



**The Trade Desk, Inc.
42 N. Chestnut Street
Ventura, California 93001**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To be held May 3, 2018**

To our stockholders:

You are cordially invited to attend the 2018 annual meeting of stockholders of The Trade Desk, Inc. (the "Annual Meeting") to be held on Thursday, May 3, 2018, at 2:00 p.m. Pacific Time at The Ritz-Carlton, Marina del Rey, 4375 Admiralty Way, Marina del Rey, California 90292.

We are holding the meeting for the following purposes:

1. To elect two Class II directors;
2. To ratify the appointment of PricewaterhouseCoopers LLP ("PwC") as our independent registered public accounting firm for the fiscal year ending December 31, 2018;
3. To conduct a non-binding advisory vote on the frequency of future executive compensation advisory votes; and
4. To transact such other business as may properly come before the meeting or at any and all adjournments, continuations or postponements thereof.

With respect to the election of the Class II directors, Juan N. Villalonga will not stand for re-election to the board of directors at the Annual Meeting. Mr. Villalonga has served on our board of directors since 2015, and we thank him for his years of service.

If you owned our Class A common stock or Class B common stock at the close of business on March 12, 2018, you may attend and vote at the meeting. A list of stockholders eligible to vote at the Annual Meeting will be available for review during our regular business hours at our headquarters in Ventura, California for the ten days prior to the meeting for any purpose related to the Annual Meeting. On or about March 23, 2018, we expect to mail to our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") containing instructions on how to access our proxy statement for our Annual Meeting (the "Proxy Statement") and our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 (the "Annual Report"). The Proxy Statement and the Annual Report can be accessed directly at the following Internet address: www.proxyvote.com. All you have to do is enter the control number located on your proxy card.

Your vote is important. Whether or not you plan to attend the meeting, I hope that you will vote as soon as possible. You may vote your shares via a toll-free telephone number or over the Internet. You may also submit your proxy card or voting instruction card for the meeting by completing, signing, dating and returning your proxy card or voting instruction card in the envelope provided. Any stockholder of record attending the meeting may vote in person, even if you have already returned a proxy card or voting instruction card.

Thank you for your ongoing support of The Trade Desk.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff T. Green".

Jeff T. Green
Chief Executive Officer

Ventura, California
March 23, 2018

YOUR VOTE IS IMPORTANT

ALL STOCKHOLDERS ARE INVITED TO ATTEND THE MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE VOTE AS PROMPTLY AS POSSIBLE IN ORDER TO ENSURE YOUR REPRESENTATION AT THE MEETING. PLEASE NOTE THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE MEETING, YOU MUST OBTAIN FROM THE RECORD HOLDER A PROXY ISSUED IN YOUR NAME.

THE TRADE DESK, INC.

**2018 ANNUAL MEETING OF STOCKHOLDERS
PROXY STATEMENT**

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**PROXY STATEMENT
2018 ANNUAL MEETING OF STOCKHOLDERS
THE TRADE DESK, INC.**

GENERAL INFORMATION

The board of directors of The Trade Desk, Inc. is soliciting proxies for our 2018 annual meeting of stockholders (the "Annual Meeting") to be held on Thursday, May 3, 2018 at 2:00 p.m. Pacific Time at The Ritz-Carlton, Marina del Rey, 4375 Admiralty Way, Marina del Rey, California 90292.

The Notice of Internet Availability of Proxy Materials (the "Notice") containing instructions on how to access this proxy statement and our annual report is first being mailed on or about March 23, 2018 to stockholders entitled to vote at the Annual Meeting. We also made these materials available on our website at www.thetradedesk.com under the headings "About/Investor Relations" on or about March 23, 2018. This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the meeting. Please read it carefully. Unless the context requires otherwise, the words "The Trade Desk," "we," "the Company," "us," and "our" refer to The Trade Desk, Inc.

**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING,
THE PROXY MATERIALS AND VOTING YOUR SHARES**

WHY DID I RECEIVE A NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS INSTEAD OF A FULL SET OF PROXY MATERIALS?

We have elected to furnish our proxy materials, including this proxy statement and our annual report, primarily via the Internet. The Notice is being provided in accordance with the Securities and Exchange Commission ("SEC") rules, and contains instructions on how to access our proxy materials. Stockholders may request to receive all future proxy materials in printed form by mail or electronically by e-mail by following the instructions contained in the Notice. We encourage stockholders to take advantage of the availability of our proxy materials on the Internet to help reduce the environmental impact and cost of our annual meetings of stockholders.

WHAT ITEMS WILL BE VOTED ON AT THE ANNUAL MEETING?

There are three items that will be voted on at the Annual Meeting:

1. The election of two Class II directors;
2. The ratification of the appointment of PricewaterhouseCoopers LLP ("PwC") as our independent registered public accounting firm for the fiscal year ending December 31, 2018; and
3. The advisory vote on the frequency of future executive compensation advisory votes.

WHAT ARE OUR BOARD OF DIRECTORS' VOTING RECOMMENDATIONS?

Our board of directors recommends that you vote your shares "FOR" each of the nominees to the board of directors, "FOR" the ratification of the appointment of PwC, and "THREE YEARS" for the preferred frequency of submitting the advisory vote on the compensation of our named executive officers to the stockholders.

WHAT IS A PROXY?

Our board of directors is soliciting your vote at the Annual Meeting. A proxy is your legal designation of another person to vote the stock you own. That other person is called a proxy. If you designate someone as your proxy that designation also is called a "proxy" or, if in a written document, a "proxy card." Jeff Green, Paul Ross and Vivian Yang have been designated as proxies for the Annual Meeting.

WHO CAN VOTE AT THE MEETING?

Only holders of record of our Class A common stock and Class B common stock at the close of business on March 12, 2018, which is the record date, will be entitled to vote at the Annual Meeting. The record date was established by our board of directors. Stockholders of record at the close of business on the record date are entitled to:

- Receive notice of the meeting; and
- Vote at the meeting and any adjournments or postponements of the meeting.

On the record date, there were 33,965,477 shares of our Class A common stock outstanding and 8,066,923 shares of our Class B common stock outstanding. Our Class A common stock and Class B common stock will vote as a single class on all matters described in this proxy statement for which your vote is being solicited. Stockholders are not permitted to cumulate votes with respect to the election of directors. Each share of Class A common stock is entitled to one vote on each proposal and each share of Class B common stock is entitled to 10 votes on each proposal. Our Class A common stock and Class B common stock are collectively referred to in this proxy statement as our “common stock.”

IS MY VOTE CONFIDENTIAL?

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either among our employees or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote and (3) to facilitate a successful proxy solicitation. Occasionally, stockholders provide written comments on their proxy card, which are then forwarded to our management.

WHAT IS THE DIFFERENCE BETWEEN HOLDING SHARES AS A “STOCKHOLDER OF RECORD” AND HOLDING SHARES AS “BENEFICIAL OWNER” (OR IN “STREET NAME”)?

Most stockholders are considered “beneficial owners” of their shares, that is, they hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially or in “street name.”

Stockholder of Record: If your shares are registered directly in your name with our transfer agent, you are considered the “stockholder of record” with respect to those shares and we are sending the Notice directly to you to access proxy materials. As a stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the Annual Meeting.

Beneficial Owner: If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the “beneficial owner” of shares held in street name, and proxy materials are being forwarded to you by your broker, bank or nominee (who is considered the stockholder of record with respect to those shares). As a beneficial owner, you have the right to direct your broker, bank or nominee as to how to vote your shares if you follow the instructions you receive from your broker, bank or nominee. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you request, complete and deliver the proper documentation provided by your broker, bank or nominee and bring it with you to the Annual Meeting.

WHAT ARE THE DIFFERENT METHODS THAT I CAN USE TO VOTE MY SHARES OF COMMON STOCK?

By Internet: You can vote via the Internet by visiting the website noted on your proxy card. Internet voting is available 24 hours a day. We encourage you to vote via the Internet, as it is the most cost-effective way to vote. Beneficial owners may vote by telephone or the Internet if their banks, brokers or nominees make those methods available, by following the instructions provided to them with the proxy materials.

By Telephone: You can also vote your shares by telephone by calling the toll-free telephone number indicated on your proxy card and following the voice prompt instructions. Telephone voting is available 24 hours a day.

By Mail: You can vote your shares by marking, signing and timely returning the proxy card enclosed with the proxy materials that are provided in printed form. Beneficial owners must follow the directions provided by their broker, bank or other nominee in order to direct such broker, bank or nominee as to how to vote their shares.

In Person: You may vote in person at the Annual Meeting. Beneficial owners must obtain a legal proxy from their broker, bank or nominee prior to the Annual Meeting in order to vote in person.

HOW MANY SHARES MUST BE PRESENT TO HOLD THE MEETING?

A majority of the voting power of all of our issued and outstanding shares of our common stock as of the record date must be present at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a quorum.

Your shares will be counted for purposes of determining if there is a quorum, whether representing votes for, against, withheld or abstained, or broker non-votes, if you:

- Are present and vote in person at the meeting; or
- Have voted on the Internet, by telephone or by properly submitting a proxy card or voting instruction form by mail.

If there are not enough shares present both in person and by timely and properly submitted proxy cards to constitute a quorum, the Annual Meeting may be adjourned until such time as a sufficient number of shares are present.

HOW ARE ABSTENTIONS COUNTED?

You may choose to abstain or refrain from voting your shares on one or more issues presented for a vote at the Annual Meeting. However, for purposes of determining the presence of a quorum, abstentions are counted as present. For the purpose of determining whether the stockholders have approved a matter, abstentions are treated as represented and entitled to vote and, therefore, have the same effect on the outcome of a matter being voted on at the Annual Meeting as a vote “AGAINST” or “WITHHELD” except in elections of directors and the advisory vote on the frequency of future executive compensation advisory votes where abstentions have no effect on the outcome.

WHAT IF A STOCKHOLDER DOES NOT PROVIDE A PROXY OR, IF A PROXY IS RETURNED, IT DOES NOT SPECIFY A CHOICE FOR ONE OR MORE ISSUES?

You should specify your choice for each issue to be voted upon at the Annual Meeting. If no proxy is returned or if a proxy is signed and returned but no specific instructions are given on one or more of the issues to be voted upon at that Annual Meeting, proxies will be voted in accordance with applicable rules, laws and regulations as follows:

Stockholders of Record. If you are a stockholder of record and you do not return a proxy, your shares will not be voted at our Annual Meeting and your shares will not be counted for purposes of determining whether a quorum exists for the Annual Meeting. If you do return a proxy via the Internet, telephone or mail, but you fail to specify how your shares should be voted on one or more issues to be voted upon at the Annual Meeting, then to the extent you did not specify a choice, your shares will be voted: (i) FOR Proposal One for the election of all of the director nominees; (ii) FOR Proposal Two ratifying the selection of PwC as our independent auditors and (iii) on Proposal Three, on an advisory basis, FOR submitting the advisory vote on the compensation of the Company’s named executive officers to the stockholders once every three years.

Beneficial Owners. If you are a beneficial owner and (i) you do not provide your broker or other nominee who holds your shares with voting instructions, or (ii) you do provide a proxy card but you fail to specify your voting instructions on one or more of the issues to be voted upon at our Annual Meeting, under applicable rules, your broker or other nominee may exercise discretionary authority to vote your shares on routine proposals but may not vote your shares on non-routine proposals.

The shares that cannot be voted by brokers and other nominees on non-routine matters but are represented at the meeting will be deemed present at our Annual Meeting for purposes of determining whether the necessary quorum exists to proceed with the Annual Meeting, but will not be considered entitled to vote on the non-routine proposals.

We believe that under applicable rules Proposal Two: *Ratification of Appointment of Independent Registered Public Accounting Firm* and Proposal Three: *Non-binding, advisory vote on frequency of say-on-pay voting* are considered routine matters for which brokerage firms may vote shares that are held in the name of brokerage firms and which are not voted by the applicable beneficial owners.

However, we believe that Proposal One: *Election of Directors* is considered a non-routine matter under applicable rules. Accordingly, brokers or other nominees cannot vote on this proposal without instructions from beneficial owners.

WHAT IS THE VOTING REQUIREMENT TO APPROVE EACH OF THE PROPOSALS?

The following table sets forth the voting requirement with respect to each of the proposals:

Proposal One—Election of directors	Each director must be elected by a plurality of the votes cast; meaning that the two nominees receiving the most “FOR” votes (among votes properly cast in person or by proxy) will be elected. Only votes “FOR” will affect the outcome. Withheld votes or broker non-votes will not affect the outcome of the vote.
Proposal Two—Ratification of appointment of independent registered public accounting firm	To be approved by our stockholders, a majority of the shares represented and entitled to vote at the Annual Meeting must vote “FOR” this proposal.
Proposal Three—Non-binding advisory vote on frequency of future stockholder advisory votes to approve the compensation of the Company's named executive officers	The option of one year, two years or three years that receives the highest number of votes cast will be the frequency of the vote on the compensation of our named executive officers that has been approved by stockholders on an advisory basis. Even though your vote is advisory and therefore will not be binding on the Company, the board of directors will review the voting results and take them into consideration when making future decisions regarding the frequency of the advisory vote on executive compensation.

HOW DO I CHANGE OR REVOKE MY PROXY?

You may revoke your proxy and change your vote at any time before the final vote at the meeting. You may vote again on a later date on the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the meeting will be counted), or by signing and returning a new proxy card with a later date, or by attending the meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you vote again at the meeting or specifically request in writing that your prior proxy be revoked.

WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE PROXY CARD?

It means that your shares are registered differently or you have multiple accounts. Please vote all of these shares separately to ensure all of the shares you hold are voted.

HOW CAN STOCKHOLDERS SUBMIT A PROPOSAL FOR INCLUSION IN OUR PROXY STATEMENT FOR THE 2019 ANNUAL MEETING?

To be included in our proxy statement for the 2019 annual meeting, stockholder proposals must comply with the requirements of Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and be received by our Secretary at our principal executive offices no later than November 23, 2018, which is one hundred twenty (120) calendar days before the one-year anniversary of the date on which we first released this proxy statement to stockholders in connection with this year’s annual meeting.

HOW CAN STOCKHOLDERS SUBMIT PROPOSALS TO BE RAISED AT THE 2019 ANNUAL MEETING THAT WILL NOT BE INCLUDED IN OUR PROXY STATEMENT FOR THE 2019 ANNUAL MEETING?

To be raised at the 2019 annual meeting, stockholder proposals must comply with our bylaws. Under our bylaws, a stockholder must give advance notice to our Secretary of any business, including nominations of candidates for election as directors to our board, that the stockholder wishes to raise at our annual meeting. To be timely, a stockholder’s notice must be delivered to, or mailed and received at, our principal executive offices not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year’s annual meeting. Since our Annual Meeting is on May 3, 2018, stockholder proposals must be received by our Secretary at our principal executive offices no earlier than January 3, 2019 and no later than February 2, 2019, in order to be raised at our 2019 annual meeting.

WHAT IF THE DATE OF THE 2019 ANNUAL MEETING CHANGES BY MORE THAN 30 DAYS FROM THE ANNIVERSARY OF THIS YEAR’S ANNUAL MEETING?

Under Rule 14a-8 of the Exchange Act, if the date of the 2019 annual meeting changes by more than 30 days from the anniversary of this year’s annual meeting, to be included in our proxy statement, stockholder proposals must be received by us within a reasonable time before our solicitation is made.

Under our bylaws, if the date of the 2019 annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary of this year’s annual meeting, stockholder proposals to be brought before the 2019 annual meeting must be delivered, or mailed and received, not later than the ninetieth (90th) day prior to such annual meeting or, if later, the tenth (10th) day following the day on which public disclosure of the date of such annual meeting was first made.

DOES A STOCKHOLDER PROPOSAL REQUIRE SPECIFIC INFORMATION?

