



IMPACT GOALS

Kinder to people and planet

depop

Introducing our new Impact Goals for 2023 and beyond



At Depop, Impact is part of our DNA. We believe in the power of our community to change fashion consumption, creating a system that's kinder to both people and the planet. And we're proud of the impact our community is already driving in the world. Since 2021, Depop users have given a second life to 25 million items¹ that already existed, and enabled tens of thousands of individuals to make an income from circular fashion.

Our Impact goals, for 2023 and beyond, focus on the issues that matter most to our community, and drive progress aligned with Etsy, Inc. Impact framework. As you can see in the graphic set out on the next page, we've identified five central environmental and social impact areas on which to focus our energy: Circularity, Net Zero emissions reductions, Sustainability Operations, Employee DEI and Marketplace DEI. And whilst not specifically outlined, our evergreen commitment to fostering a culture of ethics and accountability at Depop remains, in support of Etsy's wider Governance goals².

To account for a world where fashion and technology continue to change at pace, we'll review our impact goals annually to revisit our commitments, measure progress and update them as needed - allowing us to constantly iterate and improve. We'll transition to publicly reporting on progress every year via [Etsy, Inc. Integrated Annual Report](#), holding ourselves accountable to ambitious goals and rigorous standards.

We're very proud of the progress we've made to date with our Impact work. But there's so much more we can do. As we progress through 2023 and start looking beyond, we are continually inspired by the passion and energy of the people who are powering a generational shift in how we consume. Our job, as ever, is to give a platform to the real changemakers - our community - today and tomorrow.

1. Refers to secondhand items listed and sold with 'Used' condition attribute in 2021 and 2022. Brand new items and items without a tagged condition attribute are excluded.
2. Find out more about our commitment to Trust and Safety [here](#), and Etsy's Governance [here](#).



We're making the circular economy exciting to the world and making it easy to choose fashion that's kinder to people and the planet.



Environmental

Building resilience for the long-term



Social

Ensuring equitable access to opportunity

Goals

CIRCULARITY

Inspire and enable people to participate in the circular economy where products & resources remain in use at their highest value

NET ZERO

Achieve Net Zero through targets aligned with the science of climate change while continuing to offset 100% of measured greenhouse gas (GHG) emissions³

SUSTAINABLE OPERATIONS

Run best-in-class sustainable operations

EMPLOYEE DEI

Build diverse and inclusive workforces that are broadly representative of their communities

MARKETPLACE DEI

Make Depop a diverse and inclusive place to buy and sell, driving more equitable access to opportunities

Targets

1. Leverage our marketing and product capabilities to facilitate access to circular fashion and inspire more people to shop circular

2. Near-term (2030) and long-term (2040) GHG emission reduction targets, whilst continuing to offset 100% of measured emissions

3. Continue to source 100% of electricity from renewable sources
4. Run 'Zero Waste' operations by 2025
5. Set an energy efficiency target in 2023

6. Achieve 35% of underrepresented ethnicities in global headcount by the end of the year 2028 (baseline Dec 22: 30%)
7. Achieve 27% of underrepresented gender identities in engineering & data by the end of the year 2028 (baseline Dec 22: 20%)

8. Aim to invest in programmes or initiatives that drive equity for underrepresented communities on Depop

Supplier Diversity, Equity and Inclusion: Create an equitable and sustainable supply chain that supports our 'House of Brands' while reducing our carbon footprint, supporting diverse businesses and bringing new economic opportunities to our suppliers and their employees.⁴



3. Since 2020, we have offset 100% of Depop's Scope 1, 2 and 3 emissions by investing in verified emissions reductions (VERs) that protect forests and sponsor wind and solar farms. For more information, please see our [Climate Action](#) page.

4. Depop will contribute to Etsy, Inc.'s Supplier Diversity, Equity and Inclusion target. For more information, please see [Etsy, Inc. 2022 10-K](#) p.30

CIRCULARITY

GOAL

Inspire and enable people to participate in the circular economy where products & resources remain in use at their highest value.

TARGET

Leverage our marketing and product capabilities to facilitate access to circular fashion and inspire more people to shop circular.

Depop helps to keep clothing in use for longer - making it easier for our community to extend the life of their clothes and to find alternatives to buying new.

Since our inception, our community has helped make circular fashion desirable and accessible to more people by making secondhand cool - lifting the stigma it was once attached to. A simple way to reduce the overall environmental impact of fashion is to reuse what already exists - displacing brand new purchases with secondhand ones. Research shows that, if on average a garment was worn twice as much, then lifecycle GHG emissions of the garment could be 44% lower⁵.



