

**SENDGRID, INC.**

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS**

**APPROVED BY THE BOARD OF DIRECTORS  
OCTOBER 13, 2017**

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**PURPOSE AND POLICY**

The purpose of the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of SendGrid, Inc. (“**SendGrid**”) is to:

- help the Board oversee SendGrid’s compensation policies, plans, and programs;
- review and determine the compensation to be paid to SendGrid’s executive officers and directors;
- when required, review and discuss with management SendGrid’s compensation disclosures in the “Compensation Discussion and Analysis” section of SendGrid’s annual reports, registration statements, proxy statements, or information statements filed with the Securities and Exchange Commission (the “**SEC**”); and
- when required, prepare and review the Committee report on executive compensation included in SendGrid’s annual proxy statement in accordance with applicable rules and regulations of the SEC in effect from time to time.

The term “**compensation**” includes salary, long-term incentives, bonuses, perquisites, equity incentives, severance arrangements, retirement benefits and other related benefits and benefit plans.

The “**Public Effective Date**” means the date on which SendGrid becomes a public reporting company subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and applicable rules and regulations of the SEC.

**COMPOSITION**

The members of the Committee, including the chairperson (the “**Chairperson**”), will be appointed by and serve at the discretion of the Board. Vacancies occurring on the Committee will be filled by the Board. Resignation or removal of a Committee member from the Board for any reason will automatically constitute resignation or removal from the Committee. Before the Public Effective Date, the Committee will consist of at least two members of the Board.

Following the Public Effective Date:

- the Committee will consist of at least two members of the Board; and
- each member of the Committee will satisfy:
  - the independence requirements imposed by the SEC and the stock exchange that lists SendGrid’s stock;
  - the “non-employee director” requirements under Rule 16b-3 of the Exchange Act;

- the “outside director” requirements under Section 162(m) of the Internal Revenue Code of 1986 (the “Code”);
- any other qualifications determined by the Board or the Board’s Nominating and Corporation Governance Committee; and
- any other requirements imposed by applicable law.

**AUTHORITY**

The Committee will have access to all books, records, facilities and SendGrid personnel as deemed necessary or appropriate by any member of the Committee, including human resources personnel when preparing the “Compensation Discussion and Analysis” for inclusion in SendGrid’s public filings. If the Committee concludes that it must retain legal, accounting, or other outside advisors or compensation consultants to assist in the evaluation of director and officer compensation, it may do so and determine compensation and other retention terms for those advisors at the expense of SendGrid. The Committee may also pay, at the expense of SendGrid, ordinary administrative expenses it deems appropriate in carrying out its duties. The Committee will have authority to require that any of the SendGrid personnel, legal, accounting, or other outside advisors attend any meeting of the Committee or meet with any member of the Committee or any of its special, legal, accounting, or other outside advisors.

The Committee may form and delegate authority to one or more subcommittees to the extent allowed under applicable law. By delegating an issue to a subcommittee, the Compensation Committee does not surrender any authority over that issue. Although the Committee may act on any issue that has been delegated to a subcommittee, doing so will not limit or restrict future action by the subcommittee on any matters delegated to it. By approving this Charter, the Board delegates authority to the Committee with respect to these responsibilities.

**RESPONSIBILITIES**

The Committee’s responsibilities are a guide and should remain flexible to account for changing circumstances and needs. The Committee may supplement its duties as appropriate and establish policies and procedures consistent with applicable rules and regulations. Following the Public Effective Date the Committee shall have the following responsibilities:

**1. Overall Compensation Strategy.** The Committee will review, modify, and oversee SendGrid’s overall compensation strategy and policies, including:

- reviewing, evaluating, and approving employment agreements, severance agreements, change-of-control protections, corporate performance goals and objectives relating to the compensation, and other compensatory arrangements of SendGrid’s executive officers and other senior management and adjusting compensation, as appropriate;
- evaluating and approving the compensation plans and programs advisable for SendGrid and evaluating and approving the modification or termination of existing plans and programs;
- establishing equity compensation policies to appropriately balance the perceived value of equity compensation and the dilutive and other costs of that compensation to SendGrid;
- reviewing compensation practices and trends to assess the adequacy and competitiveness of SendGrid’s executive compensation programs as compared to companies in SendGrid’s industry and exercise its judgment in determining the appropriate levels and types of compensation to be paid;
- approving any loans by SendGrid to employees;

- reviewing and approving any compensation arrangement for any executive officer involving any subsidiary, special purpose or similar entity, with consideration of the potential for conflicts of interest in such arrangements and whether the arrangement has the potential to benefit SendGrid;
- reviewing and considering the results of any advisory vote on executive compensation;
- considering and, if appropriate, establishing and monitoring a policy designed to encourage or require executive officers and directors to acquire and hold a meaningful equity interest in SendGrid; and
- reviewing SendGrid's practices and policies of employee compensation as they relate to risk management and risk-taking incentives, to determine if such compensation policies and practices are reasonably likely to have a material adverse effect on SendGrid; and
- evaluating the efficacy of SendGrid's compensation policy and strategy in achieving expected benefits to SendGrid and otherwise furthering the Committee's policies.