With respect to a stockholder’s nomination of a candidate for our board of directors, the stockholder notice to the Secretary must contain certain information as set forth in our bylaws about both the nominee and the stockholder making the nomination. With respect to any other business that the stockholder proposes, the stockholder notice must contain a brief description of such business and the reasons for conducting such business at the meeting, as well as certain other information as set forth in our bylaws. If you wish to bring a stockholder proposal or nominate a candidate for director, you are advised to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. A copy of our bylaws is available via the website of the Securities and Exchange Commission (the “SEC”) at <http://www.sec.gov>. You may also contact our Secretary at the address set forth above for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

WHAT HAPPENS IF WE RECEIVE A STOCKHOLDER PROPOSAL THAT IS NOT IN COMPLIANCE WITH THE TIME FRAMES DESCRIBED ABOVE?

If we receive notice of a matter to come before the 2019 annual meeting that is not in accordance with the deadlines described above, we will use our discretion in determining whether or not to bring such matter before such meeting. If such matter is brought before such meeting, then our proxy card for such meeting will confer upon our proxy holders’ discretionary authority to vote on such matter.

WHAT HAPPENS IF ADDITIONAL MATTERS ARE PRESENTED AT THE ANNUAL MEETING?

Other than the three items of business described in this proxy statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Jeff Green, Paul Ross and Vivian Yang, or any of them, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting. If for any reason any of the nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by our board of directors.

WHO BEARS THE COST OF THIS SOLICITATION?

We pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials. In addition, we may reimburse banks, brokers and other custodians, nominees and fiduciaries representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. Proxies may be solicited by certain of our directors, officers and employees, personally or by mail, telephone, facsimile, email or other means of communication (electronic or otherwise). No additional compensation will be paid for such services.

WHERE CAN I FIND THE VOTING RESULTS OF THE ANNUAL MEETING?

We will announce preliminary voting results at the Annual Meeting. We will also disclose voting results on a Form 8-K filed with the SEC within four business days after the Annual Meeting, which will be available on our website.

PROPOSAL ONE:

ELECTION OF DIRECTORS

In voting on the election of our director nominees, stockholders may:

- Vote in favor of all nominees;
- Vote in favor of specific nominees; or
- Withhold votes as to specific nominees.

Assuming a quorum is present, directors will be elected by a plurality of the votes cast.

Our bylaws provide that the authorized number of directors shall be determined from time to time by resolution of the board of directors, provided the board of directors shall consist of at least one member. Our board of directors approved a decrease in the size of our board of directors from seven members to six members, effective immediately prior to our Annual Meeting of stockholders. At the time of our Annual Meeting, our board of directors will be comprised of six directors. Our certificate of incorporation provides that the board of directors shall be divided into three classes, each consisting of as nearly one-third of the total number of directors as possible. Each class of directors serves a three-year term expiring at the annual meeting of stockholders in the year listed in the table below:

Class I (2020) Jeff T. Green Eric B. Paley	Class II (2018) Thomas Falk Robert D. Perdue Juan N. Villalonga(1)	Class III (2019) Kathryn E. Falberg David B. Wells
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(1) Mr. Villalonga is not nominated for re-election at our Annual Meeting.

Based on the recommendation of the nominating and corporate governance committee, the board of directors has nominated Thomas Falk and Robert D. Perdue for election as Class II directors, each to serve a three-year term that expires at the annual meeting of stockholders in 2021 and until their successors are duly elected and qualified. Messrs. Falk and Perdue are currently serving as Class II directors. Mr. Villalonga is not nominated for re-election as a Class II director. Each of Messrs. Falk and Perdue has consented to serve for a new term.

Directors listed in Class I and Class III above are not being elected this year and will continue in office for the remainder of their terms, as described above, unless such directors resign or their service as directors otherwise ceases in accordance with our certificate of incorporation or bylaws.

Vote Required

The Class II directors being voted on this year are elected by a plurality of the votes actually cast. This means that the director nominee with the most affirmative votes for a particular seat is elected for that seat. Abstentions have no effect on the outcome of the vote.

It is the intention of the persons named as proxies herein to vote in favor of the candidates nominated by the board of directors unless such authority is withheld, either by affirmative vote of the stockholders or deemed withheld by the failure of stockholders to submit their votes. If any nominee should not be available for election, the proxies will be voted in the best judgment of the persons authorized as proxies.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE DIRECTOR NOMINEES.

Information Concerning Director Nominees

The name and age of each nominee for director, his position with us, the year in which he first became a director, and certain biographical information as of March 12, 2018 is set forth below:

<u>Name</u>	<u>Age</u>	<u>Positions and Offices Held with the Company</u>	<u>Director Since</u>
Thomas Falk	39	Director	May 2012
Robert D. Perdue	51	Chief Operating Officer, Director	May 2014

Thomas Falk has served as a member of our board of directors since May 2012. Since March 2007, he has been with eValue Group where he currently serves as chief executive officer. eValue Group consists of the publicly traded eValue Europe AG, the media investment bank Digital Capital Advisors and the investment fund Revel Partners. Mr. Falk serves on the board of directors of numerous private companies. Previously, Mr. Falk served as president EMEA of Doubleclick after selling his company, Falk eSolutions, to Doubleclick.

We believe that Mr. Falk is qualified to serve on our board of directors due to his extensive entrepreneurial background, strategic leadership track record and service on other boards of directors of technology companies.

Robert D. Perdue has served as our chief operating officer since January 2013 and as a member of our board of directors since May 2014. Prior to The Trade Desk, Mr. Perdue was the chief operating officer of EyeWonder, a company that provides digital advertising products and services, from November 2009 to March 2012, managing sales, business operations and expansion efforts worldwide. Prior to EyeWonder and from May 2006 to November 2009, Mr. Perdue specialized in mergers and acquisitions, capital raising and online strategy for The Jordan, Edmiston Group (“JEGI”), an investment bank serving the online media and technology industry. While at JEGI, he developed wide-ranging experience in online media, advising ad serving companies, targeting platforms, ad networks, search and lead generation platforms and workflow automation software companies. Prior to JEGI, Mr. Perdue worked for more than a decade in progressive leadership and management roles at Time Warner and Ernst & Young, LLP. Mr. Perdue received an M.B.A. from Georgetown University.

We believe that Mr. Perdue is qualified to serve on our board of directors due to his extensive management experience and industry background.

Information Concerning Directors Continuing in Office

The name and age of each director continuing in office, his or her position with us, the year in which he or she first became a director, and certain biographical information as of March 12, 2018 is set forth below:

<u>Name</u>	<u>Age</u>	<u>Positions and Offices Held with the Company</u>	<u>Director Since</u>
Jeff T. Green	40	President and Chief Executive Officer, Director	November 2009
Kathryn E. Falberg	57	Director	August 2016
Eric B. Paley	41	Director	March 2010
David B. Wells	46	Director	December 2015

Jeff T. Green has served as our president and chief executive officer and as a member of our board of directors since November 2009. Prior to joining the The Trade Desk and from May 2004 to October 2009, Mr. Green founded AdECN, the world’s first online advertising exchange. As chief operating officer of AdECN, he led all strategy, product and business development. AdECN was acquired by Microsoft Corporation within three years of launch. At Microsoft, Mr. Green oversaw the AdECN exchange business, as well as all reseller and channel partner business. Mr. Green has also played a leadership role in the ad tech industry, having served on the Networks and Exchanges Quality Assurance Guidelines Committee for the Internet Advertising Bureau, or (“IAB”), from 2011 to 2012. At IAB, Mr. Green led working groups that established rules and best practices for acquiring inventory, and set data transaction standards.

We believe that Mr. Green is qualified to serve on our board of directors due to his extensive management experience and sophisticated industry background.

Kathryn E. Falberg has served as a member of our board of directors since August 2016. Ms. Falberg served as executive vice president and chief financial officer of Jazz Pharmaceuticals, PLC, a biopharmaceutical company, from March 2012 to March 2014 after serving as senior vice president and chief financial officer since December 2009. From 2001 through 2009, Ms. Falberg worked with a number of smaller companies, including AdECN, while serving as a corporate director and audit committee chair for several companies. Ms. Falberg was with Amgen from 1995 through 2001, where she served as senior vice president, finance and strategy and chief financial officer and before that as vice president, controller and chief accounting officer, and vice president, treasurer. Ms. Falberg currently serves on the board of directors of Aimmune Therapeutics, Arcus Biosciences. and Urogen Pharma and previously served on a number of boards including Axovant Sciences, BioMarin Pharmaceutical, Medivation, Halozyme Therapeutics and aTyr Pharma. Ms. Falberg received an M.B.A. and B.A. in Economics from the University of California, Los Angeles and is a Certified Public Accountant (inactive).

We believe that Ms. Falberg is qualified to serve on our board of directors due to her extensive management experience, strategic leadership track record, and service on other boards of directors.

Eric B. Paley has served as a member of our board of directors since March 2010. Since January 2009, he has served as a co-founder and managing partner at Founder Collective, a seed stage venture capital fund. Mr. Paley serves on the board of directors of numerous private companies. From October 2002 to December 2008, Mr. Paley served as the chief executive officer and a co-founder of Brontes Technologies, a company offering advanced dental imaging technology solutions, which was acquired by 3M in October 2006. Mr. Paley received a B.A. in Government from Dartmouth College and an M.B.A. from the Harvard Business School.

We believe that Mr. Paley is qualified to serve on our board of directors due to his extensive management experience, entrepreneurial background and strategic leadership track record.

David B. Wells has served as a member of our board of directors since December 2015. Since 2004 he has been at Netflix, Inc., an internet television network, where he has served as the chief financial officer since December 2010. From July 2015 to July 2017, Mr. Wells spent two years living with his family in the Netherlands and performing his global CFO role from Amsterdam as part of building up Netflix's European operations. Previously, Mr. Wells served as vice president, financial planning and analysis, of Netflix and in progressive roles as a management consultant with Deloitte Consulting. Mr. Wells received a B.S. in Commerce and English from the University of Virginia and an M.B.A./M.P.P. from the University of Chicago.

We believe that Mr. Wells is qualified to serve on our board of directors due to his extensive management experience, high-growth company background and strategic leadership track record.

Information Concerning Directors Not Continuing in Office

Juan N. Villalonga has served as a member of our board of directors since April 2015. Since 2011, he has been a partner at Hermes Growth Partners, a growth equity firm. Mr. Villalonga serves on the board of directors of Virgin Mobile Latin America and is a member of the Lutetia Capital Advisory Board. Previously, Mr. Villalonga served as the executive chairman and chief executive officer of Telefónica Group, and as a former partner at McKinsey and Company. Mr. Villalonga has also served on the board of directors of ACIBADEM and Axiata. Mr. Villalonga received a B.A. in Law from the University of Deusto and a J.D. from Navarra University.

PROPOSAL TWO:

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

On the recommendation of our audit committee, our board of directors has appointed PwC, an independent registered public accounting firm, to audit our consolidated financial statements for the fiscal year ending December 31, 2018 and attest to the Company’s internal control over financial reporting as of December 31, 2018. We are submitting this selection to our stockholders for ratification. Although we are not required to seek stockholder approval for this appointment, we believe it is sound corporate practice to do so. Representatives from PwC will be in attendance at the Annual Meeting to respond to any appropriate questions and will have the opportunity to make a statement, if they so desire.

In the vote on the ratification of the selection of PwC as our independent auditors, stockholders may:

- Vote in favor of ratification;
- Vote against ratification; or
- Abstain from voting on ratification.

Vote Required for Approval

Assuming a quorum is present, the selection of PwC as our independent auditors will be ratified if the affirmative vote of a majority of the shares represented and entitled to vote on the matter at the meeting is obtained. In the event that the stockholders do not ratify the selection of PwC, the appointment of the independent auditors will be reconsidered by the audit committee of the board of directors.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF PWC AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018.

Auditor Information

Set forth below are the fees for services rendered by PwC for the fiscal years ended December 31, 2016 and 2017:

<u>Fee Category</u>	<u>2016</u>	<u>2017</u>
Audit Fees(1)	\$ 2,081,285	\$ 2,661,966
Audit-Related Fees(2)	—	104,800
Tax Fees(3)	876,612	452,807
All Other Fees(4)	2,700	2,700
Total	<u>\$ 2,960,597</u>	<u>\$ 3,222,273</u>

- (1) Audit Fees for 2016 and 2017 cover professional services rendered for the audit of our annual financial statements and review of financial statements included in our quarterly reports on Form 10-Q, and services normally provided by the accountant in connection with statutory and regulatory filings or engagements. Audit Fees for 2017 also include the audit of our internal control over financial reporting. In 2016, Audit Fees included fees of \$907,116 related to our initial public offering, consents, comfort letter and reviews of other documents filed with the SEC. In 2017, estimated Audit Fees included fees of \$284,740 related to our secondary offerings, consents, comfort letters and reviews of other documents filed with the SEC.
- (2) Audit-Related Fees relate to accounting due diligence services related to a potential acquisition.
- (3) Tax Fees cover tax compliance, advice, and planning services and consisted primarily of review of consolidated federal income tax returns and foreign tax planning and advice.
- (4) All Other Fees are related to license fees for accounting research software.

The audit committee has adopted policies and procedures regarding pre-approval of permitted audit and non-audit services. Each year, and as needed at other times during the year, (1) the independent registered public accounting firm will submit to the audit committee for approval the terms, fees and conditions of the Company’s engagement of the independent registered public accounting firm to perform an integrated audit of the Company’s consolidated financial statements, to attest to the Company’s internal control over financial reporting for the applicable fiscal year, and to review the Company’s interim financial statements; and (2) management and the independent registered public accounting firm will submit to the audit committee for approval a written pre-approval request of additional audit and non-audit services to be performed for the Company during the year, including a budgeted range of fees for each category of service outlined in such request. The audit committee has designated the audit committee chair to have the authority to pre-approve interim requests for permissible services that were not contemplated in the engagement letter or in pre-approval requests. The audit committee chair may approve or reject any interim service requests and shall report any interim service pre-approvals at the next regular audit committee meeting. All services provided by PwC during the fiscal years ended December 31, 2016 and December 31, 2017 were pre-approved by the audit committee.

**PROPOSAL THREE:
NON-BINDING, ADVISORY VOTE ON FREQUENCY OF SAY-ON-PAY VOTING**

Section 14A of the Exchange Act enables our stockholders to indicate how frequently we should seek an advisory vote from our stockholders on the compensation of our named executive officers. By voting on this say-on-frequency proposal, stockholders may indicate whether they would prefer an advisory vote on named executive officer compensation (commonly known as “say-on-pay”) once every one, two or three years, or to abstain entirely from voting on the proposal.

Recommendation

Our board of directors has considered the frequency of the say-on-pay vote that it should recommend. After considering the benefits and consequences of each option for the frequency of submitting the say-on-pay vote to stockholders, our board of directors recommends submitting the say-on-pay vote to our stockholders every three years, or a triennial vote, for the following reasons:

- Our executive compensation programs are designed to support long-term value creation. A triennial vote will allow stockholders to better judge our compensation programs in relation to our long-term performance.
- A triennial vote will provide our compensation committee and our board of directors sufficient time to thoughtfully evaluate the results of the most recent advisory vote on executive compensation, to discuss the implications of the vote with our stockholders and to develop and implement any changes to our executive compensation programs that may be appropriate in light of the vote.
- A triennial vote will allow for any changes to our executive compensation programs to be in place long enough for stockholders to see and evaluate the effectiveness of these changes before another non-binding advisory vote on executive compensation is conducted.
- We view the say-on-pay vote as just one opportunity for stockholders to communicate with us regarding their views on the Company’s executive compensation program and its alignment with long-term stockholder value. We encourage stockholders who have concerns about executive compensation during the period between say-on-pay votes to bring such concerns to the attention of the Company.
- Less frequent say-on-pay votes will improve the ability of institutional stockholders to exercise their voting rights in a more deliberate, thoughtful and informed way that is in the best interests of stockholders, and is less burdensome to such stockholders than a more frequent vote.

