other works of value for the Company;
- I believe that the responsibilities imposed on me in this Agreement are reasonable and are designed to protect what I consider to be the legitimate and protectable interests of the Company, including its trade secrets and other confidential information; and
- The statements made above in Section 1 are material terms of this Agreement.

2. Disclosure of Inventions. I will promptly disclose in confidence to the Company, or to any person that the Company appoints, all Inventions that I make, create, conceive or first reduce to practice, either alone or with others while I am employed by the Company, whether or not in the course of my employment and whether or not patentable, copyrightable or protectable as Trade Secrets. As used in this Agreement, "***Trade Secrets***" shall mean information qualifying for legal protection under the Defend Trade Secrets Act, any applicable version of the Uniform Trade Secrets Act, or other applicable law. As used in this Agreement, "***Inventions***" means inventions, improvements, designs, original works of authorship, formulas, processes, compositions of matter, computer software programs, databases, mask works, confidential information and Trade Secrets.

3. **Work for Hire; Assigned Inventions.** I agree that any copyrightable works prepared by me within the scope of my employment will be "works made for hire" under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works.

- I agree that all Inventions described in Section 2 of this Agreement that (i) are developed using equipment, supplies, facilities or Trade Secrets of the Company; (ii) result from work performed by me for the Company; or (iii) relate to the Company's business or actual or demonstrably anticipated research or development (the "***Assigned Invention(s)***") will be the exclusive property of the Company.

- I agree that I have no ownership interest in or right to any Assigned Invention even though I may have created, written, or designed it. I cannot ever use any Assigned Invention for my personal benefit or reasons either during or after my employment with the Company.

- I agree that I have no right to take, use, copy, exploit, or manipulate any of the Assigned Inventions, including but not limited to the pictures/images, templates, code, art, articles/writings, or other creative work product that I create, write, or design while employed at the Company.

4. **Excluded Inventions and Other Inventions**. Attached to this Agreement as **Exhibit A** is a list describing all existing Inventions, if any, that may relate to the Company's business or actual or demonstrably anticipated research or development and that were made or acquired by me prior to the Effective Date (as described in Section 28, below), and which are not to be assigned to the Company ("***Excluded Inventions***"). If I do not list anything in **Exhibit A**, that is because I have no rights in any existing Inventions that may relate to the Company's business or actual or demonstrably anticipated research or development. For purposes of this Agreement, "***Other Inventions***" means Inventions in which I have or may have an interest, on or after the Effective Date, other than Assigned Inventions and Excluded Inventions. I agree that if (i) I use any Excluded Inventions or any Other Inventions while working for the Company, (ii) I include either in any product or service of the Company, or (iii) my rights in any Excluded Inventions or Other Inventions may interact with the Company's rights under this Agreement, I will immediately notify the Company in writing. Unless the Company and I agree otherwise in writing as to particular Excluded Inventions or Other Inventions, I grant to the Company a perpetual, irrevocable, nonexclusive, transferable, world-wide, royalty-free license to use, disclose, make, sell, offer for sale, import, copy, distribute, modify and create works based on, perform, and display such Excluded Inventions and Other Inventions, and to sublicense third parties in one or more tiers of sublicensees with the same rights. This grant exists whether or not I give the Company notice as required above.

5. **Exception to Assignment.** I understand that the Assigned Inventions will not include, and Sections 3, 4, and 6 do not apply to, any invention that qualifies fully for exclusion under applicable federal, state, or local laws, or as other set forth in Section 26, below.

6. **Assignment of Rights.** I assign and irrevocably transfer to the Company: (i) all of my rights, title and interests in any Assigned Inventions; (ii) all patents, patent applications, copyrights, mask works, rights in databases, Trade Secrets, and other intellectual property rights, worldwide, in any Assigned Inventions, along with any registrations of or applications to register such rights; and (iii) to the extent assignable, any and all Moral Rights (as defined below) that I may have in any Assigned Inventions. I also forever waive and agree never to assert any Moral Rights that I may have in any Assigned Inventions and any Excluded Inventions or Other Inventions licensed to the Company under Section 4, even after termination of my employment with the Company. "***Moral Rights***" means any rights to claim authorship of a work, to object to or prevent the modification or destruction of a work, to withdraw from circulation or control the publication or distribution of a work, and any similar right.

7. **Assistance.** I will assist the Company in every proper way to obtain and enforce for the Company all patents, copyrights, mask work rights, trade secret rights and other legal protections for the Assigned Inventions, worldwide. I will sign and deliver any documents that the Company may reasonably request from me in connection with providing that assistance. My obligations under this Section 7 will continue beyond the end of my employment with the Company, so long as the Company agrees to compensate me at a reasonable rate. I appoint the Secretary of the Company as my attorney-in-fact to execute documents on my behalf for this purpose. I agree that this appointment is coupled with an interest and will not be revocable.

8. **Proprietary Information.** I understand that my employment by the Company creates a relationship of confidence and trust. This applies to any information or materials of a confidential or secret nature that may be made, created or discovered by me or that may be disclosed to me by the Company or other people in relation to the business of the Company or to the business of any parent, subsidiary, affiliate, customer or supplier of the Company, or any other party with whom the Company agrees to hold such information or materials in confidence (the "***Proprietary Information***"). Proprietary Information may be contained in tangible material such as writings, data, drawings, samples, electronic media, or computer programs, or may be in the nature of unwritten knowledge or know-how. Proprietary Information includes, but is not limited to, information about the Company's:

- Assigned Inventions,
- competitive business and marketing plans, product plans,
- login credentials to Company electronic systems and/or Company social media channels,
- designs,
- data (including but not limited to, financial data),
- algorithms,
- prototypes,
- software systems,
- computer codes and instructions, processing systems and techniques, hardware and software configurations,
- test protocols,
- business strategies,
- financial information,
- forecasts,
- private personnel information, including an individual's name in combination with any of the following: the individual's social security number, tax I.D. number, state issued identification card or driver's license number, financial or healthcare information,
- terms of contracts (excluding employment-related contracts),
- customer and supplier lists,
- customers and suppliers, including non-public names and addresses, buying and selling habits, special needs, and other information received from third parties subject to obligations of non-disclosure or non-use.

I understand that the definition of Proprietary Information is not intended to limit or restrict rights under applicable law, such as engaging in protected activity under the National Labor Relations Act, including discussing wages, hours, or working conditions, as described more fully in Section 10 below.

9. **Confidentiality**. At all times, both during and after my employment, I will keep all Proprietary Information in strict confidence and trust.

- I will not use or disclose any Proprietary Information without the prior written consent of the Company in each instance, except as may be necessary to perform my duties as an employee of the Company for the benefit of the Company or as otherwise permitted herein.
- I agree that I have no ownership interest in or right to any Proprietary Information even though I may have created, written, or designed it. I cannot ever use any Proprietary Information for my personal benefit or reasons either during or after my employment with the Company.
- Upon termination of my employment with the Company, I will promptly deliver to the Company all documents and materials of any nature pertaining to my work with the Company, and I will not take with me or retain in any form any documents, data, or materials (or copies) containing any Proprietary Information.
- Nothing in this Section 9 or otherwise in this Agreement shall limit or restrict in any way my immunity from liability for disclosing the Company's Trade Secrets as specifically permitted by 18 U.S. Code Section 1833, the pertinent provisions of which are attached to this Agreement as **Exhibit B**.

10. **Confidential Disclosures**. I acknowledge and understand nothing in this Agreement prohibits me from:

(a) communicating with the Securities and Exchange Commission, the Commodity Futures Trading Commission, or the Financial Industry Regulatory Authority, or any other applicable regulatory agency, legislative body, or official (or their staff members) regarding an alleged violation of law or regulation, with the understanding that I do not require prior authorization to engage in activity protected by this paragraph, and I do not need to notify the Company that I have engaged in such activity; provided, however, that the Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information; ;

(b) from discussing or disclosing information about unlawful acts in the workplace, such as harassment, discrimination, retaliation, wage and hour violations, sexual assault, violations of public policy, or any other conduct that I have reason to believe is unlawful; or

(c) otherwise making disclosures that are protected under applicable law, including, without limitation, the National Labor Relations Act, the Defend Trade Secrets Act, and any rule or regulation promulgated by the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Labor Relations Board, the Equal Employment Opportunity Commission, or any other federal, state, or local government agency.

I further agree that this Agreement will not be interpreted, applied, or enforced to interfere with, restrain, or coerce employees in the exercise of their rights under Section 7 of the National Labor Relations Act, or other applicable laws, including but not limited to the rights to (1) organize a union to negotiate with the Company concerning their wages, hours, and other terms and conditions of employment; (2) form, join, or assist a union; (3) discuss wages and other working conditions with co-workers or a union; (4) take action with one or more co-workers to improve working conditions; or (5) choose not to engage in any of these activities.

11. Physical Property. All documents and other physical property provided by the Company or produced by me or others in connection with my employment will be and remain the sole property of the Company. I will return this property to the Company when requested, excepting only copies of records relating to my personnel employment records (to the extent these have been provided to me in accordance with Company policy and/or applicable laws), compensation, and any personal property I bring with me to the Company and designate as such. When my employment ends, I will return to the Company all of its property, and I will not take with me, copy, or retain any of that property.