5. [Ellen MacArthur Foundation - A New Textiles Economy \(2017\)](#)





Did you know?

9 in 10 purchases made on Depop prevent the purchase of a brand new item elsewhere.⁶

KEY HIGHLIGHTS

So far, we've made progress to promote circularity on Depop and in the industry by:

- Partnering with sellers and brands like Dr Martens, Tommy Hilfiger and Levi's to bring circular collections to our community. We also partnered with some major players in the TV and entertainment industries - like Disney, Netflix, the BRIT awards & The Sims - to bring circular fashion to large audiences, contributing to normalising secondhand in pop culture.
- Launching new listing attributes to enable sellers to showcase circularity and sustainability characteristics in their listings - e.g repaired, recycled cotton, reworked/upcycled.
- Measuring the extent to which secondhand purchases made on Depop displace the purchase of new items elsewhere via our [displacement research](#).
- Publishing Depop's [definition of circular fashion](#) - to promote transparency and education within our community.

HOW WE PLAN TO REACH OUR GOALS

We plan to leverage our marketing and product capabilities to facilitate access to, and inspire more people to shop circular - via activities such as new feature tests, buyer and seller education on the environmental impact of secondhand purchases, and external initiatives promoting circularity in fashion.



6. Based on a sample of 5,531 Depop users in the UK, US and Australia who made a purchase on Depop between December 2021 and February 2022. [Depop Displacement Research 2022](#)

NET ZERO

GOAL

Achieve Net Zero through targets aligned with the science of climate change while continuing to offset 100% of measured greenhouse gas (GHG) emissions.

TARGETS

- By year end 2030, we aim to achieve a 50% reduction in absolute Scope 1+2 greenhouse gas emissions and a 52% reduction in Scope 3 greenhouse gas emissions per dollar of gross profit from a 2020 base year.
- By year end 2040, we aim to achieve a 90% reduction in absolute Scope 1+2 greenhouse gas emissions and 97% reduction in Scope 3 greenhouse gas emissions per dollar of gross profit from a 2020 base year.
- Continue to offset 100% of measured Scope 1, 2, and 3 greenhouse gas emissions annually.

The climate crisis is here. So is our commitment to a better future for our planet. In 2022, as part of Etsy, Inc., we became one of the first few hundred companies globally to have our Net Zero goal approved by the Science-Based Targets Initiative (SBTi) under their new Net-Zero Standard⁷.



7. Net zero is the internationally agreed upon goal for mitigating climate change. The United Nations (IPCC) determined the need for net zero CO2 emissions by 2050 to prevent global average temperatures from increasing more than 1.5C.



NET ZERO

depop

Did you know?

We're helping sellers reduce emissions from the packaging they use to ship orders, through both reused packaging and more sustainable options. Through our partnership with [Eco Enclose](#), sellers in the USA can access and buy affordable packaging made from certified responsibly sourced and 100% recycled paper that buyers can also recycle easily at home.

KEY HIGHLIGHTS

Since 2020, we've been measuring the carbon footprint of shipping, and since 2021 we've been offsetting 100% of measured GHG emissions across scopes 1-3.⁸

- Scope 1&2: 7 tonnes CO2e
- Scope 3: 20,053 tonnes CO2e
- Total: 20,059 tonnes CO2e

For more detail on how we approach emission reduction activities, see [Etsy, Inc. 2022 10-K](#) p.24 & 25, and Depop's [Climate Actions](#).

HOW WE PLAN TO REACH OUR GOALS

- As part of Etsy, Inc., we plan to take action in support of policy solutions aimed at helping to drive carbon reduction from product delivery in the long-term (e.g [decarbonisation of the transportation sector](#)), and continue to collaborate with peers, vendors, and NGOs on industry-wide efforts designed to drive efficiency and resilience in the shipping and logistics sector.
- Aim to continue to partner with third parties to offer and improve the sustainable packaging solutions available to our sellers.
- Work to increase the amount of primary data used to improve the accuracy of our carbon footprint.
- Continue to offset 100% of our GHG emissions as we work to reduce our footprint, covering things like shipping, packaging, energy used when browsing on Depop, and our own procurement.



8. Since 2021, we have offset 100% of Depop's Scope 1, 2 and 3 CHG emissions by investing in verified emissions reductions (VERs) that protect forests and sponsor wind and solar farms. For more information, please see Depop's [Climate Action](#) page.

SUSTAINABLE OPERATIONS



Did you know?

Depop's offices are powered by 100% renewable energy.⁹

GOAL

Run best-in-class sustainable operations.