For the reasons discussed above, our board of directors recommends that stockholders vote in favor of holding a say-on-pay vote at an annual meeting of stockholders once every three years. When voting to recommend the frequency of the Company’s “say-on-pay” vote, stockholders should be aware that they are not voting “for” or “against” our board of directors’ recommendation to vote for a frequency of every year for holding future say-on-pay votes. Rather, stockholders will be casting votes to recommend a say-on-pay vote which may be every year, once every two years or once every three years, or they may abstain entirely from voting on the proposal.

The option on the frequency of the say-on-pay vote that receives the most votes from stockholders will be considered by our compensation committee as the stockholders’ recommendation as to the frequency of future say-on-pay votes. However, the outcome of this advisory vote on the frequency of the say-on-pay vote is not binding on us or our board of directors. Nevertheless, our board of directors will review and consider the outcome of this vote when making determinations as to when the say-on-pay vote will again be submitted to stockholders for approval at an annual meeting of stockholders.

Vote Required for Approval

The advisory approval of the frequency of the say-on-pay vote requires a majority of the shares present in person or represented by proxy and entitled to vote on each proposal at the annual meeting. As this is an advisory vote, the result will not be binding on the Company, our board of directors or our compensation committee, although our compensation committee will consider the outcome of the vote when evaluating our compensation principles, design and practices.

**THE BOARD OF DIRECTORS OF THE COMPANY RECOMMENDS A VOTE OF "THREE YEARS"
WITH RESPECT TO THE FREQUENCY OF HOLDING FUTURE ADVISORY VOTES ON THE
COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The material in this report shall not be deemed to be (i) "soliciting material," (ii) "filed" with the SEC, (iii) subject to Regulations 14A or 14C of the Exchange Act, or (iv) subject to the liabilities of Section 18 of the Exchange Act. This report shall not be deemed incorporated by reference into any of our other filings under the Exchange Act or the Securities Act of 1933, as amended (the "Securities Act"), except to the extent the Company specifically incorporates it by reference into such filing.

The audit committee of our board of directors is comprised of three members and acts under a written charter that has been approved by our board of directors. The members of the audit committee are independent directors, based upon standards set forth in applicable laws, rules, and regulations. The audit committee has reviewed and discussed the audited financial statements with management, and has discussed with PwC the matters required to be discussed by the applicable standards of the Public Company Accounting Oversight Board.

The audit committee has also received the written disclosures and the letter from PwC required by the applicable requirements of the Public Company Accounting Oversight Board regarding PwC's communications with the audit committee concerning independence, and has discussed with PwC its independence.

Management is responsible for the company's financial reporting process and the system of internal controls, including internal control over financial reporting, and procedures designed to promote compliance with accounting standards and applicable laws and regulations. PwC is responsible for the audit of the consolidated financial statements and an independent audit of the Company's internal control over financial reporting, both in accordance with the standards of the Public Company Accounting Oversight Board (United States). The audit committee's responsibility is to monitor and oversee these processes and procedures. The members of the audit committee are not professionally engaged in the practice of accounting or auditing and are not professionals in these fields. The audit committee relies, without independent verification, on the information provided by and on the representations made by management regarding the effectiveness of internal control over financial reporting, that the financial statements have been prepared with integrity and objectivity, and that such financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The audit committee also relies on the opinion of PwC on the consolidated financial statements and internal controls over financial reporting.

The audit committee's meetings facilitate communication among the members of the audit committee, management and PwC. The audit committee separately met with PwC, with and without management, to discuss the results of their examinations and their observations and recommendations regarding our internal controls. The audit committee also met separately with management.

Based on its discussions with management and PwC, and its review of the representations and information provided by management and PwC, the audit committee recommended to our board of directors that our audited financial statements for the fiscal year ended December 31, 2017 be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

By order of the audit committee of the board of directors of The Trade Desk,

AUDIT COMMITTEE
David B. Wells (Chairperson)
Juan N. Villalonga
Eric B. Paley

INFORMATION ABOUT THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Leadership Structure of the Board of Directors

Our board of directors recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide effective oversight of management. Our bylaws and corporate governance guidelines provide our board of directors with flexibility to combine or separate the positions of chairman of the board of directors and chief executive officer.

Our board of directors currently believes that our existing leadership structure, under which our chief executive officer, Mr. Green, serves as chairman of our board of directors is effective. Mr. Green's knowledge of the issues, opportunities and risks facing us, our business and our industry renders him best positioned among our directors to fulfill the chairman's responsibility to develop agendas that focus the time and attention of our board of directors on the most critical matters.

Our board of directors will continue to periodically review our leadership structure and may make such changes in the future as it deems appropriate.

We do not currently have a lead independent director, but the independent directors may elect a lead independent director at a future time, in accordance with our Bylaws.

Role of Board in Risk Oversight Process

Risk assessment and oversight are an integral part of our governance and management processes. Our board of directors encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with our board of directors at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks.

Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. In particular, our board of directors is responsible for monitoring and assessing strategic risk exposure and our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures. The audit committee also monitors compliance with legal and regulatory requirements and considers and approves or disapproves any related-persons transactions. Our nominating and governance committee monitors the effectiveness of our corporate governance guidelines. Our compensation committee assesses and monitors whether any of our compensation programs, policies and practices have the potential to encourage excessive risk-taking.

Board Meetings

Our board of directors held a total of six meetings during 2017. Each director attended at least 75% of the total number of board of directors and committee meetings that were held during the time he or she was a director in 2017.

Board Committees

Audit Committee

Our audit committee oversees our corporate accounting and financial reporting process. Among other matters, the audit committee:

- appoints our independent registered public accounting firm;
- evaluates the independent registered public accounting firm's qualifications, independence and performance;

- determines the engagement of the independent registered public accounting firm;
- reviews and approves the scope of the annual audit and the audit fee;
- discusses with management and the independent registered public accounting firm the results of the annual audit and the review of our quarterly financial statements;
- approves the retention of the independent registered public accounting firm to perform any proposed permissible non-audit services;
- monitors the rotation of partners of the independent registered public accounting firm on our engagement team in accordance with requirements established by the SEC;
- is responsible for reviewing our financial statements and our management’s discussion and analysis of financial condition and results of operations to be included in our annual and quarterly reports to be filed with the SEC;
- reviews the adequacy of internal financial controls with management and the Company's independent registered public accounting firm;
- reviews our critical accounting policies and estimates; and
- reviews the audit committee charter and the committee’s performance at least annually.

The members of our audit committee are Messrs. Wells (chairperson), Villalonga, and Paley. Mr. Villalonga, who is not nominated for re-election to our board of directors at the Annual Meeting, will cease being a member of our audit committee effective immediately after the Annual Meeting, at which time Ms. Falberg will join the audit committee. All members of our audit committee, as well as Ms. Falberg, meet the requirements for financial literacy under the applicable rules and regulations of the SEC and The NASDAQ Stock Market LLC (“NASDAQ”). Our board of directors has determined that Mr. Wells is an audit committee financial expert as defined under the applicable rules of the SEC and has the requisite financial sophistication as defined under the applicable rules and regulations of NASDAQ. Under the rules of the SEC, members of the audit committee must also meet heightened independence standards. Our board of directors has determined that each of Messrs. Wells and Paley, as well as Ms. Falberg, are independent under the heightened audit committee independence standards of the SEC and NASDAQ. The audit committee operates under a written charter that satisfies the applicable standards of the SEC and NASDAQ. A copy of the charter of our audit committee is available on our website at <http://investors.thetradedesk.com/>.

During 2017, our audit committee met five times in person or by telephone.

Compensation Committee

Our compensation committee reviews and recommends policies relating to compensation and benefits of our executive officers and employees. Among other matters, our compensation committee:

- reviews and recommends corporate goals and objectives relevant to the compensation of our chief executive officer and other executive officers;
- evaluates the performance of our executive officers in light of those goals and objectives, and approves the compensation of these executive officers based on such evaluations;
- recommends to our board of directors the grant of stock options and other awards under our stock plans;
- reviews and recommends to our board of directors the compensation of our non-employee directors; and
- reviews and evaluates, at least annually, the performance of the compensation committee and its members, including compliance by our compensation committee with its charter.

The members of our compensation committee are Ms. Falberg (chairperson), and Messrs. Falk and Wells.

Each of the members of our compensation committee is independent under the applicable rules and regulations of NASDAQ, is a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act and is an “outside director” as that term is defined in Section 162(m) of the Internal Revenue Code (the “Code”). Our compensation committee operates under a written charter that satisfies the applicable standards of the SEC and NASDAQ. A copy of the charter of our compensation committee is available on our website at <http://investors.thetradedesk.com/>.

During 2017, our compensation committee met three times in person or by telephone.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee is responsible for making recommendations to our board of directors regarding candidates for directorships and the size and composition of our board of directors. In addition, the nominating and corporate governance committee is responsible for overseeing our corporate governance policies and reporting and making recommendations to our board of directors concerning governance matters.

The members of our nominating and corporate governance committee are Ms. Falberg (chairperson) and Mr. Paley. Each of the members of our nominating and corporate governance committee is an independent director under the applicable rules and regulations of NASDAQ. The nominating and corporate governance committee operates under a written charter that satisfies the applicable standards of the SEC and NASDAQ. A copy of the charter of our nominating and corporate governance committee is available on our website at <http://investors.thetradedesk.com/>.

During 2017, our nominating and corporate governance committee met three times in person or by telephone.

Compensation Committee Interlocks and Insider Participation

During 2017, our compensation committee consisted of Ms. Falberg, and Messrs. Falk and Wells. None of the members of our compensation committee has at any time been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers on our board of directors or compensation committee.

Board Diversity

Our nominating and corporate governance committee is responsible for reviewing with the board of directors, on an annual basis, the appropriate characteristics, skills and experience required for the board of directors as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and corporate governance committee, in recommending candidates for election, and the board of directors, in approving (and, in the case of vacancies, appointing) such candidates, will take into account many factors, including the following:

- personal and professional integrity;
- ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- experience in the industries in which we compete;
- experience as a board member or executive officer of another publicly held company;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- conflicts of interest; and
- practical and mature business judgment.

Our board of directors evaluates each individual in the context of the board of directors as a whole, with the objective of assembling a group that can best maximize the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. The code of business conduct and ethics is available on our website at www.thetradedesk.com. Any amendments to the code of business conduct and ethics, or any waivers of its requirements, will be disclosed on our website. The reference to our web address does not constitute incorporation by reference of the information contained at, or available through, our website.

Stockholder Communications with the Board of Directors

Stockholders and other parties interested in communicating directly with the board of directors may do so by writing to: Board of Directors, c/o The Trade Desk, Inc., 42 N. Chestnut St., Ventura, CA 93001. Concerns relating to accounting, internal controls or auditing matters are immediately brought to the attention of our audit committee and handled in accordance with applicable procedures established by the audit committee.

Independence of the Board of Directors

Our board of directors currently consists of seven members. Our board of directors has determined that all of our directors, other than our chief executive officer and chief operating officer, qualify as “independent” directors in accordance with the NASDAQ listing requirements. In addition, as required by NASDAQ rules, our board of directors has made a subjective determination as to each independent director that no relationships exist, which, in the opinion of our board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, our board of directors reviewed and discussed information provided by the directors and us with regard to each director’s business and personal activities and relationships as they may relate to us and our management. There are no family relationships among any of our directors or executive officers.

Director Attendance at Annual Meetings of Stockholders

Directors are encouraged, but not required, to attend our annual meetings of stockholders. Six of our directors attended the 2017 annual meeting of stockholders.

Whistleblower Procedures

In accordance with the Sarbanes-Oxley Act of 2002, we have established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission of concerns regarding accounting or auditing matters. If an individual has a concern regarding questionable accounting, internal accounting controls or auditing matters, or the reporting of fraudulent financial information, such individual may report his or her concern by sending a letter (which may be anonymous at the discretion of the reporting person), to us at our principal executive offices to the attention of the chief legal officer and to the chair of the audit committee. Individual employees may also report their concerns by telephone or online (which may be anonymous at the discretion of the reporting person) by using our ethics reporting system accessible through our website. Such complaints received by telephone or via online reporting system, are promptly sent to the chief legal officer and to the chair of the audit committee.

Limitation on Liability and Indemnification Matters

Our certificate of incorporation contains provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which the director derived an improper personal benefit.

Our certificate of incorporation and bylaws provide that we are required to indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. Our bylaws also provide that we are obligated to advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. With specified exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and our stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage.

EXECUTIVE OFFICERS

The following table sets forth information regarding our executive officers and management as of March 12, 2018:

Name	Age	Position(s)
Jeff T. Green	40	President and Chief Executive Officer, Director
Robert D. Perdue	51	Chief Operating Officer, Director
David R. Pickles	40	Chief Technology Officer
Paul E. Ross	44	Chief Financial Officer
Brian J. Stempeck	39	Chief Client Officer
Susan M. Vobejda	52	Chief Marketing Officer
Vivian W. Yang	50	Chief Legal Officer

Jeff T. Green. See Proposal One: Election of Directors for Mr. Green’s biographical information.

Robert D. Perdue. See Proposal One: Election of Directors for Mr. Perdue’s biographical information.

David R. Pickles has served as our chief technology officer since March 2010. Prior to The Trade Desk, he was with Microsoft Corporation where he served as development lead from September 2008 to March 2010 and senior software development engineer from March 2008 to September 2008. From May 2004 to February 2008 he served as senior database engineer at CallWave, Inc., where he was involved in building all back end components of the system: client session management services, telephone call handling services, client registration services, B2B integrations with all major telephone carriers, and complex high performance database systems (including a custom billing and CRM system). Mr. Pickles received a B.S. in Computer Science from University of California, Santa Barbara.

Paul E. Ross has served as our chief financial officer since November 2014. Prior to The Trade Desk, Mr. Ross independently served as a contract, part-time or interim chief financial officer for several companies, including as the interim chief financial officer and principal accounting officer of DecisionPoint Systems, Inc. from September 2012 to February 2013. Mr. Ross served as the chief financial officer and principal accounting officer of GenMark Diagnostics, Inc. from April 2011 until April 2012 and served as its treasurer and secretary. He served as chief financial officer of Teledata Technology Solutions Limited from October 2009 until April 2011. Mr. Ross served as chief financial officer, principal accounting officer and senior vice president of Finance at Meade Instruments Corp. from March 2007 to April 2009. From May 2005 to March 2007, Mr. Ross served as chief financial officer and treasurer of Power-One, Inc. (now ABB Product Group Solar). From April 2001 to May 2005, he held various positions with Power-One including corporate controller, vice president of finance, director of corporate finance, and manager of financial planning and reporting. He acquired his certified public accountant license from California while at PricewaterhouseCoopers LLP and maintains his active license from Florida. Mr. Ross received a B.A. degree in History from University of California, Los Angeles and an M.B.A. from the USC Marshall School of Business.

Brian J. Stempeck has served as our chief client officer since February 2015 and initially joined The Trade Desk in June 2010. Mr. Stempeck has spent the majority of his career in online media and marketing. Prior to The Trade Desk, Mr. Stempeck worked for Bain & Company, where he advised Fortune 500 clients in the retail and pharmaceutical sectors on online marketing strategies. He started his career as a political journalist with E&E Publishing (“E&E”), and launched E&E’s online video division in 2006. Mr. Stempeck received a B.A. in English Literature from the University of Virginia and an M.B.A. from the Kenan-Flagler Business School, University of North Carolina at Chapel Hill.