12. No Breach of Prior Agreements. I represent that my performance of all the terms of this Agreement and my duties as an employee of the Company will not breach any agreement with any former employer or other party. This includes agreements about invention assignment, proprietary information, confidentiality, and non-competition, for example. I will not bring with me to the Company or use in the performance of my duties for the Company anything from a former employer or third party if it is not generally available for use by the public or if it has not been legally transferred to the Company.

13. "At Will" Employment. I understand that this Agreement does not create a contract of continued employment or obligate the Company to employ me for any period of time. I understand that I am an "at will" employee of the Company and that my employment can be terminated at any time, with or without notice and with or without cause, for any reason or for no reason, by either the Company or by me. I acknowledge that any statements or representations to

the contrary are ineffective, unless put in writing and signed by the Company. I further acknowledge that my participation in any stock option or benefit program is not an assurance of continuing employment for any particular period of time.

14. Company Opportunities; Duty Not to Compete. During my employment, I will always devote my best efforts to the interests of the Company. I will not, without the prior written consent of the Company, engage in, or encourage others to engage in, any other employment or activity that: (i) would divert from the Company any business opportunity in which the Company can reasonably be expected to have an interest; (ii) would directly compete with, or involve preparation to compete with, the current or future business of the Company; or (iii) would otherwise conflict with the Company's interests or could cause a disruption of its operations or prospects.

15. Non-Solicitation. To the extent applicable laws allow, I understand that I am obligated to abide by the restrictions on solicitation in this Section 15.

(a) Definitions.

- "Restricted Person" means an employee or consultant of the Company (i) with whom I had business-related contact during my employment with the Company, or (ii) about whom I had access to Proprietary Information during my employment with the Company.

- "Competing Organization" means any person or entity that is engaged in the marketing, selling, or providing of a Competing Product within any geographic area(s) where the Company conducts business while these covenants are in effect.

- "Restricted Customer or Supplier" means a current customer or supplier of the Company (i) who I called on, contacted, serviced, or solicited to sell or attempted to sell Company products or services, or attempted to maintain or cultivate a business relationship with the Company; (ii) whose dealings with the Company I coordinated or supervised during my employment with the Company; (iii) about whom I had access to Proprietary Information during my employment with the Company; or (iv) who received products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for me during my employment with the Company.

- "Competing Product" means any component, product, system, service, technology, process, or practice that is researched, developed, produced,

provided, marketed or sold by any person or entity other than the Company and that competes directly or indirectly with a component, product, system, service, technology, process, or practice of the Company that I had responsibilities for, or access to Proprietary Information about, during my employment with the Company.

(b) Non-Solicitation of Employees/Consultants. I agree that during my employment with the Company, I will not, directly or indirectly, solicit (or encourage or assist others to solicit) away from the Company any Restricted Person to obtain employment with or provide services to a Competing Organization or interfere with the performance by any Restricted Person of their duties for the Company.

(c) Non-Solicitation of Suppliers/Customers. I agree that during my employment with the Company, I will not directly or indirectly solicit (or encourage or assist others to solicit) any Restricted Customer or Supplier to terminate or reduce its business with the Company, to purchase or promote a Competing Product, or to transfer all or a portion of its business to a Competing Organization.

(d) Reasonableness. I agree that the restrictions on solicitation in this Section 15 are reasonable and necessary in light of the Company's need to protect its Trade Secrets and other Proprietary Information and the goodwill of the Company's business.

(e) Review of Your Circumstances. If you have concerns about whether a particular situation may trigger this Section 15, then please contact the Company's Employment Legal Counsel to see if the Company can sort through the issue with you.

16. Reformation. If any covenant, provision or language of Section 15 is determined to be unreasonable and/or unenforceable by a court or arbitrator, the parties authorize the court or arbitrator to revise the covenant, provision or language to cover the maximum period, scope and subject matter permitted by applicable law. If the court or arbitrator refuses, the parties agree that Section 15 will not be rendered null and void if it is possible to deem it amended to provide for the maximum restrictions (not greater than those contained in Section 15) reasonable and/or enforceable under applicable law.

17. Use of Name & Likeness. I authorize the Company to use my name, photograph, likeness, voice, and professional information, and any type of reproduction, in any form of media or technology now known or later developed, both during and after my employment, for purposes related to the Company's business, such as marketing, advertising, credits, and presentations.

18. **Notification.** I authorize the Company, during my employment and after, to notify third parties, including, but not limited to, actual or potential customers or employers, of the terms of this Agreement and my responsibilities under it.

19. **Injunctive Relief.** I understand that a breach or threatened breach of this Agreement by me may cause the Company to suffer irreparable harm and that it will therefore be entitled to injunctive relief to enforce this Agreement. I further understand that this Section 19 shall not be interpreted to be an election of any remedy, or as a waiver of any right available to the Company under this Agreement, any binding arbitration agreement, or the law. For instance, the Company still has the right to seek damages from me for a breach of any provision of this Agreement because this Section does not limit the rights or remedies available for any violation of this Agreement.

20. **Governing Law; Severability.** This Agreement is intended to add to any rights the Company may have in law or equity with respect to the duties of its employees and the protection of its Trade Secrets. This Agreement will be governed by and construed in accordance with the laws of the state in which I principally perform work for the Company and, for remote employees, reside without giving effect to any principles of conflict of laws that would lead to the application of the laws of another jurisdiction. If any provision of this Agreement is unenforceable in any respect, it will be enforced to the maximum extent possible. To the extent that provision cannot be enforced, it will be stricken from this Agreement and the remaining provisions will be enforced as if the unenforceable provision had never been contained in this Agreement.

21. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be considered to be an original, and all of which together will be considered to be one and the same agreement.

22. **Entire Agreement.** This Agreement and the documents referred to in it are the entire agreement and understanding of the parties with respect to the Agreement's subject matter, and supersede all prior understandings and agreements, whether oral or written, between the parties about that subject matter, except for any binding arbitration agreements between the Company and me.

23. **Amendment and Waiver.** This Agreement may be amended only by a written agreement signed by each of the parties to this Agreement. No amendment, waiver, or modification of any obligation under this Agreement will be enforceable unless specifically set forth in a writing signed by the party against whom/which enforcement is sought. A waiver by either party of any of the terms and conditions of this Agreement in any instance will not be a waiver of that term or condition with respect to any other instance.

24. Successors and Assigns; Assignment. The rights and obligations of the parties to this Agreement will bind and benefit the parties and their respective successors, assigns, heirs, executors, administrators, and legal representatives, except as provided otherwise in the Agreement. The Company may assign any of its rights and obligations under this Agreement. I understand that I will not be entitled to assign or delegate this Agreement or any of my rights or obligations under it except with the prior written consent of the Company.

25. Further Assurances. The parties will sign other documents and take further actions that may be reasonably necessary to carry out the intent of this Agreement. Upon termination of my employment with the Company, I will sign a document confirming my agreement to comply with the post-employment obligations contained in this Agreement.

26. Exceptions and Acknowledgments for Certain States. If I principally perform work for the Company and, for remote employees, reside in any of the states listed below at the time I sign this Agreement (or, if I am a new employee, I will primarily reside in or work for the Company in any of the states listed below when my employment starts), the following exceptions and acknowledgments shall apply:

****CALIFORNIA:** The following exceptions apply to me: I acknowledge that the intellectual property assignment in Section 3 does not apply to inventions excluded under Cal. Lab. Code § 2870, which provides: "Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) relate at the time of concept or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) result from any work performed by the employee for the employer."

****COLORADO:** The following exceptions apply to me: (1) Section 15 shall be interpreted to apply to the full extent permitted by Colo. Rev. Stat. § 8-2-113 and shall not be interpreted to apply in any manner that would constitute a violation of Colorado law; (2) the Company provided me with notice of this Agreement before I accepted an offer of employment with the Company (if I am a new employee) or provided me with notice of this Agreement and at least fourteen (14) days to review and sign this Agreement before the Effective Date of this Agreement or the Effective Date of any additional compensation or change in the terms or conditions of employment that provides consideration for the Agreement (if I am an existing employee); and (3) Section 15 shall not apply to me after my employment with the Company ends.

****GEORGIA:** Section 15(a) shall be limited to the geographic area in which I performed duties and services for the Company during my employment with the Company.

****ILLINOIS:** I acknowledge and agree that the Company provided me with at least fourteen (14) calendar days to review and sign this Agreement, during which time I had the right to consult with counsel at my sole expense and that voluntarily signing this Agreement before the expiration of fourteen (14) calendar days shall serve as a waiver of the fourteen (14) calendar day review period. I further acknowledge and agree that Section 15 shall not apply to me after my employment with the Company ends.

****MINNESOTA:** The intellectual property assignment in Section 3 shall not apply to an invention for which no Company, supplies, facility, or Trade Secret information was used and which was developed entirely on my own time, unless (a) the invention relates directly to the Company's business, or actual or demonstrably anticipated research or development; or (b) the invention results from any work I performed for the Company.