**2. Compensation of Chief Executive Officer.** The Committee will review and approve the compensation and other terms of employment of SendGrid's Chief Executive Officer and evaluate the Chief Executive Officer's performance in achieving corporate performance goals and objectives, taking into account the policies of the Committee and the criteria for evaluating the Chief Executive Officer's performance will include:

- fostering a corporate culture that promotes the highest level of integrity and the highest ethical standards;
- developing and executing SendGrid's long-term strategic plan and conducting the business of SendGrid in a manner appropriate to enhance long-term stockholder value;
- achieving the Chief Executive Officer's individual performance goals and objectives; and
- the achievement of any other corporate performance goals and objectives deemed relevant to the Chief Executive Officer as established by the Committee.

The Chief Executive Officer may not be present during the voting or deliberations regarding his or her compensation.

**3. Compensation of Other Executive Officers and Senior Management.** The Committee will review and approve the individual and corporate performance goals and objectives of SendGrid's other executive officers and other senior management, as appropriate. The Committee will determine and approve all elements of the compensation and other terms of employment of these executive officers and other senior management, as appropriate, taking into consideration the person's success in achieving his or her individual performance goals and objectives and the corporate performance goals and objectives deemed relevant to the person as established by the Committee. The Chief Executive Officer may be present during these discussions, but may not vote.

**4. Compensation of Directors.** The Committee will review and recommend to the Board for its approval the type and amount of compensation to be paid or awarded to Board members.

**5. Selection, Use of Compensation Consultants and Other Advisors.** The Committee will have sole responsibility for the appointment, authority to select, retain, and terminate any compensation and oversight of the work of compensation consultants, legal counsel, or any other advisors engaged for the purpose of advising the Committee. These compensation consultants, legal counsel or other advisors and consultants will report directly to the Committee, at the expense of SendGrid. The Committee may select compensation consultants, legal counsel and other advisors to the Committee only after assessing the independence of these persons in accordance with the requirements of the stock exchange that lists SendGrid's stock. If necessary, the Committee will review any conflicts of interest from the work of any compensation consultant, legal

counsel, or other advisors engaged, and any necessary disclosure in SendGrid's annual proxy statement required by the stock exchange that lists SendGrid's stock or applicable law. Nothing in this provision requires the Committee to implement or act consistently with the advice or recommendations of any adviser or affects the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

**6. Administration of Benefit Plans.** The Committee will have full power and authority to adopt, amend, terminate, and administer SendGrid's equity award, pension, and profit sharing plans, bonus plans, benefit plans and other similar programs. The Committee will have full power and authority to administer these plans, establish guidelines, interpret plan documents, select participants, approve grants and awards, approve modifications to awards and exercise other power, as appropriate. The Board will retain the right to act on all such matters without limiting the Committee's authority, subject to compliance with applicable laws and regulations.

**7. Insurance Coverage.** The Committee shall review and establish appropriate insurance coverage for the Company's directors and officers.

**8. Compensation Discussion and Analysis.** When and as required by applicable rules and regulations of the SEC, the Committee will review and discuss with management SendGrid's "Compensation Discussion and Analysis" for use in any of SendGrid's annual reports on Form 10-K, registration statements, proxy statements or information statements filed with the SEC and make recommendations to the Board that the Compensation Discussion and Analysis be approved for inclusion in the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements filed with the SEC.

**9. Conflict of Interest Disclosure.** The Committee will review and discuss with management any conflicts of interest raised by the work of a compensation consultant or advisor hired by the Committee or management and how such conflict is being addressed, and prepare any necessary disclosure in SendGrid's annual proxy statement in accordance with applicable SEC rules and regulations.

#### **10. Other Matters.**

- **Committee Report.** The Committee will prepare and review the Committee report on executive compensation to be included in SendGrid's annual proxy statement in accordance with applicable SEC rules and regulations.
- **Committee Self-Assessment.** The Committee will annually evaluate its performance and the adequacy of this Charter.
- **General Authority.** The Committee will perform such other functions and have such other powers as may be necessary or appropriate in complying with the policies of this Charter.

#### **MEETINGS AND MINUTES**

The Committee will meet whenever its members deem a meeting necessary or appropriate. The Committee will determine where and when to meet and provide this schedule in advance to the Board.

Unless otherwise directed by the Committee, each regularly scheduled meeting will conclude with an executive session that excludes members of management. From time to time, or when requested by the Board, the Chairperson will report to the Board. In addition, the Chairperson, or his or her delegate, shall be available to answer questions the other directors may have regarding the matters considered and actions taken by the Committee.

The Committee will maintain written minutes of its meeting and regularly report to the Board on its actions and recommendations. The Committee may act by unanimous written consent; when it does so, those actions will be filed in the minute book.