Susan M. Vobejda has served as our chief marketing officer since November 2017. Prior to joining The Trade Desk, Ms. Vobejda held marketing and business executive roles at leading technology, media and retail companies. Most recently, Ms. Vobejda served as executive vice president and chief marketing officer of Tory Burch LLC. Prior to this role, Ms. Vobejda was the founding executive and general manager of Bloomberg’s Media Distribution division. Before joining Bloomberg in 2009, Ms. Vobejda held marketing leadership roles at Yahoo, Gap Inc., and Walmart.com. She began her career at Leo Burnett Worldwide and Bankers Trust Company. Ms. Vobejda received a B.A. degree in economics from Carleton College and an M.B.A. from Harvard Business School.

Vivian W. Yang has served as our chief legal officer since August 2016. Ms. Yang has extensive experience in the media and technology industry, most recently serving as Chief Administrative Officer and General Counsel of RealD, a NYSE-listed company that develops and licenses 3D and other visual technologies globally. She joined RealD in April 2014 and left in August 2016 to join The Trade Desk. Before RealD, from March 2009 to March 2014, Ms. Yang was SVP & General Counsel for CityGrid Media, a digital advertising network owned by IAC. Previously, she was SVP, Business Affairs, Finance and Administration of the Global Media Group at Time Warner. She has held senior positions with eCompanies and Sony Pictures. Ms. Yang started her legal career at Latham & Watkins after receiving her JD from Georgetown University Law Center. She earned a B.S. in Accounting from The Pennsylvania State University and was a certified public accountant with KPMG prior to starting her legal career.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the compensation program for our Named Executive Officers (“NEOs”). During 2017, these individuals were:

- Jeff T. Green, our Chief Executive Officer (“CEO”);
- Robert D. Perdue, our Chief Operating Officer;
- David R. Pickles, our Chief Technology Officer;
- Paul E. Ross, our Chief Financial Officer; and
- Brian J. Stempeck, our Chief Client Officer.

This Compensation Discussion and Analysis describes the material elements of our executive compensation program during 2017. It also provides an overview of our executive compensation philosophy and objectives. Finally, it analyzes how and why our compensation committee arrived at the specific compensation decisions for our executive officers, including our NEOs, for 2017, including the key factors that the compensation committee considered in determining their compensation.

Executive Summary

Who We Are

We are a global technology company that provides a self-service omnichannel software platform which empowers ad buyers to purchase and manage data-driven digital advertising campaigns. Our platform allows clients to manage integrated advertising campaigns across various advertising channels and formats, including connected TV, mobile, video, audio, display, social and native, on a multitude of devices, including smart TVs, computers, and various mobile devices including phones and tablets.

2017 Business Highlights

During 2017, we continued to demonstrate our success in the marketplace as an independent platform buying media at scale, objectively, across digital channels and devices. We recorded advances across all channels in our business, including mobile, audio and connected TV which contributed to strong revenue growth and adjusted earnings before interest, taxes, depreciation, and amortization (“Adjusted EBITDA”). Adjusted EBITDA is a financial measure not presented in accordance with generally accepted accounting principles (“GAAP”). For a definition of Adjusted EBITDA, an explanation of our management’s use of this measure and a reconciliation of net income to Adjusted EBITDA, see Appendix A to this proxy statement. Our key highlights for 2017 were as follows:

- **Revenue:** Our total revenue grew to \$308.2 million, up 52% compared with revenue of \$202.9 million in 2016;
- **Net Income:** Our net income grew to \$50.8 million compared with net income of \$20.5 million in 2016.
- **Adjusted EBITDA:** Our Adjusted EBITDA grew to \$95.5 million, up 46%, compared with Adjusted EBITDA of \$65.2 million in 2016.
- **Continued Share Gain:** Our gross spend on the platform was over \$1.55 billion, a 51% increase from 2016.
- **Continued Omnichannel Growth:** Our 2017 mobile spend surpassed display spend for the first time driven by newer channels such as mobile video. Omnichannel solutions remain a strategic focus for us as the industry continues shifting toward transparency and programmatic buying. Specific channel highlights include:
 - Audio grew 648% from Q42016 to Q42017;
 - Connected TV grew 535% from Q42016 to Q42017;

- Mobile video grew nearly 121% from 2016 to 2017; and
- Native spend grew 587% from 2016 to 2017.
- **Strong Customer Traction and Retention:** We ended 2017 with 657 active customers and customer retention remained over 95% during the fourth quarter, as it has for the previous 16 quarters.
- **New Products and Features:** Throughout 2017, we released many new product features and enhancements to our platform including our Connected TV audience targeting, retargeting, and measurement products which give our customers the same functionalities as all the other channels in our platform.
- **Combatting Invalid Traffic:** Also in 2017, we partnered with White Ops to become the first advertising platform to block invalid impressions before they are purchased.
- **Brand Safety:**
 - We expanded our integration with Integral Ad Science to offer reporting in the UI for viewability, suspicious activity and brand safety. We continue to lead the industry in offering some of the most “brand safe” and “premium” inventory through our platform.
 - We implemented and supported industry adoption of the IAB Tech Lab’s Ads.txt initiative, the new open standard and technical specification for increasing transparency across the digital programmatic ecosystem.
- **Cross-Device Expansion:** We acquired certain assets of Adbrain Ltd. Combined with existing deterministic cross-device data sets, Adbrain’s technology gives us a proprietary device graph to match a user’s identity across different devices, driving better results for marketers and the best possible ad experience for consumers.
- **Global Footprint Expansion:** In 2017, we broadened our global coverage with the opening of offices in Paris, France; Madrid, Spain; Shanghai, China in addition to Seattle and Bellevue, Washington.
- **Best Places to Work:** The Trade Desk ranked as one of the best places to work on Glassdoor’s Best Software Companies to Work for in 2018 list and debuted at #11 on Fortune’s 2017 Best Medium-Sized Workplaces list for 2017.

2017 Executive Compensation Highlights

Based on our overall operating environment and these results, the compensation committee took the following key actions with respect to the compensation of our NEOs for and during 2017:

- **Base Salary:** Approved annual base salary increases for each of our NEOs, including a base salary increase to \$625,000 for our CEO to bring his base salary closer to those of chief executive officers at the companies in our compensation peer group.
- **Annual Cash Incentive Awards:** Approved annual cash incentive awards of \$847,598 for each of our NEOs, which amount represents 136% of base salary for our CEO.
- **Long-Term Incentive Compensation:** Granted long-term incentive compensation opportunities in the form of time-based restricted stock awards covering our Class A Common Stock and options to purchase shares of Class A Common Stock, with an aggregate grant date fair value of approximately \$4.4 million to our CEO and approximately \$2.0 million to each of our other NEOs.
- **Employment Agreements:** Entered into new employment agreements with our CEO and each of our other NEOs, each of which (i) provide for “at will” employment, (ii) set forth his initial base salary and target annual cash incentive opportunity, both of which are subject to annual review and adjustment, and (iii) provide for post-employment payments and benefits in the event of certain terminations of employment, including a termination of employment in connection with a change in control of the Company.

Executive Compensation Policies and Practices

We endeavor to maintain sound governance standards consistent with our executive compensation policies and practices. The compensation committee evaluates our executive compensation program on a regular basis to ensure that it is consistent with our short-term and long-term goals given the dynamic nature of our business and the market in which we compete for executive talent. The following summarizes our executive compensation and related policies and practices:

WHAT WE DO	WHAT WE DON'T DO
<ul style="list-style-type: none">☑ Maintain an Independent Compensation Committee. The compensation committee consists solely of independent directors.☑ Retain an Independent Compensation Advisor. The compensation committee engaged its own compensation advisor to provide information and analysis with its 2017 compensation review, and other advice on executive compensation independent of management. This consultant performed no consulting or other services for us in 2017.☑ Annual Executive Compensation Review. The compensation committee conducts an annual review and approval of our compensation strategy, including a review and determination of our compensation peer group used for comparative purposes and a review of our compensation-related risk profile to ensure that our compensation programs do not encourage excessive or inappropriate risk-taking and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on us.☑ Compensation At-Risk. Our executive compensation program is designed so that a significant portion of compensation is “at risk” based on our performance, as well as equity based, to align the interests of our executive officers and stockholders.☑ Use a Pay-for-Performance Philosophy. The majority of our executive officers’ compensation is linked to corporate performance; we also structure their target total direct compensation opportunities with a significant long-term equity component, thereby making a substantial portion of each executive officer’s target total direct compensation dependent upon our stock price performance.☑ Succession Planning. We review the risks associated with our key executive officer positions to ensure adequate succession plans are in place.	<ul style="list-style-type: none">☒ No Executive Retirement Plans. We do not offer pension arrangements or retirement plans or arrangements to our executive officers that are different from or in addition to those offered to our other employees.☒ Limited Perquisites. We provide limited perquisites or other personal benefits to our executive officers.☒ No Special Welfare or Health Benefits. Our executive officers participate in broad-based company-sponsored health and welfare benefits programs on the same basis as our other full-time, salaried employees.☒ No Post-Employment Tax Payment Reimbursement. We do not provide any tax reimbursement payments (including “gross-ups”) on any severance or change-in-control payments or benefits.☒ No Hedging or Pledging of Our Equity Securities. We prohibit our executive officers, the members of our Board of Directors and other employees from hedging or pledging our equity securities.☒ No Stock Option Re-pricing. Our employee stock plan does not permit options or stock appreciation rights to be repriced to a lower exercise or strike price without the approval of our stockholders.

Executive Compensation Philosophy

Our executive compensation program is guided by our overarching philosophy of paying for demonstrable performance. Consistent with this philosophy, we have designed our executive compensation program to achieve the following primary objectives:

- establish compensation opportunities that are competitive, reward performance and maintain internal equity;
- attract, motivate and retain highly-talented executive officers; and
- align the interests of our executive officers with the interests of our stockholders to drive the creation of sustainable long-term value.

Executive Compensation Program Design

Our current practice is to combine a mixture of compensation elements that balance achievement of our short-term goals with the creation of sustainable long-term value. We provide short-term annual cash incentive award opportunities which focus on our yearly operating results, and we provide long-term incentive compensation opportunities in the form of equity awards. We do not have a specific policy on the percentage allocation between short-term and long-term compensation elements.

We also believe that the compensation of our CEO should be primarily influenced by our overall financial performance. The compensation committee endeavors to set the compensation of our CEO within a range of compensation provided to similarly-situated chief executive officers of the companies in our compensation peer group, as adjusted by its consideration of the particular factors influencing our performance.

Executive Compensation Governance

Role of the Compensation Committee

The compensation committee reviews and sets the compensation of our executive officers, including the NEOs, and reviews and makes recommendations to our board of directors regarding director compensation. The compensation committee also reviews and approves or makes recommendations to our board of directors regarding our incentive compensation and equity-based plans and arrangements, including overseeing and evaluating the compensation plans, policies and practices applicable to our CEO and our other executive officers. The compensation committee retains a compensation consultant (described below) to provide support in its review and assessment of our executive compensation program.

Compensation-Setting Process

The compensation committee reviews the compensation arrangements and determines the target total direct compensation for our executive officers, including our NEOs. An annual cash incentive award plan for the upcoming fiscal year is adopted prior to the beginning of each year, typically in December. Equity awards are typically granted annually, also in December. Base salary adjustments are generally effective at the beginning of January of each year.

The compensation committee does not use a single method or measure in arriving at its compensation decisions. When making its determinations with respect to the amount of each compensation element and approving each compensation element and the target total direct compensation opportunity for our executive officers, the compensation committee considers the following factors:

- our performance against the financial and operational objectives established by the compensation committee and our board of directors;
- each individual executive officer's skills, experience and qualifications relative to other similarly-situated executives at the companies in our compensation peer group;
- the scope of each executive officer's role compared to other similarly-situated executives at the companies in our compensation peer group;
- the performance of each individual executive officer, based on a subjective assessment of his or her contributions to our overall performance, ability to lead his or her business unit or function and work as part of a team, all of which reflect our core values;
- compensation parity among our executive officers;
- our financial performance relative to our peers;
- the compensation practices of our compensation peer group and the positioning of each executive officer's compensation in a ranking of peer company compensation levels; and
- the recommendations provided by our CEO with respect to the compensation of our other executive officers.

These factors provide the framework for compensation decision-making and final decisions regarding the compensation opportunity for each executive officer. No single factor is determinative in setting pay levels, nor was the impact of any factor on the determination of pay levels quantifiable.

Role of Chief Executive Officer

In discharging its responsibilities, the compensation committee works with members of our management, including our CEO. Our management assists the compensation committee by providing information on corporate and individual performance, market compensation data and management's perspective on compensation matters. The compensation committee solicits and reviews our CEO's recommendations and proposals with respect to adjustments to annual cash compensation, long-term incentive compensation opportunities, program structures and other compensation-related matters for our executive officers (other than with respect to his own compensation).

The compensation committee reviews and discusses these recommendations and proposals with our CEO and considers them as one factor in determining the compensation for our executive officers, including our other NEOs. Our CEO recuses himself from, and is not present during, discussions and decisions regarding his own compensation.

Role of Compensation Consultant

The compensation committee engages an external compensation consultant to assist it by providing information, analysis and other advice relating to our executive compensation program and the decisions resulting from its annual executive compensation review. For 2017, the compensation committee engaged Compensia, Inc., a national compensation consulting firm ("Compensia"), as its compensation consultant to advise on executive compensation matters, including competitive market pay practices for senior executives, and with the data analysis and selection of the compensation peer group. For 2017, the scope of Compensia's engagement included:

- the research, development, and review of our compensation peer group;
- the review and analysis of the compensation for our executive officers, including our CEO and our other NEOs;
- providing analysis of market practice and support in the consideration and finalization of changes to the change-in-control and severance arrangements for our NEOs and certain other executive officers;
- the review and analysis of the compensation for our non-executive directors; and
- support on other *ad hoc* matters throughout the year.

The terms of Compensia's engagement include reporting directly to the compensation committee and to the compensation committee chair. Compensia also coordinates with our management for data collection and job matching for our executive officers. In 2017, Compensia did not provide any other services to us. The compensation committee has evaluated Compensia's independence pursuant to the listing standards of the NASDAQ and the relevant SEC rules and has determined that no conflict of interest has arisen as a result of the work performed by Compensia.

Competitive Positioning

For purposes of comparing our executive compensation against the competitive market, the compensation committee reviews and considers the compensation levels and practices of a group of peer companies. This compensation peer group consists of advertising technology, software as a service and other technology companies that are similar to us in terms of revenue, profitability, growth, market capitalization, geographical location and number of employees.

In developing the compensation peer group in November 2016 to serve as a reference for purposes of our initial 2017 executive compensation decisions, the following criteria were used in identifying comparable companies:

- publicly-traded companies headquartered in the United States;
- similar industry and competitive market for talent (advertising, software, Internet software and services, IT consulting and services, research and consulting services);
- similar revenue size – within a range of ~0.5x to ~3.0x our last four quarters’ revenue (approximately \$95 million to approximately \$580 million);
- similar market capitalization – within a range of ~0.33x to ~3.0x our market capitalization (approximately \$335 million to approximately \$3.0 billion);
- product and business model similarity;
- high growth (greater than 20% growth over the last four fiscal quarters); and
- EBITDA margin greater than 15%.

For purposes of our initial 2017 compensation decisions, the compensation committee used the following compensation peer group to assist with the determination of compensation for our executive officers. The compensation committee approved this peer group in November 2016 following a review that included input from Compensia:

8x8	MINDBODY
Axiom	Paylocity Holding
Benefitfocus	Quotient Technology
Callidus Software	RingCentral
comScore	The Rubicon Project
Cornerstone OnDemand	TiVo
Criteo	Workiva
GrubHub	Zendesk

This compensation peer group was used by the compensation committee during much of 2017 as a reference for understanding the competitive market for executive positions in our industry sector.