****TEXAS:** I acknowledge that, in exchange for my promises in this Agreement, from the inception of this Agreement and continuing on an ongoing basis during my employment with the Company, the Company promises to provide me with new Proprietary Information to which I have not previously had access and of which I do not currently have knowledge only to perform my job.

****UTAH:** I acknowledge that the intellectual property assignment in Section 3 does not apply to an invention that is created by me entirely on my own time and is not an "employment invention." An "employment invention" is an invention which is conceived, developed, reduced to practice or created by me (i) within the scope of my employment for the Company; (ii) on the Company's time; or (iii) with the aid, assistance, or use of any of the Company's property, equipment, facilities, supplies, resources or intellectual property.

****WASHINGTON:** The following exceptions apply to me: the intellectual property assignment in Section 3 shall not apply to an invention for which no Company equipment, supplies, facility, or trade secret information was used and which was developed entirely on my own time, unless (a) the invention relates directly to the Company's business, or actual or demonstrably anticipated research or development; or (b) the invention results from any work I performed for the Company.

****WISCONSIN:** The following exceptions apply to me: the restriction on use or disclosure of the Company's Proprietary Information in Section 8 applies during my employment with the Company for as long as the Proprietary Information is a Trade Secret or, if not a Trade Secret, for thirty-six (36) months after my employment ends.

27. Acknowledgement. I certify and acknowledge that I have carefully read all of the provisions of this Agreement and that I understand and will fully and faithfully comply with this Agreement.

[Section 28 and signatures follow on the next page.]

28. **Effective Date of Agreement**. This Agreement is effective on the earlier of the date upon which this Agreement is signed by me or the first day of my employment by the Company. By working for the Company, this Agreement applies to me as a term and condition of my employment regardless of whether I sign it.

29. **Consent by Company.** By offering this Agreement, I understand that the Company agrees to be bound by its terms.

* Your employment at the Company is contingent upon the review and approval of the inventions you disclose below in Exhibit A. The Company signature in this section does not represent the Company's approval of your disclosures on Exhibit A. If anything is disclosed by you on Exhibit A, you will receive a separate written or email notification informing you whether your prior invention(s) cleared

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Exhibit B

DEFEND TRADE SECRETS ACT, 18 U.S. CODE § 1833 NOTICE:

18 U.S. Code Section 1833 provides as follows:

> **Immunity From Liability For Confidential Disclosure Of A Trade Secret To The Government Or In A Court Filing.** An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made, (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
>
> **Use of Trade Secret Information in Anti-Retaliation Lawsuit.** An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

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Robinhood Markets, Inc.

CONFIDENTIAL INFORMATION AND INSIDER TRADING POLICY

Table of Contents

 Confidential Information and Insider Trading Policy (Version 5.0 – June 2024)

I. Introduction

In connection with their business activities, Robinhood Markets, Inc. ("**RHM**") and its subsidiaries, including but not limited to Robinhood Financial LLC ("**RHF**"), Robinhood Securities, LLC ("**RHS**"), Robinhood Crypto, LLC ("**RHC**"), Robinhood Money, LLC ("**RHY**"), Robinhood UK Ltd, Say Technologies, LLC, Robinhood International, Inc., Robinhood Europe B.V., Robinhood Non-Custodial Ltd., X1 Inc., Chartr Limited, and Robinhood Canada Ltd (collectively, "**Robinhood**"), have Confidential Information (as defined below). Some of that information is received from third parties, including customers and counterparties; other Confidential Information is created by Robinhood for customers or for its own use.

This Confidential Information and Insider Trading Policy (this "**Policy**") is designed to provide guidance on the proper handling of Confidential Information and the prevention of improper trading by Insiders, other Covered Persons (each as defined below), and consultants to and contractors and agents of Robinhood. This Policy reflects not only legal and regulatory requirements but also ethical and professional standards that Robinhood requires its workforce to follow.

Questions about this Policy should be directed to the "**Employee Trading Helpline**" which can be reached by email to EmployeeTrading@robinhood.com. Only the RHM Trading Compliance Officer may grant exceptions to this Policy and only in accordance with applicable laws and regulations.

II. Scope of Obligations

A. Application to Insiders, Consultants, Contractors, and Agents

This Policy applies to all employees of, members of the board of directors of, members of the boards of managers of, and officers of, Robinhood (collectively, "**Insiders**") regardless of specific job responsibilities, department, or location. Certain provisions of this Policy, by their terms, additionally apply to consultants to, and contractors and agents of, Robinhood.

B. Application of Trading Rules to Family Members and Controlled Entities

In order to avoid even the appearance of abuse, this Policy's trading prohibitions also apply to Insiders' Family Members[1] and Controlled Entities[2] (collectively with Insiders, "**Covered Persons**"). This means that each Insider has a responsibility under this Policy to prevent their Family Members and Controlled Entities from making trades that would violate this Policy. (See Sections IV.D and VI.I.)

C. Additional Rules Apply to Associated Persons of RHF and RHS

The requirements of this Policy are in addition to the written supervisory procedures ("**WSPs**") and other policies and procedures applicable to associated persons of RHF and RHS, which may be more restrictive than this Policy (including with respect to, for example, personal trading requirements, investing in initial public offerings, compliance with restricted lists, surveillance regarding watch lists, and an obligation to provide confirmations/statements to the RHM Trading Compliance Officer).

D. Specific Rules Apply to Trading in Crypto-Assets.

In addition to the general rules set forth in Section IV, specific rules regarding crypto-asset trading are set forth in Section VII. The term "**crypto-asset**" includes cryptocurrencies, stablecoins, and other virtual currencies, non-fungible tokens, security tokens, utility coins, and similar types of digital assets (often involving blockchain technology), and, as the context may require, related or derivative financial instruments.

E. Reporting Violations; Escalation

Any Insider who believes they or one of their Covered Persons may have violated this Policy (even inadvertently) or, more broadly, that a violation of this Policy or its related procedures may otherwise have occurred or may be about to occur should immediately contact the Employee Trading Helpline or otherwise report the situation to the RHM Trading Compliance Officer. The RHM Trading Compliance

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[1] For purposes of this Policy, an Insider's "**Family Members**" are (a) family members who reside in the same household with the Insider (including a spouse or domestic partner, and children, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws of the Insider, but only if they reside in the same household with the Insider), (b) children of the Insider or of the Insider's spouse who do not reside in the same household with the Insider but are financially dependent upon the Insider, (c) any other family members of the Insider who do not reside in that household but whose transactions are directed by the Insider, and (d) any other individual over whose account the Insider has control and to whose financial support the Insider materially contributes. (Materially contributing to financial support would include, for example, paying an individual's rent but not just a phone bill.)

[2] For purposes of this Policy, an Insider's "**Controlled Entities**" are entities controlled by the Insider and/or by their Family Members, including any estate planning trust for which the Insider and/or any of their Family Members serves as trustee, and other trusts, corporations, partnerships, and other entities (including investment clubs) at which the Insider and/or any of their Family Members hold a majority of the voting power or a majority of the seats on the board (or similar governing body) or for which the Insider and/or any of their Family Members have a practical ability to make all investment decisions, whether as an officer or employee, by contract, or otherwise; *provided, however*, that this policy shall not apply to any entity controlled by a member of the Company's Board of Directors that engages in the investment of securities in the ordinary course of its business (e.g., an investment fund or partnership) if such entity has established its own insider trading controls and procedures in compliance with applicable securities laws and such entity has represented to the Company that it: (a) is engaged in the investment of securities in the ordinary course of its business; (b) has established insider trading controls and procedures designed to ensure compliance with applicable securities laws, intends to maintain such controls and procedures, and will promptly notify the Company if it ever ceases to maintain such controls and procedures; and (c) is aware such securities laws prohibit any person or entity who has material, non-public information concerning the Company from purchasing or selling securities of the Company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell securities.

Officer or their designee will investigate potential violations and working with appropriate stakeholders will determine whether violations have occurred. The RHM Trading Compliance Officer may involve other teams (such as the Trade Surveillance, Financial Crimes, Employment Legal, and Corporate Legal teams) as part of the investigation and review efforts as they deem appropriate. If the Trade Surveillance team becomes aware of an apparent violation of this Policy, they shall report it to the RHM Trading Compliance Officer, provided that minor violations (such as inadvertent holdings of Robinhood Securities in a margin account) may be processed without separate notice in a manner pre-agreed with the RHM Trading Compliance Officer.

F. Continuing Obligations of Insiders Following Termination of Employment

An Insider who ceases to be employed by or who ceases to provide services to Robinhood has a continuing obligation to maintain the confidentiality of all Confidential Information for as long as such information has not been publicly disclosed and such Insider may have a continuing obligation under federal law to refrain from trading in any securities, crypto-assets, or other financial instruments to which the information relates. If the Insider was subject to a Quarterly or Special Closed Window at the time of termination (or, if earlier, on their final day of active service and information access at Robinhood), then the Insider and their related Covered Persons remain subject to the Closed Window for its full duration under this Policy. If the Company becomes aware of a policy violation by a former employee, then the RHM Trading Compliance Officer will confer with Human Resources, Corporate Legal, and Employment Legal regarding how to respond.

