

# Earlier today, Mozilla Corporation CEO and Mozilla Foundation Chairwoman Mitchell Baker sent the following message to Mozilla employees.

We are making significant changes at Mozilla Corporation today. Pre-COVID, our plan for 2020 was a year of change: building a better internet by accelerating product value in Firefox, increasing innovation, and adjusting our finances to ensure financial stability over the long term. We started with immediate cost-saving measures such as pausing our hiring, reducing our wellness stipend and cancelling our All-Hands. But COVID-19 has accelerated the need and magnified the depth for these changes. Our pre-COVID plan is no longer workable. We have talked about the need for change — including the likelihood of layoffs — since the spring. Today these changes become real.

We are also restructuring to put a crisper focus on new product development and go to market activities. In the long run, I am confident that the new organizational structure will serve our product and market impact goals well, but we will talk in detail about this in a bit.

But, before that is the painful part. Yes — we need to reduce the size of our workforce. This is hard to internalize and I desperately wish there was some other way to set Mozilla up for success in building a better internet. I desperately wish that all those who choose Mozilla as an employer could stay as long as interest and skills connect. Unfortunately, we can't make that happen today.

We are reducing the size of the MoCo workforce by approximately 250 roles, including closing our current operations in Taipei, Taiwan. Another 60 or so people will change teams. The people who are included in the reduction are both true Mozillians, and professionals with high degrees of skill and expertise and commitment. This action is not in any way - not, not, not - a reflection on personal or professional qualities. Indeed, to the contrary, the contributions of this set of people are valuable and important and are a part of Mozilla that we cherish. I know that this will take a while to process. Each of us will go through our own cycle of surprise, grief, and individual response.

The information below includes details about the restructuring, more information on the decision process, how the notifications will happen, severance and other plans to support our colleagues. We will have an all company meeting Thursday at 8:00am PT, 11:00am ET, 5:00pm CEST, rather than Wednesday.

## **WHAT ARE THE CHANGES**

## **Focusing Firefox On Users**

In order to refocus the Firefox organization on core browser growth through differentiated user experiences, we are reducing investment in some areas such as developer tools, internal tooling, and platform feature development, and transitioning adjacent security/privacy products to our New Products and Operations team.

## **Investing in New Products**

We are organizing a new product organization outside of Firefox that will both ship new products faster and develop new revenue streams. Our initial investments will be Pocket, Hubs, VPN, Web Assembly and security and privacy products. In addition, we are creating a new Design and UX team to support these products and a new applied Machine Learning team that will help our products include ML features.

## **Supporting Functions**

We are centralizing Marketing to support both new products and our core Firefox business. We are creating more focus and efficiency by combining engineering operations with IT, and creating a centralized security assurance function, as well as streamlining functions such as Business Development, Finance, IT, Policy and the People team.

## **Reinvigorating Community**

Fixing the internet is a huge goal. It's not something that we can do alone. We are re-envisioning how we collaborate with, support and grow our community. This will include continued but leaner work with our community on things like product support and developer relations. At the same time, our work will expand to include new communities of people building products, technologies, laws and institutions that make the better internet in real and tangible ways. Connecting to and supporting these people can't be the job of one person or one team — we are developing an approach where everyone at Mozilla is a part of moving forward.

## **HOW WE APPROACHED THESE DECISIONS**

The changes we're making today are focused on creating an organization that is best equipped to provide products and services that deliver on our mission and aim to make Mozilla Corporation sustainable, over the long term, in the COVID and post-COVID eras. We did not simply "trim." We did not approach this as a stop-gap or a way to get us through the next few months. We looked at what Mozilla Corporation needs to do to be sustainable and have impact

over time. Then we reshaped the organization to meet this, mapping the critical roles and skill sets required to deliver on this outcome.

#### **SUPPORTING MOZILLIANS**

As we've talked about over the past few months, our team is our biggest financial investment. Our team is also what makes Mozilla so special, and this is the reason why these types of actions are so challenging. We have prioritized transparency, inclusivity, fairness and respect for our employees as we approached this process, and are committed to supporting those who are leaving through generous exit packages and outplacement support.