In October 2017, with the assistance of Compensia, the compensation committee reviewed and updated our compensation peer group to reflect our increasing market capitalization and revenue size, and account for acquisitions of peer companies. The companies in this compensation peer group were selected on the basis of their similarity to us, based on the following criteria:

- publicly-traded companies headquartered in the United States;
- similar industry and competitive market for talent (advertising, software, Internet software and services, IT consulting and services, research and consulting services);
- similar revenue size – within a range of ~0.33x to ~3.0x our last four quarters’ revenue (approximately \$85 million to approximately \$755 million);
- similar market capitalization – within a range of ~0.33x to ~3.0x our market capitalization (approximately \$825 million to approximately \$7.4 billion);
- product and business model similarity;
- high growth (greater than 20% growth over the last four fiscal quarters); and
- EBITDA margin greater than 15%.

As a result, the compensation committee approved a revised compensation peer group for the remainder of 2017 consisting of the following companies:

8x8	MINDBODY
Acxiom	Paycom Software
Benefitfocus	Paylocity Holding
Callidus Software	Quotient Technology
Cornerstone OnDemand	RealPage
Criteo	RingCentral
Ellie Mae	TiVo
GrubHub	Workiva
HubSpot	Zendesk
LogMeIn	

The compensation committee uses data drawn from our compensation peer group to evaluate the competitive market when determining the total direct compensation packages for our executive officers, including base salary, target annual cash incentive award opportunities and long-term incentive compensation opportunities.

The compensation committee reviews our compensation peer group at least annually and makes adjustments to its composition if warranted, taking into account changes in both our business and the businesses of the companies in the peer group.

Individual Compensation Elements

In 2017, the principal elements of our executive compensation program, and the purposes for each element, were as follows:

Element	Compensation Element	Objective
Base Salary	Cash	Designed to attract and retain highly talented executives by providing fixed compensation amounts that are competitive in the market and reward performance
Annual Cash Incentive Awards	Cash	Designed to motivate our executives to achieve annual business objectives and provide financial incentives when we meet or exceed these annual objectives
Long-Term Incentive Compensation	Equity awards in the form of restricted stock awards of our Class A Common Stock and options to purchase shares of Class A Common Stock	Designed to align the interests of our executives and our stockholders by motivating our executives to create sustainable long-term stockholder value

Base Salary

Base salary represents the fixed portion of the compensation of our executive officers, including our NEOs, and is an important element of compensation intended to attract and retain highly-talented individuals.

Using the competitive market data provided by Compensia, the compensation committee reviews and determines appropriate adjustments to the base salaries for each of our executive officers, including our NEOs, as part of its

annual executive compensation review. Generally, the compensation committee sets the base salaries of our executive officers with reference to the competitive range of the market median of our compensation peer group and applicable executive compensation survey data.

In December 2016, the compensation committee approved the 2017 base salaries for our executive officers, including our NEOs, as follows: \$625,000 for Mr. Green and \$410,000 for each of Messrs. Perdue, Pickles, Ross and Stempeck. In the case of our CEO, Mr. Green had, in 2016 and prior, elected to keep his base salary comparable to those of our other executive officers. The compensation committee determined that, for 2017, it was appropriate to increase of Mr. Green's base salary to bring it closer to those of chief executive officers at the companies in our compensation peer group. In making these decisions, the compensation committee considered the factors described in “—Executive Compensation Governance—Compensation-Setting Process” above and reviewed data drawn from the compensation peer group as approved in November 2016. The actual base salaries paid to our NEOs in 2017 are set forth in “Information Regarding Compensation of Executive Officers and Directors—2017 Summary Compensation Table”.

Effective as of January 1, 2018, the base salary for Mr. Green was increased to \$800,000, and the base salaries for each of Messrs. Perdue, Pickles, Ross and Stempeck were increased to \$450,000.

Annual Cash Incentive Awards

We use an annual cash incentive plan to motivate our executive officers, including our NEOs, to achieve our key annual business objectives. In December 2016, the compensation committee adopted a cash incentive plan for 2017 (the “2017 Cash Incentive Plan”) to provide financial incentives for us to meet or exceed the revenue targets established under our 2017 annual operating plan.

Target Annual Cash Incentive Award Opportunities

The target annual cash incentive award opportunities for our executive officers, including our NEOs, were recommended to the compensation committee by our CEO (except with respect to his own target annual cash incentive award opportunity), and approved by the compensation committee. The determination of target annual cash incentive award opportunities was based on the factors described in “—Executive Compensation Governance— Compensation-Setting Process” above and a review of data drawn from the compensation peer group as approved in November 2016.

In December 2016, the compensation committee approved the target annual cash incentive award opportunities for our executive officers, including our NEOs. As a percentage of base salary, the annual cash incentive award opportunities were, as follows: 73% for Mr. Green and 111% for Messrs. Perdue, Pickles, Ross and Stempeck.

Performance Measure

For purposes of the 2017 Cash Incentive Plan, the compensation committee, upon the recommendation of our CEO, selected revenue as the corporate performance measure for determining the annual cash incentive awards for our executive officers, including our NEOs, for the year. The compensation committee selected this performance measure based on its belief that revenue is the financial metric that was most important to our stockholders in 2017.

Cash Incentive Plan Formula

For purposes of the 2017 Cash Incentive Plan, award payments were determined based on a bonus factor applied against our revenue, as set forth in a matrix approved by the compensation committee. The bonus factor was set at 0.050% of revenue if our revenue for the year was \$200 million or below. The bonus factor increased with each incremental \$10 million in revenue between \$200 million and \$300 million, at which point the bonus factor was set at 0.275% of revenue. Our target performance level for 2017 was \$260 million of revenue, with a bonus factor of 0.175%, which would result in a target bonus payment of \$455,000 per NEO.

Any earned annual cash incentive awards were to be paid in quarterly installments during 2017, subject to the NEO remaining continuously employed by us through the end of the applicable calendar quarter. The quarterly installments were calculated based on the Company's run rate, adjusted for seasonality, and our then-current forecast of 2017 annual revenue.

Annual Cash Incentive Award Payouts

The actual cash incentive awards earned by our NEOs under the 2017 Cash Incentive Plan were \$847,598. The annual cash incentive award payments made to our NEOs for 2017 are set forth in "Information Regarding Compensation of Executive Officers and Directors—2017 Summary Compensation Table".

Long-Term Incentive Compensation

We view long-term incentive compensation in the form of equity awards as a critical element of our executive compensation program. The realized value of these equity awards bears a direct relationship to our stock price, and, therefore, these awards are an incentive for our executive officers, including our NEOs, to create value for our stockholders. Equity awards also help us retain qualified executive officers in a competitive market.

Long-term incentive compensation opportunities in the form of equity awards are granted by the compensation committee. The amount and forms of such equity awards are determined by the compensation committee after considering the factors described in this section under the heading "—Executive Compensation Governance—Compensation-Setting Process" above and reviewing data drawn from the compensation peer group, as revised in October 2017. The amounts of the equity awards are also intended to provide competitively-sized awards and resulting target total direct compensation opportunities within a competitive range of the market median relative to our compensation peer group for similar roles and positions for each of our executive officers, taking into consideration business results, internal equity, experience and individual performance.

2017 Equity Awards

In December 2017, the compensation committee determined that the equity awards to be granted to our executive officers should be in the form of time-based restricted stock awards for shares of our Class A Common Stock ("RSAs") and options to purchase shares of our Class A Common Stock ("Stock Options"). The value of each form of equity award was to be equally weighted.

The compensation committee approved the following equity awards for our NEOs in 2017: For Mr. Green, options to purchase 93,821 shares of our Class A Common Stock and 45,372 shares of restricted Class A Common Stock, with an aggregate grant date value of \$4,355,860, and for each of our other NEOs, options to purchase 42,012 shares of our Class A Common Stock and 20,417 shares of restricted Class A Common Stock, with an aggregate grant date fair value of \$1,960,118.

The RSAs vest in equal installments over a four-year period, with 25% vesting on each of the first four anniversaries of the date of grant, contingent upon the NEO remaining continuously employed by us through each applicable vesting date.

The Stock Options vest and become exercisable over a four-year period, with 1/48th vesting on each monthly anniversary of the applicable vesting commencement date, contingent upon the NEO remaining continuously employed by us through each applicable vesting date. These options are intended to qualify as "incentive stock options" to the maximum extent permitted under the applicable tax regulations.

These equity awards were granted pursuant to the terms and conditions of The Trade Desk, Inc. 2016 Equity Incentive Plan.

The equity awards granted to our NEOs in 2017 are set forth in "Information Regarding Compensation of Executive Officers and Directors—2017 Summary Compensation Table," "Information Regarding Compensation of Executive

Officers and Directors—2017 Grants of Plan-Based Awards Table” and “Information Regarding Compensation of Executive Officers and Directors—2017 Outstanding Equity Awards at Fiscal Year-End Table.”

Employee Benefits

Our executive officers, including our NEOs, are eligible to receive the same employee benefits that are generally available to all our full-time employees, subject to the satisfaction of certain eligibility requirements. These benefits include health and welfare plans, a Section 401(k) retirement savings plan, and an Employee Stock Purchase Plan. Our executive officers, including our NEOs, are eligible to participate in these plans on the same terms as other full-time employees. In structuring these benefit programs, we seek to provide an aggregate level of benefits that are comparable to those provided by similar companies.

Perquisites and Other Personal Benefits

Currently, we do not view perquisites or other personal benefits as a significant component of our executive compensation program. Accordingly, we do not provide perquisites or other personal benefits to our executive officers, including our NEOs, except as generally made available to our employees, or in situations where we believe it is appropriate to assist an individual in the performance of his or her duties, to make our executive officers more efficient and effective, and for recruitment and retention purposes.

During 2017, our board of directors determined that it was appropriate and in the interest of the Company to grant Mr. Green a one-time cash bonus of \$125,000, which is equal to the amount of Mr. Green’s filing fee under the Hart-Scott-Rodino Antitrust Improvement Act of 1976 (the “HSR Act”), and a one-time income tax “gross-up” bonus in connection with such bonus, in the amount of \$160,507. We also provided “keyman” insurance to Mr. Green and Mr. Pickles. No other NEOs received perquisites or other personal benefits that were, in the aggregate, \$10,000 or more.

In the future, we may provide perquisites or other personal benefits in limited circumstances, such as those described in the preceding paragraph. All future practices with respect to perquisites or other personal benefits will be approved and subject to periodic review by the compensation committee.

Employment Agreements

In May 2017, we entered into new written employment agreements with our CEO and each of our other NEOs, replacing prior agreements (the “2017 Employment Agreements”). In determining the terms and conditions of these agreements, including revised provisions for post-employment compensation, the compensation committee recognized the need to develop competitive compensation packages to motivate and retain talented executive officers in a dynamic labor market. At the same time, in formulating these compensation packages, the compensation committee was sensitive to the need to maintain an overall executive compensation structure that would balance both competitive and internal equity considerations. Each of these agreements provides for “at will” employment, meaning that either we or the NEO may terminate the employment relationship at any time with or without cause (as defined in the respective 2017 Employment Agreements). In addition, each NEO remains bound by certain restrictive covenants, including non-competition and non-solicitation provisions, which were incorporated by reference into their new employment agreements from their prior employment agreements. These restrictive covenants apply during the term of their employment and for one year thereafter.

In addition, each of these employment agreements also provides for certain payments and benefits in the event of certain qualifying terminations of employment regardless of whether a change in control of the Company has occurred. These post-employment compensation terms are discussed in “—Post-Employment Compensation Arrangements” below.

Also, for detailed descriptions of the post-employment compensation arrangements with each of our NEOs for 2017, as well as an estimate of the potential payments and benefits payable under these arrangements, see “Information Regarding Compensation of Executive Officers and Directors—Potential Payments upon Termination or Change in Control.”

Post-Employment Compensation Arrangements

Each of the employment agreements with our NEOs provides for certain payments and benefits in the event of certain qualifying terminations of employment, including a termination of employment in connection with a change in control of the Company. We believe that having in place reasonable and competitive post-employment compensation arrangements are essential to attracting and retaining highly-qualified executive officers. Our post-employment compensation arrangements are designed to provide reasonable compensation to executive officers who leave our employ under certain circumstances to facilitate their transition to new employment. Further, in some instances we seek to mitigate any potential employer liability and avoid future disputes or litigation by requiring a departing executive officer to sign a separation and release agreement acceptable to us as a condition to receiving post-employment compensation payments or benefits.

The 2017 Employment Agreements contain certain post-employment compensation provisions. When approving these provisions, the compensation committee considered an analysis of market practice among the companies in our compensation peer group as well as input from its compensation consultant. The specific terms and conditions of these post-employment compensation arrangements are described in “Information Regarding Compensation of Executive Officers and Directors—Potential Payments upon Termination or Change in Control”.

The compensation committee does not consider the specific amounts payable under these post-employment compensation arrangements when establishing annual compensation. We do believe, however, that these arrangements are necessary to offer compensation packages that are competitive.

We believe that these arrangements are designed to align the interests of our executive officers and our stockholders when considering our long-term future. The primary purpose of these arrangements is to keep our most senior executive officers focused on pursuing all corporate transaction activity that is in the best interests of our stockholders regardless of whether those transactions may result in their own job loss. Reasonable post-acquisition payments and benefits should serve the interests of both the NEO and our stockholders.

Under the 2017 Employment Agreements, all payments and benefits in the event of a change in control of the Company are payable only if there is a subsequent loss of employment by an executive officer (a so-called “double-trigger” arrangement). In the case of the acceleration of vesting of outstanding equity awards, we use this double-trigger arrangement to protect against the loss of retention power following a change in control of the Company and to avoid windfalls, both of which could occur if vesting accelerated automatically as a result of the transaction.

We do not use excise tax payments relating to a change in control of the Company and have no such obligations in place with respect to any of our executive officers, including our NEOs.

For detailed descriptions of the post-employment compensation arrangements we maintained with our NEOs for 2017, as well as an estimate of the potential payments and benefits payable under these arrangements, see “Information Regarding Compensation of Executive Officers and Directors—Potential Payments upon Termination or Change in Control”.

Other Compensation Policies and Practices

Policies on Hedging and Pledging of Company Securities

Our Insider Trading Compliance Policy prohibits all our employees, including our executive officers, and the members of our board of directors from engaging in derivative securities transactions, including hedging, with respect to our common stock and from pledging our securities as collateral or holding our securities in a margin account.

Tax and Accounting Considerations

Deductibility of Executive Compensation

In 2017, our compensation committee considered the provisions of Section 162(m) of the Code as then in effect that restricted the deductibility of remuneration in excess of \$1 million paid for any fiscal year to the chief executive

officer and up to three other executive officers (other than the chief financial officer) whose compensation is required to be disclosed to our stockholders under the Exchange Act to the extent such remuneration did not qualify for an exception as commission-based compensation or “qualified performance-based compensation” within the meaning of Section 162(m). In 2017, the compensation committee endeavored to structure annual cash incentive awards to our NEOs under our annual cash incentive compensation plan and annual equity awards granted pursuant to our equity compensation plans in order to qualify for the exemption for performance-based compensation, to the extent practicable.

The exemption from Section 162(m)’s deduction limit for “qualified performance-based compensation” has been repealed, effective for taxable years beginning after December 31, 2017, such that compensation paid to our NEOs in excess of \$1 million will not be deductible unless it qualifies for the limited transition relief applicable to certain arrangements in place as of November 2, 2017. Thus, performance-based incentive awards that were deductible in our last completed fiscal year and performance-based incentive awards outstanding on that date or awarded pursuant to a binding written agreement in effect as of November 2, 2017, may be exempt from the deduction limit if the applicable conditions of an available exemption are satisfied.

Accordingly, any performance-based compensation paid to a covered employee in excess of \$1 million will be non-deductible going forward. The compensation committee believes that stockholder interests are best served if our compensation committee retains maximum flexibility to design executive compensation programs that meet stated business objectives. Therefore, the compensation committee has approved base salaries and other compensation awards for our executive officers that may not be fully deductible because of the deduction limit of Section 162(m) and, in light of the repeal of the performance-based compensation exemption, expects in the future to approve additional compensation that is not deductible for federal income tax purposes.