G. Review and Amendments

The Corporate Legal team, in consultation with the RHM Trading Compliance Officer, shall review this Policy from time to time and assess whether to recommend amendments. All material amendments require approval from the RHM Board of Directors. (Non-material amendments and clarifications may be made by the Corporate Legal team, in consultation with the RHM Trading Compliance Officer.)

III. Types of Confidential Information

“**Confidential Information**” refers collectively to non-public information received or created by Robinhood, including material non-public information (also referred to as “**MNPI**”), Proprietary Information, and Confidential Customer Information (each as defined below). It also includes any other non-public information received by Robinhood from a third party subject to a confidentiality agreement.

The proper handling of Confidential Information depends on the nature of the information. Certain Confidential Information may rise to the level of MNPI and is subject to heightened restrictions and legal protections.

A. Material Non-Public Information

Material non-public information is material information that has not been broadly disseminated or made widely available to the general public. MNPI may come from a variety of sources – Robinhood itself, customers, counterparties, rating agencies, issuers, or other third parties. It may be received from corporate officers or employees of, or lawyers, accountants or other professionals involved with, such third parties. MNPI is generally provided with the expectation that Robinhood and its Insiders will keep it confidential and use it solely for the business purposes for which it was provided.

MNPI may include “tips” received directly or indirectly from a third party, whether inside or outside of a customer relationship, particularly where the recipient knows, or should know, that the third party is

disclosing the information improperly, in breach of their duty of trust or confidence to the owner or source of the information.

1. When is Information “Material”?

Information is generally considered to be “material” if a reasonable investor would likely consider the information important in deciding whether to purchase, hold, sell, or make any other investment decision regarding a security, crypto-asset, or other financial instrument. It includes information that, if publicly disclosed, is reasonably likely to positively or negatively affect the market price of a security, crypto-asset, or other financial instrument. It also includes information about orders or market activities that, even without public disclosure, are likely to affect the market price of a security, crypto-asset, or other financial instrument. Information that is material with respect to a security or crypto-asset is likely to be material with respect to related instruments, such as derivative financial products, contracts, or similar instruments (e.g., options, event contracts, futures).

Material information may include, but is not limited to, information about:

- proposed transactions such as refinancings, tender offers, recapitalizations, leveraged buy-outs, acquisitions, mergers, acqui-hires, restructurings or purchases or sales of assets;
- public offerings;
- initiation, expansion, suspension (including temporary and/or limited suspensions), or curtailment of operations with respect to any security or crypto-asset, or any country or market;
- earnings;
- projections of future earnings or losses, or other earnings guidance;
- large trades that have been placed but not yet executed;
- dividend initiation, increases, or decreases;
- write-downs of assets;
- changes to reserves;
- borrowing;
- liquidity issues, defaults, or other credit events;
- changes of ratings of debt securities;
- increases or declines in orders;
- new products, services or discoveries;
- the signing of a major new material contract or the loss of a major material existing contract;
- significant developments in litigation or regulatory proceedings;
- management changes;
- a cybersecurity or data breach; and
- advance knowledge of government action that is likely to have an effect on a company or market.

This list is not exhaustive, and there is no bright-line standard for assessing materiality; rather, it is based on an assessment of all of the facts and circumstances at a particular time. Additional types of
information that could be material with regard to crypto-assets are discussed in Section VII below.

Information may be material even if it relates to speculative or contingent events. It can also be material to more than one company. For example, information about a potential acquisition may be material to both the acquiring company and the target company. Material information can be positive or negative.

2. When is Information “Non-Public”?

Information is considered “non-public” if it has not been broadly disseminated or made widely available to the general public, such as by means of a press release, on a newswire, in a newspaper, in a published

research report, in a public filing made with a regulatory agency, in a blog that has been designated as a channel for distribution of material information, in materials sent to shareholders or potential investors such as a proxy statement or a prospectus, or materials available from public disclosure services. You should refrain from trading until the market has had an opportunity to absorb and evaluate the information, which this Policy defines as one full regular trading session (in the case of securities) and 24 hours (in the case of crypto-assets) after the information was broadly disseminated. The fact that non-public information is reflected in rumors in the marketplace does not necessarily mean that the information has been broadly disseminated.

Because the determination of whether information is “material” and/or “non-public” depends on the particular facts and circumstances and involves questions of judgment, Insiders should contact the Employee Trading Helpline if they have any questions about whether particular information is “material” or “non-public” or whether contemplated actions are consistent with this Policy.

B. Confidential Customer Information

“**Confidential Customer Information**” is non-public information received by Robinhood from a customer. Confidential Customer Information includes information about customer orders, portfolios, trading intentions, and customer financial information.

Some Confidential Customer Information may constitute MNPI. For example, non-public information about levels of aggregated customer trading activity in a particular security or crypto-asset could be MNPI if the disclosure or publication of such information would likely affect the market price of the security or crypto-asset.

C. Proprietary Information

“**Proprietary Information**” is non-public information of whatever type that is owned, created, or obtained by Robinhood for its business purposes. Examples of Proprietary Information include, but are not limited to, information about Robinhood’s business, operations, financial condition, strategies, and performance; information about Robinhood’s relationship with customers, product or service providers, and vendors; and Robinhood computer programs, data, trade secrets and other proprietary software.

Some Proprietary Information may constitute MNPI. For example, Robinhood’s revenues or financial condition could be material to Robinhood, and non-public information about a contemplated transaction with another company could be material to Robinhood and/or the other company. Similarly, non-public information about industry trends that Robinhood is experiencing could be material to Robinhood and/or to other companies in Robinhood’s industry.

IV. Handling and Use of Confidential Information

All Insiders are prohibited from mishandling or misusing Confidential Information and must comply with the following policies and procedures.

A. The “Need to Know” Policy

Robinhood has a general “Need to Know” policy with respect to the disclosure of Confidential Information. Insiders, consultants, contractors, and agents are expected to limit disclosure of and access to Confidential Information to only those persons who: (a) have a valid business reason for receiving the information, (b) are receiving the information in order to serve the proper business purposes of Robinhood, and (c) can be expected to maintain the information in confidence. Persons with a “need to

know" Confidential Information may include certain Insiders and certain persons outside Robinhood (such as Robinhood's outside counsel or accountants). In addition, Insiders, consultants, contractors, and agents must not disclose Confidential Information except in accordance with any applicable confidentiality agreement or information barriers.

B. Prohibition of "Tipping"

Insiders, consultants, contractors, and agents shall not provide MNPI to a friend, relative, or anyone else who might buy or sell a security, crypto-asset, or other financial instrument on the basis of that information, whether or not the Insider intends to realize a profit from such "**tipping**." A person who gives MNPI to another without authorization, is a "**tipper**." The person who receives the information is a "**tippee**." A person does not have to divulge MNPI to be guilty of tipping. Simply suggesting to a relative or friend that he or she buy, sell, or hold a security, crypto-asset, or other financial instrument violates this Policy if the person making the tip is aware of MNPI regarding such asset when making the suggestion, even if the tipper does not tell the tippee why the tipper is making the suggestion. Additionally, the tippee may be subject to civil fines and criminal prosecution if he or she trades based on the MNPI received or disseminates the MNPI to others or suggests trades to others.

Insiders, consultants, contractors, and agents shall not disclose Confidential Information to any person under any circumstances in which it appears likely that such person will misuse the information. At all times, you should use common sense, good judgment, and caution and conform to other applicable Robinhood policies regarding information security and privacy, including Robinhood's Privacy Policy and any other procedures designed to protect against unauthorized access to or use of customer records and information.

C. Receipt of Material Non-Public Information

Project or team leaders (including but not limited to in corporate development, product development, finance, legal, and procurement) whose teams generate, receive, or access, or expect to generate, receive, or access, MNPI (including, without limitation, from customers, counterparties, rating agencies, issuers, or other third parties) regarding an issuer or any security, crypto-asset, or other financial instrument must notify the RHM Trading Compliance Officer and the Deputy General Counsel of Corporate Legal Affairs or the head of the Corporate Legal team (or otherwise ensure they are aware) that such MNPI being held within the Company. The RHM Trading Compliance Officer will provide guidance as to the appropriate steps to take, and may add the issuer or crypto-asset to Robinhood's Restricted List or Watch List (as described in Section V).

If an Insider, consultant, contractor or agent acting on behalf of Robinhood is uncertain whether information is MNPI or believe they may have been inadvertently exposed to MNPI during the course of their affiliation with Robinhood, they must consult and/or notify the RHM Trading Compliance Officer, the Deputy General Counsel of Corporate Legal Affairs or the head of the Corporate Legal team (or their designee), and their project or team leaders for determination.

D. Use of Confidential Information; Prohibition of "Insider Trading"

1. MNPI and Other Confidential Customer Information Obtained from Third Parties. Insiders, consultants, contractors, and agents may use MNPI obtained from a third party and other Confidential Customer Information only for the specific purpose for which it was provided; any other use without permission from the entity that originally entrusted Robinhood with such information is a misuse in violation of this Policy.