TARGETS

- Continue to source 100% of electricity from renewable sources.
- Run 'Zero Waste' operations by 2025.
- Set an energy efficiency target in 2023.

Running best-in-class sustainable operations will allow us to focus on minimising waste, creating a healthier office environment for our employees, whilst reducing long-term costs along the way.

HOW WE PLAN TO REACH OUR GOALS

We plan to continue to work towards best-in-class sustainable operations by focusing on improving landfill diversion to achieve TRUE Zero Waste Certification, conducting an ESOS compliant energy audit, setting an energy efficiency target in 2023, and continuing to procure 100% renewable energy.



9. This is achieved through virtual power purchase agreement ("VPPA"), international renewable energy credits (iRECs), and onsite solar arrays at our Brooklyn office.



EMPLOYEE DIVERSITY, EQUITY & INCLUSION (DEI)

GOAL

Build diverse and inclusive workforces that are broadly representative of their communities.

TARGETS

- Achieve 35% of underrepresented ethnicities¹⁰ in global headcount by the end of the year 2028
(baseline December 31 2022: 30%)
- Achieve 27% of underrepresented gender identities¹¹ in engineering & data by the end of the year 2028
(baseline December 31 2022: 20%)

Our mission is to build the world's most diverse progressive home of fashion and, to get there, it starts with our own teams. We've always believed that who we are as Depop is rooted in the diversity of our community. And we know that diverse and inclusive teams are key to building more creative and innovative solutions for our community.



10. Underrepresented ethnicities refers to Asian, Black, Mixed and staff identifying as 'Other' (incl. LatinX) at Depop. To establish which ethnicities are underrepresented at Depop, we considered census, workforce and benchmarking data as well as our aim to be a progressive workplace.

11. Underrepresented gender identities refers to women and other marginalised gender identities.



EMPLOYEE DIVERSITY, EQUITY & INCLUSION (DEI)



KEY HIGHLIGHTS

In 2022, we've made progress to foster a more diverse and inclusive workplace at Depop, notably by:

- Facilitating the creation of two employee resource groups (ERGs) - Underrepresented Gender Identities in Tech and Wellbeing @ Depop.
- Introducing gender neutral parental leave to provide the same amount of time-off to all new parents, including those adopting.
- Partnering with Circl to provide members of the Depop leadership team with accredited foundation-level coaching skills and match them with talented 18-24 year-old mentees from underrepresented backgrounds.
- Collaborating with DEI focused talent partners in order to increase our reach among candidates from underrepresented communities and diversify our pipelines.

HOW WE PLAN TO REACH OUR GOALS

This year, we aim to continue to support our ERGs and nurture safe spaces to promote a sense of belonging in the company. We also plan to introduce a new DEI learning programme with several touch points during the year to equip all staff with foundational DEI knowledge and help drive long-term behaviour change. Our talent team plans to narrow and deepen its relationship with external talent partners with a view to systematically source candidates from underrepresented backgrounds for new positions.

MARKETPLACE DIVERSITY, EQUITY & INCLUSION (DEI)

GOAL

Make Depop a diverse and inclusive place to buy and sell, driving more equitable access to opportunities.

TARGET

Aim to invest in programmes or initiatives that drive equity for underrepresented communities on Depop¹².

Creating an inclusive space where everyone - no matter who they are - can succeed is core to Depop's mission. We only succeed when our community succeeds, and we aim to provide equitable access to opportunities to everyone, irrespective of their background or identity.



12. Underrepresented communities refers to any group of people, across demographics, that are underrepresented within our workforce or wider community. It includes underrepresented genders and underrepresented ethnicities.



MARKETPLACE DIVERSITY, EQUITY & INCLUSION (DEI)



KEY HIGHLIGHTS

Our community is part of our DNA, and in the past year we've supported sellers by:

- Facilitating Now/Next - a programme designed to take talented and creative Depop sellers to the next level. In 2022, we rolled out the second edition, Now / Next with Black Sellers, for which we developed and curated a curriculum aimed at delivering tangible support for 6 Black Sellers, including a \$2,000 grant each.
- Marking celebratory moments important to our community such as Pride, Black History Month, Hispanic Heritage Month, Asian American and Pacific Islander Heritage Month, Women's History Month by showcasing seller stories and shops.
- Conducting a bi-annual seller survey to understand levels of representation and inclusion sentiment within our community, and monitoring percentage of skin tones of colour and different body shapes in marketing assets on Depop-owned channels.

HOW WE PLAN TO REACH OUR GOALS

We know that each community has different needs, so we'll focus on identifying underrepresented groups who might feel less included on Depop and understanding how we could best serve them with future interventions.