Accounting for Stock-Based Compensation

We follow the Financial Accounting Standard Board’s Accounting Standards Codification Topic 718 (“FASB ASC Topic 718”) for our stock-based compensation awards. FASB ASC Topic 718 requires us to measure the compensation expense for all share-based payment awards made to our employees and non-employee members of our board of directors, including options to purchase shares of our common stock and other stock awards, based on the grant date “fair value” of these awards. This calculation is performed for accounting purposes and reported in the executive compensation tables required by the federal securities laws, even though the recipient of the awards may never realize any value from their awards.

**INFORMATION REGARDING COMPENSATION OF
EXECUTIVE OFFICERS AND DIRECTORS**

Executive Compensation

This section discusses the material components of the executive compensation program for our executive officers who are named in the “2017 Summary Compensation Table” below. In 2017, our NEOs and their positions were as follows:

- Jeff T. Green, Chief Executive Officer;
- Robert D. Perdue, Chief Operating Officer;
- David R. Pickles, Chief Technology Officer;
- Paul E. Ross, Chief Financial Officer; and
- Brian J. Stempeck, Chief Client Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt in the future may differ materially from the currently planned programs summarized in this discussion.

2017 Summary Compensation Table

The following table sets forth information concerning the compensation of our NEOs for 2017, 2016 and 2015.

Name and Principal Position	Year	Salary (\$)	Option Awards(\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$) ⁽³⁾	All Other Compensation (\$) ⁽⁴⁾	Total (\$)
Jeff T. Green	2017	625,000	2,178,004	2,177,856	847,598	293,760	6,122,218
Chief Executive Officer	2016	400,000	1,036,236	1,097,460	487,023	3,659	3,024,378
	2015	307,500	88,064	—	325,000	3,793	724,357
Robert D. Perdue	2017	410,000	980,102	980,016	847,598	8,001	3,225,717
Chief Operating Officer	2016	360,000	708,796	720,585	487,023	4,085	2,280,489
	2015	268,750	121,870	—	265,000	3,039	658,659
David R. Pickles	2017	410,000	980,102	980,016	847,598	8,305	3,226,021
Chief Technology Officer	2016	380,000	708,796	720,585	405,852	4,705	2,219,938
	2015	261,667	128,478	—	225,000	3,109	618,254
Paul E. Ross	2017	410,000	980,102	980,016	847,598	8,100	3,225,816
Chief Financial Officer	2016	380,000	708,796	720,585	405,852	8,682	2,223,915
	2015	265,000	172,737	—	225,000	2,904	665,641
Brian J. Stempeck	2017	410,000	980,102	980,016	847,598	6,205	3,223,921
Chief Client Officer	2016	360,000	708,796	720,585	487,023	2,649	2,279,053
	2015	268,750	123,593	—	265,000	3,975	661,318

(1) Amounts reflect the full grant date fair value of the Stock Options granted to our NEOs during 2017, 2016 and 2015, as applicable, calculated in accordance with ASC Topic 718. Additional information regarding these Stock Options is set forth in the “2017 Grants of Plan-Based Awards Table,” “2017 Outstanding Equity Awards at Fiscal Year End Table” and “2017 Option Exercises and Stock Vested Table.” For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on February 28, 2018 (the “2017 Annual Report”).

- (2) Amounts reflect the full grant date fair value of the RSAs granted to our NEOs during 2017 and 2016, as applicable, calculated in accordance with ASC Topic 718. The grant date fair values of these RSAs were based on the fair value of our common stock on the date of grant, which was determined as the closing market price per share of our Class A Common Stock on the date of grant. Additional information regarding these RSAs is set forth in the “2017 Grants of Plan-Based Awards Table,” “2017 Outstanding Equity Awards at Fiscal Year End Table” and “2017 Option Exercises and Stock Vested Table.” For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our 2017 Annual Report.
- (3) Amounts represent cash incentive awards earned by our NEOs in 2017, 2016 and 2015, as applicable, under our Annual Cash Incentive Compensation Plan. For additional information, see “Compensation Discussion and Analysis—Individual Compensation Elements—Annual Cash Incentive Awards”.
- (4) Amounts represent our Section 401(k) matching contributions for our NEOs and our “keyman” life insurance premiums in the aggregate amounts of \$630 and \$205 paid on Mr. Green’s and Mr. Pickles’ behalf, respectively. In addition, Mr. Green was reimbursed \$285,507 for costs he incurred in connection with his filing under the HSR Act.

2017 Grants of Plan-Based Awards Table

The following table provides information about awards granted in 2017 to each of our NEOs.

Name	Grant Date	Estimated Future Payouts under Non-Equity Incentive Plan Awards Target (\$) ⁽¹⁾	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock Options and Awards (\$) ⁽²⁾
Jeff T. Green.....	N/A	455,000	—	—	—	—
	12/1/2017	—	45,372	—	—	2,177,856
	12/1/2017	—	—	2,083	52.80	37,839
Robert D. Perdue	12/1/2017	—	—	91,738	48.00	2,140,165
	N/A	455,000	—	—	—	—
	12/1/2017	—	20,417	—	—	980,016
David R. Pickles	12/1/2017	—	—	42,012	48.00	980,102
	N/A	455,000	—	—	—	—
	12/1/2017	—	20,417	—	—	980,016
Paul E. Ross.....	12/1/2017	—	—	42,012	48.00	980,102
	N/A	455,000	—	—	—	—
	12/1/2017	—	20,417	—	—	980,016
Brian J. Stempeck.....	12/1/2017	—	—	42,012	48.00	980,102
	N/A	455,000	—	—	—	—
	12/1/2017	—	20,417	—	—	980,016
	12/1/2017	—	—	42,012	48.00	980,102

- (1) Amount represents the potential target annual cash incentive award under our 2017 Cash Incentive Compensation Plan. No threshold or maximum payouts were established under our 2017 Cash Incentive Compensation Plan, and accordingly, the sub-columns “Threshold (\$)” and “Maximum (\$)” are not applicable and have not been presented. Additional information regarding the 2017 Cash Incentive Compensation Plan is set forth in “Compensation Discussion and Analysis—Individual Compensation Elements—Annual Cash Incentive Awards”.
- (2) Amounts represent the aggregate grant date fair values of the equity awards determined in accordance with GAAP. All equity awards were granted under The Trade Desk, Inc. 2016 Incentive Award Plan. The aggregate grant date fair value for the RSAs was based on the grant date fair value of the underlying shares, which was the closing price of our Class A common stock on the grant date. The aggregate grant date fair value for the Stock Options was based on the Black-Scholes option valuation method. This calculation is performed for accounting purposes and reported in the table. However, our NEOs may never realize any value from their equity awards. For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our 2017 Annual Report.

2017 Outstanding Equity Awards at Fiscal Year-End Table

The following table summarizes the number of shares of common stock underlying outstanding equity incentive plan awards for each NEO as of December 31, 2017.

Name	Grant Date	Vesting Commencement Date	Option Awards				Stock Awards	
			Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Stock Awards That Have Not Vested(#)	Market Value of Stock Awards That Have Not Vested (\$) ⁽¹⁾
Jeff T. Green	1/20/2015	1/20/2015	19,204	10,403(2)	0.819	1/19/2025		
	12/9/2015	1/1/2016	953	23,851(2)	3.696	12/8/2020		
	12/23/2016	12/1/2016	14,433	42,134(3)	30.15	12/22/2026		
	12/23/2016	12/1/2016	2,042	7,291(4)	33.17	12/22/2021		
	12/1/2017	12/1/2017	—	91,738(6)	48.00	12/1/2027		
	12/1/2017	12/1/2020	—	2,083(7)	52.80	12/1/2022		
	12/23/2016	12/1/2016	—	—	—	—	27,300(5)	1,248,429
	12/1/2017	12/1/2017	—	—	—	—	45,372(5)	2,074,862
Robert D. Perdue.....	2/8/2013	1/7/2013	88,000	—(9)	0.171	2/7/2023		
	4/23/2014	4/23/2014	61,110	5,556(2)	0.819	4/22/2024		
	1/20/2015	1/20/2015	24,004	8,917(2)	0.819	1/19/2025		
	1/20/2015	1/20/2015	31,596	11,737(2)	0.819	1/19/2025		
	12/9/2015	1/1/2016	19,734	21,459(2)	3.360	12/8/2025		
	12/23/2016	12/1/2016	10,824	32,476(8)	30.15	12/22/2026		
	12/1/2017	12/1/2017	—	42,012(8)	48.00	12/1/2027		
	12/23/2016	12/1/2016	—	—	—	—	17,925(5)	819,710
David R. Pickles.....	2/8/2013	10/17/2012	100,000	—(2)	0.171	2/7/2023		
	1/20/2015	1/20/2015	22,004	8,174(2)	0.819	1/19/2025		
	1/20/2015	1/20/2015	36,458	13,542(2)	0.819	1/19/2025		
	12/9/2015	1/1/2016	20,815	22,666(2)	3.360	12/8/2025		
	12/23/2016	12/1/2016	10,824	32,476(8)	30.15	12/22/2026		
	12/1/2017	12/1/2017	—	42,012(8)	48.00	12/1/2027		
	12/23/2016	12/1/2016	—	—	—	—	17,925(5)	819,710
	12/1/2017	12/1/2017	—	—	—	—	20,417(5)	933,669
Paul E. Ross	1/20/2015	1/20/2015	—	8,916(2)	0.819	1/19/2025		
	1/20/2015	11/3/2014	—	30,556(9)	0.819	1/19/2025		
	12/9/2015	1/1/2016	1,810	22,666(2)	3.360	12/8/2025		
	12/23/2016	12/1/2016	10,824	32,476(8)	30.15	12/22/2026		
	12/1/2017	12/1/2017	—	42,012(8)	48.00	12/1/2027		
	12/23/2016	12/1/2016	—	—	—	—	17,925(5)	819,710
Brian J. Stempeck	1/20/2015	1/20/2015	24,004	8,917(2)	0.819	1/19/2025		
	1/20/2015	1/20/2015	34,027	12,639(2)	0.819	1/19/2025		
	12/9/2015	1/1/2016	19,734	21,459(2)	3.360	12/8/2025		
	12/23/2016	12/1/2016	10,824	32,476(8)	30.15	12/22/2026		
	12/1/2017	12/1/2017	—	42,012(8)	48.00	12/1/2027		
	12/23/2016	12/1/2016	—	—	—	—	17,925(5)	819,710
	12/1/2017	12/1/2017	—	—	—	—	20,417(5)	933,669

(1) Market value based upon the closing price of Class A common stock as of December 29, 2017, the last trading day in 2017.

(2) Represents stock options vesting with respect to one-forty-eighth (1/48th) of the shares of Class B common stock subject thereto on each monthly anniversary of the vesting commencement date, subject to the applicable NEO's continued employment through the applicable vesting date.

- (3) Represents a stock option that vests and becomes exercisable as follows: (1) with respect to 43,299 of the shares of Class A common stock subject to the option (the “2016 NSO Tranche I Shares”), one-thirty-sixth (1/36th) of the 2016 NSO Tranche I Shares shall vest and become exercisable on each of the first thirty-six (36) monthly anniversaries of the vesting commencement date (rounded down to the nearest 2016 NSO Tranche I Share on each vesting date that occurs during any calendar year until the last vesting date to occur during such calendar year, with any remaining shares that would have otherwise vested during such calendar year vesting on such last vesting date in the applicable calendar year, such that the option will vest and become exercisable with respect to a total of 14,433 of the 2016 NSO Tranche I Shares during each of calendar years 2017, 2018 and 2019), and (2) with respect to 13,268 of the shares of Class A common stock subject to the option (the “2016 NSO Tranche II Shares”), one-twelfth (1/12th) of the 2016 NSO Tranche II Shares shall vest and become exercisable on each monthly anniversary of the vesting commencement date commencing with the thirty-seventh (37th) monthly anniversary of the vesting commencement date and continuing through and including the forty-eighth (48th) monthly anniversary of the vesting commencement date (rounded down to the nearest share until the last vesting date), in each case, subject to Mr. Green’s continued employment through the applicable vesting date.
- (4) Represents a stock option that vests and becomes exercisable as follows: (1) with respect to 6,126 of the shares of Class A common stock subject to the option (the “2016 ISO Tranche I Shares”), one-thirty-sixth (1/36th) of the 2016 ISO Tranche I Shares shall vest and become exercisable on each of the first thirty-six (36) monthly anniversaries of the vesting commencement date (rounded down to the nearest 2016 ISO Tranche I Share on each vesting date that occurs during any calendar year until the last vesting date to occur during such calendar year, with any remaining shares that would have otherwise vested during such calendar year vesting on such last vesting date, such that the option will vest and become exercisable with respect to a total of 2,042 of the 2016 ISO Tranche I Shares during each of calendar years 2017, 2018 and 2019), and (2) with respect to 3,207 of the shares of Class A common stock subject to the option (the “2016 ISO Tranche II Shares”), one-twelfth (1/12th) of the 2016 ISO Tranche II Shares shall vest and become exercisable on each monthly anniversary of the vesting commencement date commencing on the thirty-seventh (37th) monthly anniversary of the vesting commencement date and continuing through and including the forty-eighth (48th) monthly anniversary of the vesting commencement date (rounded down to the nearest 2016 ISO Tranche II Share until the last vesting date), in each case, subject to Mr. Green’s continued employment through the applicable vesting date.
- (5) Represents RSAs vesting with respect to 25% of the shares subject thereto on each of the four anniversaries of the vesting commencement date, subject to the applicable NEO’s continued employment through the applicable vesting date.
- (6) Represents a stock option that vests and becomes exercisable as follows: (1) with respect to 70,365 of the shares of Class A common stock subject to the option (the “2017 NSO Tranche I Shares”), one-thirty-sixth (1/36th) of the 2017 NSO Tranche I Shares shall vest and become exercisable on each of the first thirty-six (36) monthly anniversaries of the vesting commencement date (rounded down to the nearest 2017 NSO Tranche I Share on each vesting date that occurs during any calendar year until the last vesting date to occur during such calendar year, with any remaining shares that would have otherwise vested during such calendar year vesting on such last vesting date in the applicable calendar year, such that the option will vest and become exercisable with respect to a total of 23,455 of the 2017 NSO Tranche I Shares during each of calendar years 2017, 2018 and 2019), and (2) with respect to 21,373 of the shares of Class A common stock subject to the option (the “2017 NSO Tranche II Shares”), one-twelfth (1/12th) of the 2017 NSO Tranche II Shares shall vest and become exercisable on each monthly anniversary of the vesting commencement date commencing with the thirty-seventh (37th) monthly anniversary of the vesting commencement date and continuing through and including the forty-eighth (48th) monthly anniversary of the vesting commencement date (rounded down to the nearest share until the last vesting date), in each case, subject to Mr. Green’s continued employment through the applicable vesting date.
- (7) Represents a stock option that vests and becomes exercisable with respect to one-twelfth (1/12th) of the shares subject thereto on each monthly anniversary of the vesting commencement date (rounded down to the nearest share until the last vesting date), in each case, subject to Mr. Green’s continued employment through the applicable vesting date.
- (8) Represents stock options vesting with respect to one-forty-eighth (1/48th) of the shares of Class A common stock subject thereto on each monthly anniversary of the vesting commencement date, subject to the NEO’s continued employment through the applicable vesting date.

- (9) Represents stock options vesting with respect to one-fourth of the shares of Class B common stock subject thereto on the first anniversary of the vesting commencement date and with respect to one-forty-eighth (1/48th) of the shares of Class B common stock subject thereto on each monthly anniversary of the vesting commencement date thereafter, subject to the NEO's continued employment through the applicable vesting date.

2017 Option Exercises and Stock Vested Table

The following table sets forth information with respect to the NEOs concerning the exercise of stock options and stock awards that vested during the year ended December 31, 2017.