2. Proprietary Information and Other Confidential Information. Insiders may use Proprietary Information and other Confidential Information, regardless of its source, only for the purpose of carrying out their responsibilities on behalf of Robinhood and only in a manner consistent with the purposes for which it was created or obtained by Robinhood. Proprietary Information is the property of Robinhood. The unauthorized use or disclosure of Proprietary Information and other Confidential Information is prohibited (regardless of whether the information is material). For example, Insiders might accidentally overhear a conversation or come across a memo left at a copy machine or receive information erroneously shared with them through email, slack or other electronic communications and thereby learn Proprietary Information about an earnings announcement or a prospective acquisition before it is made public. Using this information for the Insider's financial or other personal benefit or conveying such information to others for their financial or other personal benefit constitutes a violation of this Policy and may violate the law. Similarly, Insiders must not trade securities of other companies based on Proprietary Information about Robinhood. (For example, if an Insider becomes aware of a material undisclosed trend at Robinhood that could be affecting the entire brokerage industry, then the Insider must not trade in securities issued by any brokerage until the information has been publicly disclosed or is no longer material.)

3. Trading Prohibitions. Insiders, consultants, contractors, and agents of Robinhood shall not purchase, sell, or otherwise trade, or cause or recommend the purchase, sale, or other trade, for any account (whether their own account, or the account of a Family Member or Controlled Entity, a customer, Robinhood, or any other person or entity), of:

- a security, crypto-asset, or other financial instrument while in possession of MNPI that relates to such security, crypto-asset, or instrument and that was obtained in the course of the person's affiliation with Robinhood; or

- a security, crypto-asset, or other financial instrument while in possession of non-public information about aggregated customer trading activity in such security, crypto-asset, or instrument that Robinhood plans to make public.

In order to avoid even the appearance of abuse, all trades of a security, crypto-asset, or other financial instrument by or for the account of Family Members or Controlled Entities are treated as though they were made by the related Insider. Insiders are therefore advised to make their Family Members aware of this Policy, including that this Policy treats all trades of a security, crypto-asset, or other financial instrument by Family Members and Controlled Entities as if the transactions were made by the Insider. However, such Policy presumption does not apply to transactions by Family Members or Controlled Entities where the Insider demonstrates that the investment decision was made independently by a third party not controlled or influenced by the Insider or the Insider's Family Members.

E. Information Barriers

From time to time, it may be appropriate to adopt and implement more formal information barriers, sometimes called "information screens," designed to prevent the misuse of MNPI, including to prevent MNPI from being passed from one Insider or group of Insiders to another group of Insiders ("**Information Barriers**"). Information Barriers have multiple uses, including to enable the proper management of potential conflicts of interest, to protect the confidentiality of information, to prevent the misuse of MNPI, and/or to comply with certain regulatory requirements. They are often reinforced by physical and functional separation and electronic restrictions and controls.

Where Robinhood has implemented an Information Barrier, a person on one side of the barrier may not communicate (or otherwise give access to) specified categories of Confidential Information acquired or

created in that business area to persons on the other side of the barrier, except in accordance with any specific barrier-crossing procedures established for such barrier.

V. Restricted List and Watch List

The RHM Trading Compliance Officer is authorized (but not required) to maintain and enforce a Restricted List and a Watch List as described below.

A. Restricted List

The "**Restricted List**" is a list of issuers or crypto-assets that are subject to restrictions on trading activity. The Restricted List may generally be viewed by all Insiders. The RHM Trading Compliance Officer may also choose to make the Restricted List viewable by consultants, contractors, or agents of Robinhood who have a duty of confidentiality to Robinhood. The RHM Trading Compliance Officer may place an issuer or crypto-asset on the Restricted List in order to reinforce Information Barriers, to comply with legal or regulatory requirements, to avoid the potential appearance of impropriety, or to meet other compliance or regulatory objectives. Because entries may be placed on the Restricted List for a number of reasons, no inferences should be drawn from the fact that an issuer or crypto-asset is included on the Restricted List.

When an issuer or crypto-asset appears on the Restricted List, Insiders (as well as any consultants, contractors, or agents of Robinhood with access to the list) shall not purchase or sell, or cause or recommend the purchase or sale, for any account (whether their own account, or the account of a Family Member or a Controlled Entity, a customer, Robinhood, or any other person or entity) of that issuer's securities or that crypto-asset or any related derivatives or other related financial instruments. In appropriate circumstances, the RHM Trading Compliance Officer may grant exceptions from the Restricted List prohibitions. The RHM Trading Compliance Officer is authorized to monitor trading to identify transactions prohibited by the Restricted List.

Anyone with access to the Restricted List should understand that the Restricted List is itself Proprietary Information and MNPI.

B. Watch List

From time to time, the RHM Trading Compliance Officer may determine that an issuer or crypto-asset should be placed on a Watch List. A "**Watch List**" is a highly confidential list of issuers and crypto-assets about which Robinhood may have received or may expect to receive MNPI or with respect to which the RHM Trading Compliance Officer otherwise has determined that there is a reason to monitor activities. The placement of an issuer or crypto-asset on a Watch List generally will not, in and of itself, effect any trading prohibition. (However, the circumstances that gave rise to the listing, such as a confidential merger project, will often result in a trading prohibition applicable to anyone with knowledge of those circumstances, as set forth in other sections of this Policy.) The RHM Trading Compliance Officer is authorized to monitor trading in securities of issuers and in crypto-assets on the Watch List, and in all related financial instruments. Anyone who is aware of one or more entries on the Watch List, should consider that information itself to be MNPI.

C. Compliance Monitoring

In order to monitor Policy compliance, the RHM Trading Compliance Officer may require Insiders, consultants, contractors, and agents to inform Robinhood of any securities (including derivative financial products, contracts, or similar instruments) and crypto-asset accounts that they or their Covered Persons maintain at Robinhood and/or other brokerages or businesses and to consent to surveillance of

those accounts. (Additional surveillance procedures may apply to associated persons of RHF and RHS under their respective WSPs.)

VI. Trading of Robinhood Securities

A. Prohibitions of Insider Trading and Tipping apply to Robinhood Securities[3]

For the avoidance of doubt, the prohibitions against insider trading set forth in Section IV.D.3 and the prohibition against insider "tipping" set forth in Section IV.B of this Policy apply to Robinhood Securities (as defined in the footnote) and information relating to Robinhood Securities.

B. 10b5-1 Trading Plans

Robinhood has adopted a Rule 10b5-1 Trading Plan Policy under which certain Insiders are eligible to adopt trading plans ("**10b5-1 Plans**") for Robinhood Securities. In accordance with federal law, that policy allows securities trades to be made pursuant to a *pre-existing* 10b5-1 Plan (even if the trader possesses MNPI when the trade occurs), so long as the plan was adopted in accordance with Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended, and Robinhood's Rule 10b5-1 Trading Plan Policy.

Therefore, the prohibitions against insider trading set forth in Section IV.D.3 of this Policy, the Quarterly Closed Windows of Section VI.G, the pre-clearance requirements of Section VI.J, and the Special Closed Windows of Section VI.K do not apply to transactions in Robinhood Securities effected as part of a valid 10b5-1 Plan.

C. General Prohibition of Hedging Robinhood Securities

Robinhood recognizes that hedging against losses in Robinhood shares may disturb the alignment between shareholders and Insiders that the Company's equity awards and stock ownership policies are intended to build. As a matter of Robinhood policy, Covered Persons are prohibited from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds), or otherwise engaging in transactions, with the purpose or effect of limiting or eliminating economic risks associated with owning Robinhood Securities. Such hedging transactions are prohibited regardless of whether the Covered Person possesses MNPI when implementing the hedge.

(For the avoidance of doubt, outright sales of Robinhood shares are permitted, provided they comply with the other requirements of this Policy.)

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[3] "**Robinhood Securities**" means (i) all securities that Robinhood has issued, including common stock and warrants to purchase common stock (and any other securities that Robinhood may issue in the future, including but not limited to, preferred shares, notes, and debentures); (ii) any derivative financial products, contracts, or similar instruments pertaining to Robinhood's securities, whether or not issued by Robinhood, such as options and forward contracts; and (iii) any derivative financial products, contracts, or similar instruments that are tied to Robinhood metrics, performance, or events, whether or not issued by Robinhood, such as event contracts (the derivative financial products, contracts, or similar instruments set forth in (ii) and (iii) of this definition are collectively referred to as "**Robinhood Derivatives**"). Securities of broadly diversified funds and index funds (i.e., funds that track an established broad-based index) will *not* be considered "Robinhood Securities." Securities of any other fund that has invested in Robinhood Securities will not be considered to pertain to Robinhood's securities (and thus will not be considered "**Robinhood Securities**"), provided that Robinhood Securities comprise less than 5% of the fund by value at the time of the Covered Person's investment decision. Please refer any questions about this definition to the Employee Trading Helpline.

D. Prohibition of Short Sales of Robinhood Securities

As a matter of Robinhood policy, Covered Persons, consultants, contractors, and agents are not permitted to engage in "short sales" or sales "against the box" of Robinhood Securities. These types of trades are prohibited regardless of whether the Covered Person possesses MNPI when placing the trade. In general, short sales are transactions whereby a trader will benefit from a decline in the price of the security. Robinhood believes it is inappropriate for anyone covered by this Policy to engage in such transactions in Robinhood Securities, because it would create a conflict of interest for the person, and could incentivize the person to take actions that are contrary to Robinhood's interests.