Everyone who will be impacted as part of the reduction in force will be eligible for the following:

- Severance that is at least equivalent to full base pay through December 31, 2020. The specific details vary by country and may be higher in some cases based on extended tenure and/or local requirements.
- Individual performance bonuses for H1, as previously allocated by managers.
- Payment in lieu of a Company ("MAP") bonus, based on your MAP target bonus percentage multiplied by an amount equivalent to one-half (i.e., 50%) of your current annual base salary.
- In the U.S., Mozilla-paid COBRA benefits through the end of the year. In all other countries, where we can, we will seek to provide similar coverage.

The employees who are impacted will, in most cases, have continued access to their LDAP/mozilla@ email addresses until August 21st. They will also receive:

- Six-months of outplacement services from our professional outplacement assistance company, RiseSmart.
- The ability to opt-in to a <u>talent directory</u>, which will go live on August 17th, created to help Mozilla alumni and new employers connect.

## **NOTIFICATIONS AND NEXT STEPS**

We want to provide as much clarity as possible in the quickest possible way, and we want all impacted employees to all have 1:1 notification conversations with a leader. Because we have employees who will be impacted in a number of countries, some local rules require a multi-step process before final decisions are made and the legally required process is completed.

Individuals whose roles are impacted in Canada and the United States will be notified today. For our colleagues in Europe, Taiwan, Australia and New Zealand, the process will reflect local legal requirements. Where required by law, we will be starting an employee consultation process to talk through proposed changes before making any final decisions and communicating them. But, wherever possible and appropriate, we will provide notifications today. For additional details:

- If you are an employee in Canada or the United States and your role is included in the reduction, you will receive a calendar invitation from a People Partner shortly for a 1:1 notification meeting today with a leader and a member of our People Team. This meeting will include the details of your separation package.
- If you are an employee in France, you will learn more about the Company's proposal in the coming weeks when we complete the local consultation process with staff representatives.
- If you are an employee in Australia, New Zealand or Europe, other than in France, and your role is impacted or potentially impacted, you will receive a calendar invitation from a People Partner today for a meeting. If your role is definitively impacted, a leader and someone from our People Team will share the details of your package with you. If your role has been identified as potentially impacted subject to a consultation process, you will receive an invitation to begin the consultation process today and we will continue to work through those locally before any decisions are finalized.
- If you are an employee in Taiwan, we will have met with you individually today about the decision to cease our operations in Taipei.

In addition, there are approximately 60 people that are moving between teams. These individuals will have a follow up conversation with a senior leader in the next couple of days to learn more about these changes. For those who are not impacted, leaders within your organization will schedule follow-up team and 1:1 meetings over the next several days and weeks to help everyone understand the changes and how they impact both the team and each of your roles individually.

I will send another note when we have been able to talk to the majority of affected people wherever possible, so that everyone will know when the notifications/outreach are mostly complete. In addition, as above, we will all come together on Thursday at 8:00am PT, 11:00am ET, 5:00pm CEST where we can provide more information and address questions. This is an optional meeting and all are welcome.

Two great forces drive Mozilla forward. One is the mission — a powerful call that brings many of us to Mozilla and motivates us. The second great force is Mozillians — the people who chose to join Mozilla, to work here, to be part of our community. This force — Mozillians — has kept Mozilla alive in the difficult times of our past and I believe is our greatest long term contribution and legacy. Today some part of this force will leave Mozilla Corporation employment through no choice or action of their own. To each of you, I extend my heartfelt thanks and humblest regrets that we have come to this point. And a deep commitment to creating new forms of community, so that each person who wants some way to stay connected to Mozilla has the option to do so.

And for each of you who will remain a Mozilla Corporation employee, please take some time now to honor and assist our colleagues. And then redouble our efforts to build impact, to build new products, and to build communities of Mozillians around the world that support and sustain each other and our mission.

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