Name	Option Exercises		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(2)
Jeff T. Green.....	20,966	\$844,734	9,100	\$436,800
Robert D. Perdue.....	325,000	14,232,753	5,975	286,800
David R. Pickles.....	—	—	5,975	286,800
Paul E. Ross.....	135,787	6,877,939	5,975	286,800
Brian J. Stempeck.....	588,332	24,173,122	5,975	286,800

- (1) Based upon the closing price of Class A common stock on the date of exercise, which ranged from \$35.47 per share to \$64.87 per share.
(2) Based upon the closing price of Class A common stock on the date of vesting, which was \$48.00 per share.

Executive Compensation Arrangements

Current Executive Employment Agreements

On May 11, 2017, we entered into new executive employment agreements with each of our NEOs that provide for “at will” employment, meaning that either we or the NEO may terminate the employment relationship at any time without cause.

Employment Agreement with Jeff T. Green.

Mr. Green's initial base salary under the 2017 employment agreement was \$625,000, which is subject to annual review and adjustment by our board of directors. Mr. Green will be eligible to earn an annual cash incentive bonus with a target amount equal to 73% of his base salary, which will be payable in quarterly installments within 60 days after the end of each calendar quarter. Mr. Green is also eligible to participate in the employee benefit plans available to our employees, subject to the terms of those plans.

Mr. Green's 2017 employment agreement provides that, in the event that his employment is terminated by us without “cause” (as defined in his new employment agreement) or Mr. Green resigns for “good reason” (as defined in his new employment agreement), subject to the execution and effectiveness of a separation agreement, including a general release of claims in our favor, he will be entitled to receive (i) an amount equal to 1.5 times the sum of (x) his then-current base salary and (y) his target annual cash incentive bonus for the year of termination; (ii) a pro-rated annual cash incentive bonus based on actual Company performance through the date of termination; (iii) acceleration of all time-based equity awards held by Mr. Green in which Mr. Green would have vested if he had remained employed for an additional 18 months; and (iv) if Mr. Green is participating in our group health plan immediately prior to his termination, a monthly cash payment until the earlier of 18 months following termination or the end of Mr. Green's COBRA health continuation period in an amount equal to the amount that we would have made to provide health insurance to Mr. Green had he remained employed with us.

In lieu of the payments and benefits described in the preceding paragraph, in the event that Mr. Green's employment is terminated by us without cause or Mr. Green resigns for good reason, in either case within three months prior to or 24 months following a “change in control” (as defined in his employment agreement), subject to the execution and effectiveness of a separation agreement, including a general release of claims in our favor, he will be entitled to receive (i) a lump sum cash payment equal to 3.0 times the sum of (x) Mr. Green's then-current base salary (or his

base salary in effect immediately prior to the change in control, if higher) and (y) his target annual incentive compensation; (ii) a pro-rated annual cash incentive bonus based on target Company performance through the date of termination; (iii) full acceleration of all time-based equity awards held by Mr. Green; and (iv) if Mr. Green is participating in our group health plan immediately prior to his termination, a lump sum cash payment equal to an amount that we would have made to provide health insurance to him had he remained employed with us for an additional 36 months.

In addition, Mr. Green remains bound by certain restrictive covenants, including non-competition and non-solicitation provisions, which have been incorporated by reference into the new employment agreement from his prior employment agreement. These restrictive covenants apply during the term of Mr. Green's employment and for one year thereafter.

Employment Agreements with each of Robert B. Perdue, David R. Pickles, Paul E. Ross and Brian J. Stempeck.

The initial base salary under each of the 2017 employment agreements for Messrs. Perdue, Pickles, Ross and Stempeck is \$410,000, which is subject to annual review and adjustment, and each NEO will be eligible to earn an annual cash incentive bonus with a target amount equal to 111% of his base salary, which will be payable in quarterly installments within 60 days after the end of each calendar quarter. Each NEO is also eligible to participate in the employee benefit plans available to our employees, subject to the terms of those plans.

The 2017 employment agreements for each of Messrs. Perdue, Pickles, Ross and Stempeck provides that, in the event that his employment is terminated by us without "cause" (as defined in the respective employment agreement) or such NEO resigns for "good reason" (as defined in the respective new employment agreement), subject to the execution and effectiveness of a separation agreement, including a general release of claims in our favor, the NEO will be entitled to receive (i) an amount equal to the sum of (x) his current base salary and (y) his target annual cash incentive bonus for the year of termination; (ii) a pro-rated annual cash incentive bonus based on actual Company performance through the date of termination; (iii) acceleration of all time-based equity awards held by the NEO in which such NEO would have vested if he had remained employed for an additional 12 months; and (iv) if the NEO is participating in our group health plan immediately prior to his termination, a monthly cash payment until the earlier of 12 months following termination or the end of the respective COBRA health continuation period in an amount equal to the amount that we would have made to provide health insurance to such NEO had he remained employed with us.

In lieu of the payments and benefits described in the preceding paragraph, in the event that the employment of Messrs. Perdue, Pickles, Ross and Stempeck is terminated by us without cause or any such NEO resigns for good reason, in either case within three months prior to or 24 months following a "change in control" (as defined in the respective employment agreement), subject to the execution and effectiveness of a separation agreement, including a general release of claims in our favor, each NEO will be entitled to receive (i) a lump sum cash payment equal to 2.0 times the sum of (x) his then-current base salary (or his base salary in effect immediately prior to the change in control, if higher) and (y) his target annual incentive compensation; (ii) a pro-rated annual cash incentive bonus based on target Company performance through the date of termination; (iii) full acceleration of all time-based equity awards held by the NEO; and (iv) if the NEO is participating in our group health plan immediately prior to his termination, a lump sum cash payment equal to an amount that we would have made to provide health insurance to him had he remained employed with us for an additional 24 months.

In addition, each of Messrs. Perdue, Pickles, Ross and Stempeck remains bound by certain restrictive covenants, including non-competition and non-solicitation provisions, which have been incorporated by reference into the new employment agreement from each such NEO's prior employment agreement. These restrictive covenants apply during the term of the NEO's employment and for one year thereafter.

Potential Payments Upon Termination or Change in Control Table

The following table shows the potential payments and benefits to be received by our NEOs upon a termination of employment without cause or for good reason and upon a termination without cause or for good reason in connection with a change in control. The types of events constituting cause, good reason and change in control may

differ in some respects among the different arrangements providing for benefits to the NEOs; however, for consistency in presentation, our executive compensation arrangements have been grouped together based on these concepts without regard for any such differences. Our NEOs are not entitled to any payments and benefits if they are terminated for cause or resign without good reason, are terminated due to death or disability, or retire. Except for Stock Options that were granted to our NEOs prior to 2016, which provide for the acceleration of 50% of the unvested shares subject to the options upon a change in control, we do not have any agreements or other arrangements with our NEOs that provide for payments and benefits solely upon a change in control without an accompanying termination of employment. The table below summarizes the payments and benefits available to each NEO under various termination scenarios, assuming the separation from service was on December 31, 2017. The value of vested equity is based on the closing price of the Company's Class A common stock on December 29, 2017, the last trading day of the 2017 fiscal year, which was \$45.73 per share.

Name and Termination / Change in Control Scenario	Cash Severance Payment (\$)(1)	Equity Awards (\$)(2)	Benefits (\$)(3)	Total Payout (\$)(4)
<i>Jeff T. Green</i>				
Without Cause or Resignation for Good Reason (No Change in Control)	2,100,000	2,498,806	124,313	4,723,119
Without Cause or Resignation for Good Reason (Change in Control)	3,300,000	5,541,076	156,317	8,997,393
Upon a Change in Control.....	—	734,838	—	734,838
<i>Robert D. Perdue</i>				
Without Cause or Resignation for Good Reason (No Change in Control)	900,000	2,217,276	73,260	3,190,536
Without Cause or Resignation for Good Reason (Change in Control)	1,350,000	4,345,691	94,596	5,790,287
Upon a Change in Control.....	—	1,043,101	—	1,043,101
<i>David R. Pickles</i>				
Without Cause or Resignation for Good Reason (No Change in Control)	900,000	2,035,660	73,260	3,008,920
Without Cause or Resignation for Good Reason (Change in Control)	1,350,000	4,195,002	94,596	5,639,598
Upon a Change in Control.....	—	967,823	—	967,823
<i>Paul E. Ross</i>				
Without Cause or Resignation for Good Reason (No Change in Control)	900,000	2,877,382	73,260	3,850,642
Without Cause or Resignation for Good Reason (Change in Control)	1,350,000	4,992,441	94,596	6,437,037
Upon a Change in Control.....	—	1,366,543	—	1,366,543
<i>Brian J. Stempeck</i>				
Without Cause or Resignation for Good Reason (No Change in Control)	900,000	2,005,117	73,260	2,978,377
Without Cause or Resignation for Good Reason (Change in Control)	1,350,000	4,136,675	94,596	5,581,271
Upon a Change in Control.....	—	938,594	—	938,594

- (1) Reflects the aggregate amount of cash severance payable to each NEO based on a multiple of base salary and target annual incentive compensation as of 2017 pursuant to the terms of the respective NEO's employment agreement, as described above.
- (2) Represents the sum of (i) the number of unvested RSAs outstanding as of December 31, 2017, multiplied by the closing price of \$45.73 per share on December 29, 2017 and (ii) the number of Stock Options outstanding as of December 31, 2017, multiplied by the closing price of \$45.73 per share on December 29, 2017, less the aggregate option exercise price
- (3) Represents the estimated value of unused accrued vacation and the continuation of health benefits that each NEO would have been entitled to receive upon a termination of employment as of December 31, 2017, as based on actual 2018 premiums.

- (4) The respective employment agreement for each NEO includes a modified cutback provision, such that if any severance payments or benefits would constitute a “parachute payment” and would be subject to the excise tax imposed by Section 4999 of the Code, the aggregate benefits will either be delivered in full or delivered in a lesser amount that would result in no portion of the aggregate benefits being subject to the excise tax, whichever results in the receipt by the NEO of the greatest amount of aggregate benefits on an after-tax basis. For purposes of the table set forth above, it has been assumed that the payments and benefits will not be reduced pursuant to the preceding sentence and, accordingly, include the full value of such payments and benefits.

Equity Compensation Plan Information

The following table summarizes information as of December 31, 2017, about our equity compensation plans, including The Trade Desk, Inc. 2010 Stock Plan, The Trade Desk Inc. 2015 Equity Incentive Plan, The Trade Desk Inc. 2016 Incentive Award Plan and the Trade Desk Inc. 2016 Employee Stock Purchase Plan.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)(#)(1)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)(\$)(1)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c) (\$)(2)
Equity compensation plans approved by security holders(2).....	5,162,985	17.96	3,946,045
Equity compensation plans not approved by security holders ...	—	—	—
Totals	<u>5,162,985</u>	<u>17.96</u>	<u>3,946,045</u>

- (1) Includes 4,744,749 shares issuable upon the exercise of outstanding options with a weighted average exercise price of \$17.96 and 418,236 shares issuable upon the vesting of outstanding restricted stock awards and units. Restricted stock awards and units do not require a payment by the recipient to us at the time of vesting. Accordingly, the weighted-average exercise price in column (b) does not take these awards into account.
- (2) Consists of shares available for future issuance under our 2016 Incentive Award Plan and 2016 Employee Stock Purchase Plan. As of December 31, 2017, 3,464,035 shares of Class A common stock were available for issuance under the 2016 Incentive Award Plan and 482,010 shares of Class A common stock were available for issuance under the 2016 Employee Stock Purchase Plan. For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2017.

2017 Director Compensation Table

Ms. Falberg and Mr. Wells received annual retainer fees for board and committee service. The fees are paid in four equal quarterly advance installments and prorated for any partial year of board service. In 2017, Ms. Falberg and Mr. Wells were paid \$27,500 each in annual retainer fees for their services on our board of directors. Ms. Falberg was also paid \$10,000 in 2017 for her service as chairperson of the compensation committee and the nominating and corporate governance committee. Mr. Wells was also paid \$5,000 in 2017 for his service as chairperson of the audit committee.

We also reimburse our non-employee directors for reasonable out-of-pocket expenses incurred in attending board and committee meetings. Our employee directors did not receive any additional compensation for their service as members of our board of directors in 2017.

The following table sets forth information for the year ended December 31, 2017 regarding the compensation awarded to, earned by or paid to our non-employee directors:

Name	Fees Earned or Paid in Cash (\$(1))	Stock Awards (\$(2)(3)(4))	Option Awards (\$(5)(6)(7))	Total (\$)
Kathryn E. Falberg.....	37,500	250,956	—	288,456
Thomas Falk.....	—	232,964	—	232,964
Eric B. Paley.....	—	239,943	—	239,943
Juan N. Villalonga.....	—	—	234,954	234,954
David B. Wells.....	32,500	—	256,966	289,466

- (1) Amounts reflect cash payments for retainer and committee fees during first half of 2017. For additional information, refer to the Stock Awards and Option Awards footnotes included in this table.
- (2) On July 20, 2017, Ms. Falberg, Mr. Falk and Mr. Paley elected to be granted RSAs for their annual retainer and committee fees in lieu of quarterly cash payments, and each were granted 825 restricted shares of our Class A common stock for their annual retainer fees. Further, Ms. Falberg, Mr. Falk and Mr. Paley were granted 477, 147 and 275 RSAs, respectively, for their annual committee fees. These RSAs, granted on July 20, 2017, vest quarterly through the first anniversary of the grant date, or if earlier, on the date of the next annual meeting of stockholders. All unvested equity awards will vest upon a change of control of the Company.
- (3) Amounts reflect the grant date fair value of RSAs granted to our non-employee directors during 2017. The grant date fair value of these shares was based on the fair value of our common stock on the date of grant, which was determined as the closing market price per share of our Class A common stock on the date of grant, or \$54.52. For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our 2017 Annual Report.
- (4) As of December 31, 2017, Ms. Falberg, Mr. Falk and Mr. Paley held unvested RSAs of 3,453, 3,205 and 3,301, respectively. None of our other non-employee directors held unvested RSAs as of December 31, 2017.
- (5) On July 20, 2017, Mr. Villalonga and Mr. Wells elected to be granted Stock Options for their annual retainer and committee fees in lieu of quarterly cash payments, and each were granted an option to purchase 1,659 shares of our Class A common stock for their annual retainer fees. Further, Mr. Villalonga and Mr. Wells were granted an option to purchase 369 and 1,181 shares of our Class A common stock, respectively, for their annual committee fees. These Stock Options, granted on July 20, 2017, have an exercise price equal to \$54.52 per share, based on the closing price per share of our Class A common stock on the date of grant, and vest quarterly through the first anniversary of the grant date, or if earlier, on the date of the next annual meeting of stockholders. All unvested equity awards will vest upon a change of control of the Company.
- (6) Amounts reflect the full grant date fair value of stock option awards to purchase shares of Class A common stock granted to our directors during 2017, calculated in accordance with ASC Topic 718. For additional information, refer to Notes 2 and 10 to our audited consolidated financial statements included in our 2017 Annual Report.
- (7) As of December 31, 2017, Ms. Falberg, Mr. Villalonga and Mr. Wells held Stock Options to purchase an aggregate of 30,303, 8,667 and 34,479 shares, respectively. None of our other non-employee directors held Stock Options as of December 31, 2017.

Effective after our Annual Meeting, our independent, non-employee directors will receive the following annual retainer fees for board and committee service: a cash retainer for each board member of \$45,000 and, for the lead independent director, an additional cash retainer of \$20,000. Members of the audit, compensation and nominating and corporate governance committees will receive an additional cash retainer of \$10,000, \$8,000 and \$5,000, respectively, and the chair of each the foregoing committees will receive an additional cash retainer of \$24,000, \$16,000 and \$10,000, respectively. Each director may make an annual election to receive an equity award in lieu of the cash retainer in the form of restricted stock, restricted stock units, stock options or a mix thereof. The equity awards will vest in quarterly installments over the one-year period following the grant or, if earlier, will vest in full on the date of our next annual meeting. All unvested equity awards will vest upon a change of control of the Company.