Specifically, a short sale is a sale of securities that the trader does not yet own. In a short sale, the trader sells securities for a particular price, which the trader is expecting will be higher than the price at which the trader must later buy the securities to cover the sale. Short sales are profitable only if the price of the securities declines. A sale "against the box" is a sale of securities that are owned but are not delivered within twenty days or deposited in the mail for delivery within five days of the sale. A sale "against the box" has the same effect as a short sale.

E. Prohibition of Trading in Robinhood Derivatives

As a matter of Robinhood policy, Covered Persons, consultants, contractors, and agents are not permitted to hold or trade in Robinhood Derivatives. This prohibition exists regardless of whether the Covered Person possesses MNPI when placing the trade. Similar to short sales, holding or trading in Robinhood Derivatives could create conflicts of interest between the Insider and Robinhood. For example, a trader who writes a call option on Robinhood stock would have an economic incentive to prevent Robinhood's stock price from increasing beyond a certain point; a trader who buys a put option on Robinhood stock would generally profit if the price of Robinhood stock declines; and a trader who enters into an event contract to trade their negative opinion on certain Robinhood metrics could benefit from a decline in Robinhood's financial performance. Robinhood recognizes that not all Robinhood Derivatives create conflicts of interest, but Robinhood has adopted this blanket policy prohibition in order to prevent any appearance of impropriety.

Restricted stock units ("**RSUs**"), employee stock options, and other derivative securities granted to Insiders under Robinhood's equity incentive plans are excluded from this rule (but are generally non-transferrable according to their terms).

F. Prohibition of Pledging Robinhood Securities; Prohibition of Holding Robinhood Securities in a Margin Account

As a matter of Robinhood policy, Covered Persons are not permitted to pledge Robinhood Securities. Pledging of Robinhood Securities is prohibited regardless of whether the Covered Person possesses MNPI when making the pledge. If Robinhood Securities were pledged as collateral for a loan, there would be a risk that the securities could be foreclosed upon (if the Insider defaults on the loan) at a time when this Policy prohibits the Covered Person from trading the securities. And some loans backed by pledged securities (particularly on a non-recourse basis) resemble sales in many respects and, if not prohibited, could potentially be used to circumvent the prohibitions on hedging and insider trading generally.

Similarly, there is a risk that securities held by a Covered Person in a margin account might be sold without the Covered Person's consent if the Covered Person fails to meet a margin call. Because such a sale could occur when a Covered Person has MNPI about Robinhood or is otherwise not permitted to trade in Robinhood Securities, Covered Persons are prohibited from purchasing Robinhood Securities on margin and/or holding Robinhood Securities in accounts that are authorized for margin trading.

G. Quarterly Closed Trading Windows

In order to avoid any appearance that Covered Persons, consultants, contractors, and agents are trading with an informational advantage relating to Robinhood's financial results, Robinhood has established a "**Quarterly Closed Window**" during which Covered Persons (as well as any consultants, contractors, and agents to whom the RHM Trading Compliance Officer provides a closed window notice) must not trade Robinhood Securities. The Quarterly Closed Window commences on (and includes) the 15th day of the last month of a quarterly or annual financial reporting period and ends when the Nasdaq stock market closes one full regular trading session after Robinhood issues a press release or a filing with the SEC announcing its full quarterly or annual financial results for that reporting period (which, for the avoidance of doubt, would not include the broker-dealer subsidiaries' Rule 606 reports).

As an exception to the general rule, Robinhood Securities may be transferred during a Quarterly Closed Window pursuant to a 10b5-1 Plan (as described in Section VI.B) and/or the exceptions of Section VI.L below.

Even if a Quarterly Closed Window is not in effect as specified herein, you must not trade in Robinhood Securities if you are aware of MNPI about Robinhood or Robinhood Securities.

H. Standing Orders to Trade Robinhood Securities

Standing orders to trade securities (like limit orders or stop orders) generally do not get filled when placed but rather get triggered later, when the security's market price reaches a level specified in the standing order instruction. Because of the risk that purchases or sales under standing orders could be triggered at a time when the trader possesses MNPI, you should use standing orders to trade Robinhood Securities, if at all, only for brief periods of time when you can be reasonably certain that the order will not execute during a Quarterly Closed Window and will not execute at a time when you otherwise possess MNPI (except that standing orders may be used for longer periods under 10b5-1 Plans implemented in accordance with the Rule 10b5-1 Trading Plan Policy).

With respect to Robinhood Securities, it is the responsibility of each Covered Person, consultant, contractor, and agent to terminate any standing orders with their brokers (except under approved 10b5-1 Plans) prior to the beginning of each Quarterly Closed Window to which they are subject, promptly upon being notified of any Special Closed Window to which they are subject, and promptly upon becoming aware of MNPI relating to Robinhood Securities. As a courtesy at the beginning of each Quarterly Closed Window, Robinhood's captive stock-plan broker, E*Trade, may automatically cancel any standing orders for Robinhood shares placed through a stock-plan linked account (except under approved 10b5-1 Plans); but it is your responsibility to comply with respect to all brokerage accounts.

I. Family Members and Controlled Entities are Subject to these Policies

In order to avoid even the appearance of abuse, all trades of securities or crypto-assets by or for the account of Family Members or Controlled Entities are treated as though they were made by the related Insider and are therefore attributable to the Insider for purposes of this Policy (as stated in Section IV.D). This means that Insiders are subject to discipline (up to and including termination of employment) if they fail to prevent Family Members and Controlled Entities from making trades that would violate this Policy if made by the Insider.

With respect to trading in other companies' securities by Family Members and Controlled Entities, an Insider can avoid discipline by demonstrating that the investment decision was made independently by a third party not controlled or influenced by the Insider or the Insider's Family Members (as stated in Section IV.D). However, such defense does *not* apply to Robinhood Securities. For purposes of this

Policy, all trades in Robinhood Securities by Family Members and Controlled Entities are treated as if they were made by the related Insider, and therefore may be prohibited *even if* the trading is directed by an independent third party. Insiders are therefore advised to instruct (and to advise their Family Members to instruct) any investment manager retained to trade securities for their accounts never to trade in Robinhood Securities on their behalf or on behalf of any other Covered Person.

J. Pre-Clearance Procedures

The Company will maintain a "Pre-Clearance List." The RHM Trading Compliance Officer (or their delegate) will update the Pre-Clearance List at least once per fiscal quarter (and notify any newly added persons) to include all members of the Board of Directors, all employees at a level equivalent or senior to vice-president (level 10 or above or their future equivalents), and all general managers, as well as any other employees that may be designated by the RHM Trading Compliance Officer or Corporate Secretary (who may identify other individuals with regular access to MNPI during open trading windows). Persons on the Pre-Clearance List and all of their Family Members and Controlled Entities are required to receive clearance prior to trading, transferring, gifting, or donating Robinhood Securities and/or implementing a 10b5-1 Plan. Such pre-clearance is obtained by submitting a Pre-Clearance Request Form (as attached to this Policy) to the Corporate Secretary, who will route it to the appropriate reviewer(s) as follows. Requests submitted by members of the Board of Directors, senior executives (levels 11 or 12 or their future equivalents), or anyone with an active 10b5-1 Plan (or by their related Covered Persons) require approval from the chief financial officer, chief legal officer, and the RHM Trading Compliance Officer (or their delegate); and requests submitted by anyone else require approval from the Corporate Secretary and the RHM Trading Compliance Officer (or their delegate); provided however, that no one should participate in clearing their own request.

Requests for pre-clearance should be submitted at least two business days in advance of the proposed transaction. An approval of a trade or 10b5-1 Plan will be valid only for the time specified in the approval and trades not placed or 10b5-1 Plans not adopted within the specified time must be resubmitted through the pre-clearance procedures and approved again before the trade or 10b5-1 Plan may proceed. (For the avoidance of doubt, limit orders and other standing orders require pre-clearance when placed and must be promptly cancelled if they do not execute by the deadline specified in the preclearance approval. A separate pre-clearance is not required to cancel a standing order.) Insiders subject to pre-clearance must promptly notify the Employee Trading Helpline of any trade of Robinhood Securities that has been executed or any Trading Plan that has been adopted, but only to the extent the trade or plan is inconsistent with the approved preclearance request or was not precleared in violation of this Policy. (Reporting persons subject to Section 16 of the Exchange Act should also alert the Company's Form 4 reporting team regarding all trades and transfers of Robinhood securities.) Robinhood's approval of a request for pre-clearance does not constitute legal advice and does not relieve the Insider of their legal obligation to refrain from trading in Robinhood Securities if in possession of MNPI.

The Company is under no obligation to approve a request for pre-clearance or a 10b5-1 Plan and may determine not to approve the transaction or 10b5-1 Plan in its discretion. Insiders must not inform any person (other than a Family Member or Controlled Entity on whose behalf they sought pre-clearance) if the Company denies such Insider's request to trade in Robinhood Securities, as such denial may itself be considered under this Policy to be MNPI.