Each newly elected director will receive an initial director equity award, upon initial election to our board with a value of \$200,000 and may elect to receive the initial director equity award in the form of restricted stock, restricted stock units, stock options or a mix of one-half restricted stock or restricted stock units and one-half options. The initial director equity award will generally vest in substantially equal quarterly installments over the three-year period following the grant. On the date of each annual meeting, continuing directors will receive an annual director equity grant with a value of \$200,000 and may elect to receive the equity award in the form of restricted stock, restricted stock units, stock options or a mix thereof. The annual director equity award will vest in quarterly installments over the one-year period following the grant or, if earlier, will vest in full on the date of our next annual meeting. All unvested equity awards will vest upon a change of control of the Company. A director who is appointed to our board of directors other than on the date of an annual meeting will receive a prorated annual director equity award. Directors who join our board of directors on the date of an annual meeting will receive both an initial director equity grant and an annual director equity award.

REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

The information contained in this compensation committee report shall not be deemed to be (1) “soliciting material,” (2) “filed” with the SEC, (3) subject to Regulations 14A or 14C of the Securities Exchange Act of 1934, as amended, or (4) subject to the liabilities of Section 18 of the Exchange Act. No portion of this compensation committee report shall be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act, through any general statement incorporating by reference in its entirety the proxy statement in which this report appears, except to the extent that The Trade Desk, Inc. specifically incorporates this report or a portion of it by reference. In addition, this report shall not be deemed filed under either the Securities Act or the Exchange Act.

The compensation committee has reviewed and discussed the section captioned “Compensation Discussion and Analysis” with management. Based on such review and discussions, the compensation committee recommended to the board of directors that this “Compensation Discussion and Analysis” section be included in this proxy statement.

COMPENSATION COMMITTEE

Kathryn E. Falberg (Chairperson)
Thomas Falk
David B. Wells

OWNERSHIP OF THE TRADE DESK, INC. COMMON STOCK

The following table sets forth information with respect to the beneficial ownership of our common stock as of January 31, 2018 for:

- each of our NEOs;
- each of our directors;
- all of our current directors and NEOs as a group; and
- each person, or group of affiliated persons, known by us to be the beneficial owner of more than 5% of our outstanding shares of Class A common stock or Class B common stock.

We have determined beneficial ownership in accordance with the rules of the SEC, which generally means that a person has beneficial ownership of a security if he or she possesses sole or shared voting or investment power over that security, including options that are currently exercisable or exercisable within 60 days of January 31, 2018. Unless otherwise indicated, to our knowledge, the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to community property laws where applicable. The information in the table below does not necessarily indicate beneficial ownership for any other purpose, including for purposes of Sections 13(d) and 13(g) of the Securities Act.

We have based our calculation of the percentage of beneficial ownership on 32,695,082 shares of Class A common stock and 9,155,054 shares of Class B common stock outstanding as of January 31, 2018. We have deemed shares of our common stock subject to stock options that are currently exercisable or exercisable within 60 days of January 31, 2018 to be outstanding and to be beneficially owned by the person holding the stock option for the purpose of computing the percentage ownership of that person. We did not, however, deem such shares outstanding for the purpose of computing the percentage ownership of any other person or entity.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o The Trade Desk, Inc., 42 N. Chestnut Street, Ventura, California 93001.

Name of Beneficial Owner	Shares Beneficially Owned				% of Total Voting Power ⁽¹⁾
	Class A		Class B		
	Shares	%	Shares	%	
5% Stockholders:					
Entities affiliated with Founder Collective ⁽²⁾	—	—	964,078	10.5	7.8
IA Venture Strategies Fund I, LP ⁽³⁾	—	—	497,947	5.4	4.0
Wellington Management Group LLP ⁽⁴⁾	4,673,199	14.3	—	—	3.8
AllianceBernstein ⁽⁵⁾	2,620,560	8.0	—	—	2.1
Highwind S.a.r.l. ⁽⁶⁾	2,331,000	7.1	—	—	1.9
The Vanguard Group, Inc. ⁽⁷⁾	2,303,010	7.0	—	—	1.9
Allianz Global Investors U.S. Holdings LLC ⁽⁸⁾	1,859,515	5.7	—	—	1.5
NEOs and Directors:					
Jeff T. Green ⁽⁹⁾	152,598	*	6,592,334	71.8	53.1
Robert D. Perdue ⁽¹⁰⁾	151,375	*	261,310	2.8	2.2
David R. Pickles ⁽¹¹⁾	66,780	*	600,791	6.4	4.8
Paul E. Ross ⁽¹²⁾	92,762	*	15,821	*	*
Brian J. Stempeck ⁽¹³⁾	62,482	*	287,503	3.1	2.3
Kathryn E. Falberg ⁽¹⁴⁾	124,603	*	30,303	*	*
Thomas Falk ⁽¹⁵⁾	138,188	*	273,812	3.0	2.3
Eric B. Paley ⁽¹⁶⁾	4,401	*	964,078	10.5	7.8
Juan N. Villalonga ⁽¹⁷⁾	4,332	*	—	—	*
David B. Wells ⁽¹⁸⁾	12,738	*	14,050	*	*
All executive officers and directors as a group (10 persons) ⁽¹⁹⁾	810,259	2.5	9,040,002	93.4	70.4

* Less than 1%.

- (1) Percentage of total voting power represents voting power with respect to all shares of Class A common stock and Class B common stock, as a single class. Holders of Class B common stock are entitled to ten votes per share, and holders of Class A common stock are entitled to one vote per share.
- (2) Consists of (a) 746,198 shares of Class B common stock held by Founder Collective, L.P., and (b) 217,880 shares of Class B common stock held by Founder Collective Entrepreneurs' Fund, LLC. Founder Collective GP, LLC is the general partner of Founder Collective, LP and the managing member of Founder Collective Entrepreneurs' Fund, LLC (collectively referred to as the "Founder Collective Entities"). Eric Paley, one of our directors, and David Frankel are the two managing members of Founder Collective GP, LLC and have shared voting and investment power over the reported shares. The address for the Founder Collective Entities is 1 Mifflin Place, Suite 300, Cambridge, Massachusetts 02138.
- (3) Based on information reported by IA Venture Strategies Fund I, LP on Schedule 13G/A filed with the SEC on February 13, 2018, consists of 497,947 shares of Class B common stock held by IA Venture Strategies Fund I, LP. Roger Ehrenberg, a former director of ours, is the managing member of IA Venture Partners, LLC, which is the general partner of IA Venture Strategies Fund I, LP and has voting and dispositive power over the shares held by IA Venture Strategies Fund I, LP. As a result, Mr. Ehrenberg may be deemed to have indirect beneficial ownership of the reported shares. The address for IA Venture Strategies Fund I, LP is 156 Fifth Avenue, Suite 1119, New York, New York 10010.
- (4) Based on information reported by Wellington Management Group LLP on Schedule 13G/A filed with the SEC on February 8, 2018, consists of 4,673,199 shares of Class A common stock beneficially owned, with shared voting power over 3,397,065 shares and shared dispositive power over 4,673,199 shares. The shares are owned of record by clients of one or more investment advisors (the "Wellington Investment Advisors") that are directly

or indirectly owned by Wellington Management Group LLP. Those clients have the right to receive, or the power to direct the receipt of, dividends from, or the proceeds from the sale of, such securities. Wellington Investment Advisors Holdings LLP controls directly or indirectly (through Wellington Management Global Holdings, Ltd.) the Wellington Investment Advisors. Wellington Investment Advisors Holdings LLP is owned by Wellington Group Holdings LLP; Wellington Group Holdings LLP is owned by Wellington Management Group LLP. The address of Wellington Management Group LLP is c/o Wellington Management Company LLP, 280 Congress Street, Boston, Massachusetts 02210.

- (5) Based on information reported by AllianceBernstein L.P. on Schedule 13G/A filed with the SEC on February 13, 2018, consists of 2,620,560 shares of Class A common stock beneficially owned, with sole voting power over 2,449,627 shares and sole dispositive power over 2,578,843 shares. The address for AllianceBernstein L.P. is 1345 Avenue of the Americas, New York, New York 10105.
- (6) Based on information reported by Highwind S.a.r.l. on the most recently available Form 4 filed with the SEC on December 8, 2017, consists of 2,331,000 shares of Class A common stock beneficially owned by Highwind S.a.r.l. Juan N. Villalonga, one of our directors, has been designated to our board of directors by Highwind S.a.r.l. The address for Highwind S.a.r.l is 75 Parc d'Activités, L-8308 Capellen, Luxembourg.
- (7) Based on information reported by The Vanguard Group, Inc. on Schedule 13G/A filed with the SEC on February 12, 2018, consists of 2,303,010 of Class A common stock beneficially owned, with sole voting power over 45,773 shares, shared voting power over 1,600 shares, sole dispositive power over 2,257,987 shares and shared dispositive power over 45,023 shares. The address for The Vanguard Group, Inc. is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.
- (8) Based on information reported by Allianz Global Investors U.S. Holdings LLC on Schedule 13G filed with the SEC on February 15, 2018, consists of 1,859,515 shares of Class A common stock beneficially owned. The other reporting person on the Schedule 13G is Allianz Global Investors U.S. LLC, with sole voting power over 1,619,405 shares and sole dispositive power over 1,692,205 shares. The address for Allianz Global Investors U.S. Holdings LLC and Allianz Global Investors U.S. LLC is 1633 Broadway, New York, New York 10019.
- (9) Consists of (a) 122,819 shares of Class A common stock and 5,299,297 shares of Class B common stock held by Jeff T. Green, (b) 1,266,667 shares of Class B common stock held by Jeff T. Green, trustee of the Green Irrevocable Trust of 2015, (c) 29,779 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (d) 26,370 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (10) Consists of (a) 133,443 shares of Class A common stock and 95,000 shares of Class B common stock held by Robert D. Perdue, (b) 17,932 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (c) 166,310 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (11) Consists of (a) 48,848 shares of Class A common stock and 412,883 shares of Class B common stock held by David R. Pickles, (b) 17,932 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (c) 187,908 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (12) Consists of (a) 74,830 shares of Class A common stock held by Paul E. Ross, (b) 17,932 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (c) 15,821 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (13) Consists of (a) 44,550 shares of Class A common stock and 201,332 shares of Class B common stock held by Brian J. Stempeck, (b) 17,932 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (c) 86,171 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (14) Consists of (a) 44,603 shares of Class A common stock held by Kathryn E. Falberg, (b) 80,000 shares of Class A common stock held indirectly by Kathryn E. Falberg, by Family Trust, and (c) 30,303 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018 due to early exercise provision in award agreement.
- (15) Consists of (a) 2,136 shares of Class A common stock held by Thomas Falk, (b) 86,052 shares of Class A common stock and 183,556 shares of Class B common stock held by Revel Venture Fund I, L.P. ("Revel"), (c) 50,000 shares of Class A common stock and 66,445 shares of Class B common stock held by eValue AG ("eValue") and (d) 23,811 shares of Class B common stock held by Entrepreneurs Investment Fund I, LP ("EIF I"). Thomas Falk, one of our directors, is one of the four managing members of Revel, owns approximately

90% of the economic interest and all of the voting interest of eValue, and is a member of the general partner of EIF I. Mr. Falk may be deemed to beneficially own the shares of Revel, eValue and EIF I. The address for Revel is 250 Hudson Street, 4th Floor, New York, New York 10013, the address for eValue is Kennedydamm 1, 40476 Dusseldorf, Germany and the address of EIF is c/o Digital Capital Advisors, The Empire State Building, 350 5th Avenue, Suite 7640, New York, New York 10118.

- (16) Consists of (a) 4,401 shares of Class A common stock held by Eric Paley and (b) the shares described in footnote (2) above. Eric Paley, one of our directors, is a managing member of Founder Collective GP, LLC and may be deemed the indirect beneficial owner of such shares.
- (17) Consists of 4,332 shares of Class A common stock held by Juan N. Villalonga, issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (18) Consists of (a) 8,000 shares of Class A common stock held by David B. Wells, (b) 4,738 shares of Class A common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018, and (c) 14,050 shares of Class B common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days of January 31, 2018.
- (19) Consists of (a) 699,682 shares of Class A common stock, (b) 8,513,069 shares of Class B common stock, (c) 110,577 shares of Class A common stock issuable pursuant to options currently exercisable or exercisable within 60 days of January 31, 2018, and (d) 526,933 shares of Class B common stock issuable pursuant to options currently exercisable or exercisable within 60 days of January 31, 2018.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of transactions since January 1, 2017, to which we have been a party, in which the amount involved exceeds or will exceed \$120,000 and in which any of our directors, executive officers or holders of more than 5% of our capital stock, or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest.

Employment Arrangement

Ephraim Albaro, who is the brother-in-law of Jeff T. Green, our chief executive officer, has been employed in a non-executive capacity by us since 2012. For the year ended December 31, 2017, his total compensation was \$180,177.

Indemnification Agreements and Directors' and Officers' Liability Insurance

We have entered into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us to indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, penalties, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Policies and Procedures for Related Party Transactions

Our board of directors has adopted a written related person transaction policy setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy covers, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds \$120,000 and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. Our audit committee is tasked with reviewing and approving such transactions, taking into consideration all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction with an unrelated third party and the extent of the related person's interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers, and persons who beneficially own more than ten percent of our common stock to file reports on Forms 3, 4 and 5 with the SEC concerning their ownership of, and transactions in, our common stock.

To our knowledge, based solely on our review of the copies of such reports furnished to us and on the representations of the reporting persons, all of these reports were timely filed for the fiscal year ended December 31, 2017.

ADDITIONAL INFORMATION

Other Matters

We know of no other matters to be submitted at the 2018 annual meeting of stockholders. If any other matters properly come before the annual meeting of stockholders, it is the intention of the proxy holders to vote the shares they represent as the board of directors may recommend.

THE BOARD OF DIRECTORS

/s/ JEFF T. GREEN

JEFF T. GREEN

Chief Executive Officer

Dated: March 23, 2018

APPENDIX A
NON-GAAP FINANCIAL MEASURE INFORMATION

Set forth below in this Appendix A is important information about Adjusted EBITDA, a non-GAAP measure, discussed in the proxy statement.

Adjusted EBITDA

In addition to our results determined in accordance with GAAP, we believe that Adjusted EBITDA, a non-GAAP measure, is useful in evaluating our business. The following table presents a reconciliation of net income to Adjusted EBITDA for each of the periods indicated:

	<u>Year Ended December 31,</u>	
	<u>2016</u>	<u>2017</u>
	(in thousands)	
Net income	\$ 20,482	\$ 50,798
Add back:		
Depreciation and amortization expense.....	3,798	7,209
Stock-based compensation expense	5,056	21,317
Interest expense	3,075	1,791
Secondary offering costs	—	1,523
Change in fair value of preferred stock warrant liabilities	9,458	—
Provision for income taxes	<u>23,352</u>	<u>12,827</u>
Adjusted EBITDA.....	<u>\$ 65,221</u>	<u>\$ 95,465</u>

We use Adjusted EBITDA as a measure of operational efficiency to understand and evaluate our core business operations. We believe that Adjusted EBITDA is useful to investors for period to period comparisons of our core business. Accordingly, we believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under GAAP. Some of these limitations are as follows:

- although depreciation and amortization expense are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect: (1) changes in, or cash requirements for, our working capital needs; (2) the potentially dilutive impact of stock-based compensation; (3) secondary offering costs not considered part of our core business; or (4) tax payments that may represent a reduction in cash available to us; and
- other companies, including companies in our industry, may calculate Adjusted EBITDA or similarly titled measures differently, which reduces its usefulness as a comparative measure.

Because of these and other limitations, you should consider Adjusted EBITDA along with other GAAP-based financial performance measures, including various cash flow metrics, net income and our GAAP financial results.