The following types of transactions are exempt from the pre-clearance requirement: any automatic trade under an approved 10b5-1 Plan, any automatic receipt of shares pursuant to an RSU award (but not any sale of such shares into the market), any automatic sale of vested RSU shares arranged by the Company to cover the Company's tax withholding obligation upon RSU settlement, and any automatic

purchase of shares under the Company's Employee Share Purchase Plan (the "**ESPP**") (but not any sale of such shares into the market).

K. Special Closed Trading Windows

The RHM Trading Compliance Officer or Corporate Secretary may designate, from time to time, a "**Special Closed Window**" independent of the Quarterly Closed Window described in Section VI.G during which anyone who has been designated as being subject to this Section VI.K (and their related Covered Persons) must not trade Robinhood Securities; and the RHM Trading Compliance Officer or Corporate Secretary may also apply such Special Closed Window to (a) the trading in the securities of certain other companies, as deemed appropriate or advisable, including certain of Robinhood's peers or competitors and/or (b) trading in certain crypto-assets (and related financial instruments). The existence of a Special Closed Window will not be announced to Robinhood generally, should not be communicated to any other person, and may itself be considered under this Policy to be MNPI.

As an exception to the general rule, Robinhood Securities may be transferred during a Special Closed Window pursuant to a 10b5-1 Plan (as described in Section VI.B) and/or the exceptions of Section VI.L below.

L. Exceptions

The following transfers of Robinhood Securities may be made without regard to the insider trading prohibitions of Section IV.D and may be made during a Closed Window[4] (except as otherwise noted below), provided that the pre-clearance requirement of Section VI.J continues to apply in accordance with its terms:

- Exercise for cash of a stock option granted under one of RHM's equity incentive plans (but not any sale of such shares into the market);
- Any receipt of shares from RHM pursuant to a RSU award (but not any sale of such shares into the market);
- Any automatic sale of vested RSU shares arranged by Robinhood to cover tax withholding obligations;
- Any transfer of RHM Securities to Robinhood, including any withholding (or reacquisition) of RHM shares by Robinhood to cover tax withholding obligations;
- Purchases of shares under RHM's ESPP (but not any sale of such shares into the market);
- Bona fide gifts and donations, provided that if a Quarterly Closed Window is in effect at the time of transfer, the donee must expressly agree to be subject to the remainder of the closed window to the same extent as the Insider, and provided that if a Special Closed Window is in effect, the gift/donation requires pre-approval from the RHM Trading Compliance Officer or Corporate Secretary;[5]
- Estate-planning transfers, but only with pre-approval from the RHM Trading Compliance Officer or Corporate Secretary; and

[4] "**Closed Window**" means a Quarterly Closed Window or a Special Closed Window.

[5] Bona fide gifts and donations pursuant to a valid 10b5-1 Plan may occur during Closed Windows without preclearance, without any commitments from the donee, and without pre-approval from the RHM Trading Compliance Officer.

- Transfers that do not involve any change of beneficial ownership.

VII. Crypto-Asset Trading

Section VII applies to all trading of crypto-assets, whether on Robinhood, or on another platform, and is intended to limit even the appearance of impropriety arising from the use of Confidential Information regarding crypto-assets.

Crypto-asset trading restrictions apply to all Insiders, consultants to, and contractors and agents acting on behalf of Robinhood (whether their own account, or the account of a Family Member or Controlled Entity, a customer, Robinhood, or any other person or entity). However, those who have been identified as Coin Aware Individuals (as defined below) are subject to even more restrictive requirements due to their exposure to MNPI during the listing/delisting process.

Note: The specific prohibitions set forth in this Section are in addition to the general rules regarding use of Confidential Information and compliance with the Restricted List, as set forth in Sections IV and V.

All Insiders, consultants, contractors or agents acting on behalf of Robinhood are subject to the following crypto-asset trading restrictions:

- They are restricted from trading of a crypto-asset(s) on Robinhood or another platform, from the time Robinhood publicly announces a new listing or delisting of such crypto-asset(s) up to twenty-four (24) hours after such broad public announcement.

- This Policy's prohibitions against trading on Robinhood, or another platform, leading up to, and during, the twenty-four (24) hour period after the first broad public announcement of a new listing or delisting include, without limitation: (a) mining the subject crypto-asset(s), (b) lending or staking the subject crypto-asset(s), and (c) lending or staking other crypto-asset(s) where the subject crypto-asset(s) is received in return; or (d) conducting personal trading.

- All Insiders, consultants, contractors or agents acting on behalf of Robinhood will be subject to both monitoring and restrictions on the Robinhood platform during this twenty-four (24) hour period.

- In connection with new listings, delistings and other trading restrictions, the RHM Trading Compliance Officer is authorized (but not required) to impose additional trading restrictions.

- For the purpose of this Policy, (a) trades of a crypto-asset include transactions denominated in fiat currency as well as transactions denominated in cryptocurrency; and (b) mining of a cryptocurrency is considered a purchase of the cryptocurrency at a then-applicable reasonable market price.

- Anyone who becomes aware of MNPI during the course of their affiliation with Robinhood that relates to a crypto-asset (or any related financial instrument) must not conduct trading on the basis of such MNPI in any account (whether their own account,

or the account of a Family Member or Controlled Entity, a customer, Robinhood, or any other person or entity).

- Material information with respect to a crypto-asset may include, but is not limited to, information about:
  - large trades that have been placed but not yet executed;
  - other short-term market impacts of customer trading;
  - contemplated listings (whether by Robinhood or any other business);
  - contemplated delistings (whether by Robinhood or any other business); and
  - information about another crypto-asset under circumstances in which such information is likely to affect the price of the subject crypto-asset (for example information about bitcoin may be likely to affect the price of other crypto-assets, given how closely the price of some crypto assets track the price of bitcoin).

  Material information with respect to stablecoins may include information indicating a likelihood that the fixed or pegged price will not hold. So long as a stablecoin's pegged price is not in doubt, listings and delistings of the stablecoin are unlikely to be material with respect to the stablecoin (because that information would not make a difference to a reasonable investor's decision of whether to buy or sell the stablecoin).

- An Insider, consultant, contractor or agent acting on behalf of Robinhood who is uncertain of whether a potential investment would be considered a "related financial instrument" of a particular crypto-asset must consult with either the RHM Trading Compliance Officer or RHC Chief Compliance Officer.

- Transactions for bona fide testing purposes are exempt from the above prohibitions, provided that all of the following conditions are met (a) the RHC Chief Compliance Officer approves the test in advance, (b) notice of the RHC Chief Compliance Officer's approval is provided to the RHM Trading Compliance Officer in advance of the test (including a list of who is participating in the test), and (c) the transacted amounts are *de minimis*.

As mentioned above, Coin-Aware Individuals, which includes Crypto leaders, are subject to more restrictive requirements as outlined below[6]:

- Crypto leaders, which is a small subset of Coin-Aware Individuals (defined below), whose teams (including, without limitation, the Crypto Listing Committee) generate, receive, or access, or expect to generate, receive, or access, MNPI regarding any future crypto-asset must notify the RHM Trading Compliance Officer (or otherwise ensure he or she is aware) that such MNPI being held within the Company. The RHM Trading Compliance Officer will provide guidance as to the appropriate steps to take, and may add the crypto-asset to Robinhood's Restricted List or Watch List (as described in Section V).

[6] Coin Aware Individuals are also subject to the crypto-asset trading restrictions applicable to all Insiders, consultants, contractors or agents acting on behalf of Robinhood. if conflicting, the stricter limitations and requirements apply.

- Coin-Aware Individuals are those who have direct knowledge of MNPI during the course of the work conducted for a new listing or delisting of a crypto-asset(s) and are strictly prohibited from conducting any personal trades, on Robinhood or another platform, of those crypto-asset(s) prior to, and during the twenty-four (24) hours after Robinhood publicly announces a new listing or delisting of such crypto-asset(s). Coin-Aware Individuals that violate this restriction will be subject to disciplinary action, up to and including termination.

- Crypto leaders and Coin-Aware Individuals must submit a preclearance request for any personal trades made on the Robinhood platform, or another platform, during the time they have become aware of the crypto asset listing or delisting leading up to, and during, the twenty-four (24) hour period after the first broad public announcement. Any questions or concerns that may arise, please contact cryptocompliance@robinhood.com.

VIII. Prohibition of Manipulation

Robinhood expects Insiders to avoid any activities that may appear to be manipulative. With respect to crypto-asset trading, this means that any trading activity that disrupts or manipulates crypto-asset exchanges or other crypto-asset service providers (e.g., trading platforms, payment processors, market data providers) is prohibited. The list below of specific prohibitions is not exclusive but is intended to provide more clarity on what types of trading activity are prohibited. (And for the avoidance of doubt, the following prohibitions also apply to trading of crypto-assets, securities, and other financial instruments.) Do not:

- harass, intimidate, or coerce another person, whether directly or indirectly, to place, amend or cancel an order for any reason including, but not limited to, for the purpose of impacting a market price or to help facilitate another person's execution of a trade based upon MNPI regarding impending transactions or trading activity that has not been publicly disseminated.

- place orders for the purpose of generating unnecessary volatility or creating a condition in which prices do not or will not reflect fair market values. This can include artificially buying and selling around the same price to solely or principally increase volume; splitting an order in efforts to create more trade executions and the appearance of more trading activity; or using successive trade executions to show artificial momentum in a particular direction (e.g., layering).

- place orders with the sole or principal intent of canceling the bid or offer before execution. Such behavior may be interpreted as an attempt to manipulate markets into believing there is more or less demand for a crypto-asset, security, or other financial instrument.

- pre-arrange the execution of any order with another person for the sole or principal purpose of creating the appearance of market activity, when in fact the execution of such order is without risk to either party (e.g., do not engage in wash sales -- entering simultaneous buy and sell orders for the same crypto-asset, security, or financial instrument for the same beneficial owner in a manner designed to achieve the same or nearly the same price for both orders).

- place orders for the purpose of assisting another person to engage in transactions and sharing the economic benefit or loss of such transactions.
- make recommendations to customers regarding transactions in crypto-assets, securities or other financial instruments. Even if an RHM subsidiary makes recommendations regarding crypto-assets, securities, or other financial instruments, Insiders are prohibited from making recommendations to buy or sell crypto-assets, securities or other financial instruments to any RHM subsidiary customers.

IX. Questions

Questions concerning any aspect of this Policy should be directed to the Employee Trading Helpline at EmployeeTrading@robinhood.com. An Insider who is uncertain of whether information in their possession is MNPI covered by this Policy should consult with the RHM Trading Compliance Officer before using or disclosing the information in question. Requests for exceptions to this Policy should also be referred to the RHM Trading Compliance Officer.

X. Violations

The misuse of Confidential Information is a violation of Robinhood policy. It may also be a violation of federal or state laws or regulations, which provide for civil and criminal penalties against any person who violates the law. Trading while in possession of MNPI or improperly communicating that information to others may expose violators to prison sentences and severe civil and criminal penalties. Federal securities laws in the U.S. currently provide for civil sanctions equal to triple the amount of gain realized or loss avoided as a result of the misconduct, and the laws of other jurisdictions frequently provide for similar penalties. Regulators may proceed against the violator's supervisors, as well as those who trade, "tip," or otherwise are engaged in, or assist another who is involved in, violating the law.

Even the appearance of misuse of Confidential Information can have serious implications for an Insider's career and may be extremely damaging to Robinhood's reputation. Failure to comply with this Policy may be grounds for disciplinary action, up to and including immediate termination of employment. In appropriate instances, Robinhood may report violations to governmental or regulatory authorities.

Document Details

Entity	RHM
Org/Department	Corporate Legal & Compliance/Control Room
Policy Owner	Corporate Legal
Approved By	RHM Board
Current Version Approval Date	June 27, 2024
Current Version Effective Date	June 27, 2024
Original Policy Effective Date	July 29, 2021
Date Current Version Published	July 16, 2024
Exception Approver (if applicable)	RHM Trading Compliance Officer
Review Frequency	Annual Review Targeted (but not required)
Next Review Date	Targeted for September 2025

Revisions Log

This Policy was originally adopted by the RHM Board of Directors on July 16, 2021 and became effective on July 29, 2021 upon the effectiveness of RHM's initial public offering registration statement.

Version	Effective Date	Revisions	Author
1.0	July 29, 2021	Original	Corporate Legal; approved by RHM Board
2.0	March 23, 2022	Exempted certain director-controlled funds from the definition of "Controlled Entity"	Corporate Legal; approved by RHM Board
3.0	September 7, 2022	Updated crypto trading provisions and other misc. updates	Corporate Legal; approved by RHM Board
4.0	September 6, 2023	Updated crypto trading and related provisions and other misc. updates	Corporate Legal; approved by RHM Board
5.0	June 27, 2024	Updated trading of Robinhood Securities provisions and other misc. updates	Corporate Legal; approved by RHM Board

Pre-Clearance Request Form

(Board members, VPs and above, and certain others must obtain preclearance before trading Robinhood Securities)

I, the undersigned, hereby request preclearance to trade securities of Robinhood Markets, Inc. (the "**Company**") in accordance with the Company's Confidential Information and Insider Trading Policy (the "**Insider Trading Policy**") as described below:

ıme of security I propose to trade:

☐ Class A Common Stock of Robinhood Markets, Inc. (HOOD)

☐ Other: _____

aximum number of such securities I propose to trade: _____

pe of transaction (check all that apply):

☐ Open Market Sale ☐ Open Market Purchase ☐ Standing Order (e.g., Limit Order)

☐ I have a 10b5-1 Trading Plan currently in effect, this transaction will occur outside of that Plan, and I am not proposing to sell any shares that have already been committed to that Plan

☐ Entry into a new 10b5-1 Trading Plan

☐ Gift to: _____ (family member, charity, etc)

☐ Estate Planning Transfer to: _____

☐ Other: _____

epresent and warrant to the Company as follows:

I certify that I do not possess any material nonpublic information about the Company or its securities (provided, however, this Item 1 does not apply if I am proposing only (a) a cash exercise-and-hold of an employee stock option and/or (b) an estate-planning (or other) transfer that does not entail any change of beneficial ownership).

I certify that I have read the Insider Trading Policy and that my proposed trade complies with the Policy.

I understand that if I trade Company Securities while I am in possession of material nonpublic information about the Company or its securities or otherwise in violation of any trading restrictions, I may be subject to severe civil and/or criminal penalties and may be subject to discipline by the Company, including termination. I understand that approval of this Pre-Clearance Request Form does not eliminate the possibility that the Securities and Exchange Commission (or other government agency) may later: (a) challenge the proposed transaction and (b) attempt to bring civil and/or criminal charges against me.

I acknowledge that if any proposed trade does not execute within four (4) trading days of receiving pre-clearance (or such other deadline as may be specified in the approval) then the preclearance will no longer be valid, I must promptly cancel any standing order, and I will need to submit a new preclearance request in order to execute the trade.

Print Name: _____

Signature: _____

Date: _____

ease send the completed form to CorporateSecretary@robinhood.com. The pre-clearance process might take up to two (2) trading days and clearances generally expire after four (4) trading days.

Exhibit 21.1

Subsidiaries of the Registrant*

As of December 31, 2024, the following entities are wholly owned direct or indirect subsidiaries of Robinhood Markets, Inc.

Name of Subsidiary	State/Country of Organization
RHX, LLC	Delaware
Robinhood Asset Management, LLC	Delaware
Robinhood Credit, Inc.	Delaware
Robinhood Crypto, LLC	Delaware
Robinhood Derivatives, LLC	Delaware
Robinhood Financial LLC	Delaware
Robinhood Money, LLC	Delaware
Robinhood Securities, LLC	Delaware
Sherwood Reinsurance Company, Inc.	Hawaii
SRC All Other Cell, LLC	Hawaii
SRC D&O Cell, LLC	Hawaii

* In accordance with Item 601(b)(21)(ii) of Regulation S-K, the Company has omitted from this Exhibit the names of certain subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a “significant subsidiary” (as defined in Rule 1-02(w) of Regulation S-X) as of December 31, 2024.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Form S-8 No. 333-277408 pertaining to the 2021 Omnibus Incentive Plan and the 2021 Employee Share Purchase Plan of Robinhood Markets, Inc.,
(2) Form S-8 No. 333-270062 pertaining to the 2021 Omnibus Incentive Plan and the 2021 Employee Share Purchase Plan of Robinhood Markets, Inc.,
(3) Form S-8 No. 333-262968 pertaining to the 2021 Omnibus Incentive Plan and the 2021 Employee Share Purchase Plan of Robinhood Markets, Inc., and
(4) Form S-8 No. 333-258250 pertaining to the 2021 Omnibus Incentive Plan, the 2021 Employee Share Purchase Plan, the 2020 Equity Incentive Plan, and the Amended and Restated 2013 Stock Plan of Robinhood Markets, Inc.

of our reports dated February 18, 2025, with respect to the consolidated financial statements of Robinhood Markets, Inc. and the effectiveness of internal control over financial reporting of Robinhood Markets, Inc. included in this Annual Report (Form 10-K) of Robinhood Markets, Inc. for the year ended December 31, 2024.

/s/ Ernst & Young LLP

San Jose, California
February 18, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vladimir Tenev, certify that:

1. I have reviewed this Annual Report on Form 10-K of Robinhood Markets, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2025
/s/Vladimir Tenev
Vladimir Tenev
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jason Warnick, certify that:

1. I have reviewed this Annual Report on Form 10-K of Robinhood Markets, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2025
/s/Jason Warnick
Jason Warnick
Chief Financial Officer

Exhibit 32.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U. S. C. SECTION 1350, AS
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, I, Vladimir Tenev, hereby certify that, to the best of my knowledge, Robinhood Markets, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Robinhood Markets, Inc.

Date: February 18, 2025

/s/Vladimir Tenev

Vladimir Tenev

Chief Executive Officer

Exhibit 32.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U. S. C. SECTION 1350, AS
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, I, Jason Warnick, hereby certify that, to the best of my knowledge, Robinhood Markets, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Robinhood Markets, Inc.

Date: February 18, 2025

/s/Jason Warnick

Jason Warnick

Chief Financial Officer