Report of Independent Accountants

To the Board of Directors of Etsy, Inc.

We have reviewed the accompanying Etsy, Inc. (Etsy) management assertion that the sustainability metrics in management's assertion as of or for the years ended December 31, 2022, 2021, and 2020 are presented in accordance with the assessment criteria set forth in management's assertion. Etsy's management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements,* and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Our firm applies the Statements on Quality Control Standards established by the AICPA and, accordingly, maintains a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, tests of mathematical accuracy of computations on a sample basis; read relevant policies to understand terms related to relevant information about the specified metrics; reviewed supporting documentation in regard to the completeness and accuracy of the data in the specified metrics on a sample basis; and performed analytical procedures.

Greenhouse gas (GHG) emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

The preparation of the total energy consumed for Scope 1 and 2 activities metric requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make

assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in a materially different amount or metric being reported.

As discussed in management's assertion, Etsy has estimated GHG emissions for certain emission sources and consumption data for certain energy sources for which no primary usage data is available.

As discussed in management's assertion, in 2022, Etsy applied different criteria and measurement methods for Scope 3, Category 1: Purchased Goods & Services (excluding Computing) and Scope 3, Category 1: Purchased Goods & Services - Cloud Computing - Google Cloud Platform (GCP) (Etsy Only).

Based on our review, we are not aware of any material modifications that should be made to Etsy's management assertion in order for it to be fairly stated.

February 22, 2023

Etsy, Inc. Management Assertion
For the years ended or as of December 31, 2020, 2021 and 2022

Management of Etsy, Inc. (Etsy) is responsible for the completeness, accuracy, and validity of the greenhouse gas (GHG) emissions and workforce metrics (collectively, the "sustainability metrics") presented in the tables below for the years ended or as of December 31, 2020, 2021 and 2022. Management asserts that the sustainability metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics. The metric quantities below have been rounded to the nearest whole number unless otherwise indicated.

Organizational Boundary

Etsy is using the operational control approach in conformance with the GHG Protocol (defined below) to report our direct and indirect energy consumption as well as our GHG emissions from our leased space, which included offices and data centers leased by Etsy, Reverb Holdings, Inc. (Reverb), and Depop Limited (Depop) during the reporting year. Unless otherwise stated, the sustainability metrics for all reporting years shown include both Etsy and Reverb. Unless otherwise indicated, workforce metrics include diversity information for the global workforce.

The following exclusions were made related to recently acquired entities:

- Depop - All reporting data for the years ended or as of 2020 and 2021.
- Elo7 Serviços de Informática S.A. (Elo7) - All reporting data for the years ended or as of 2020 and 2021 and GHG emissions data for the year ended 2022.

Table 1: Metrics - GHG Emissions

Metric Description	Definition of Metric / Assessment Criteria [1,2,3]	Metric Quantity for the Reporting Year Ended December 31, 2020	Metric Quantity for the Reporting Year Ended December 31, 2021	Metric Quantity for the Reporting Year Ended December 31, 2022
Total Energy Consumed for Scope 1 and 2 Activities (MWh)	Direct energy consumed: Total megawatt hours (MWh) of on-site renewable energy consumption, and direct energy purchased, which is natural gas. Indirect energy consumed: Total MWh of indirect energy purchased, including purchased electricity, heat and steam generated off-site for the reporting year. [4,5,6]	4,488 MWh	3,405 MWh	4,001 MWh
Scope 1 GHG Emissions (tCO2e)	Metric tonnes of carbon dioxide equivalent emissions (tCO2e).	294 tCO2e	350 tCO2e	371 tCO2e

Metric Description	Definition of Metric / Assessment Criteria [1,2,3]	Metric Quantity for the Reporting Year Ended December 31, 2020	Metric Quantity for the Reporting Year Ended December 31, 2021	Metric Quantity for the Reporting Year Ended December 31, 2022
	Scope 1 emissions are based on the stationary combustion of natural gas multiplied by the associated emission factor and fugitive emissions from refrigerant gas loss. [4,6]			
Scope 2 GHG Emissions (tCO2e)	Metric tonnes of carbon dioxide equivalent emissions (tCO2e). Scope 2 emissions are the result of the use of purchased electricity, district heat and steam generated off-site, multiplied by the associated emission factor. [5,6]	Scope 2 Market - 4 tCO2e Scope 2 - Location - 914 tCO2e	Scope 2 - Market - 0 tCO2e Scope 2 - Location - 420 tCO2e	Scope 2 - Market - 0 tCO2e Scope 2 - Location - 542 tCO2e
Total Scope 1 and Scope 2 GHG Emissions (tCO2e) [4,5,6]		Market - 298 tCO2e Location - 1,208 tCO2e	Market - 350 tCO2e Location - 770 tCO2e	Market - 371 tCO2e Location - 913 tCO2e
Scope 3, Category 1: Purchased Goods & Services (excluding Computing)	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed from our purchased goods and services which are not captured by another scope or category of GHG emissions. Emissions associated with purchased goods and services from cloud computing and other computing are presented separately as a subset of this category and not included in this emission value.[7,8]	76,451 tCO2e	97,302 tCO2e	106,434 tCO2e
Scope 3, Category 1: Purchased Goods & Services - Cloud Computing - GCP (Etsy Only)	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our Google Cloud Platform (GCP) computing activities. Emissions exclude Reverb and	Not calculated during reporting year	13,623 tCO2e	12,054 tCO2e

Metric Description	Definition of Metric / Assessment Criteria [1,2,3]	Metric Quantity for the Reporting Year Ended December 31, 2020	Metric Quantity for the Reporting Year Ended December 31, 2021	Metric Quantity for the Reporting Year Ended December 31, 2022
	Depop's cloud computing activities. Those emissions are categorized as other computing emissions and reported separately as a subset of purchased goods and services. [7,10]			
Scope 3, Category 1: Purchased Goods & Services - Other Computing	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our cloud computing activities, excluding GCP computing. Includes emissions associated with Amazon Web Services (AWS) cloud computing activities not provided by GCP, as well as other suppliers classified as 'data processing and hosting'. [7,9]	488 tCO2e	466 tCO2e	1,836 tCO2e
Scope 3, Category 6: Business Travel - Air Travel	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on energy consumed by our air travel providers in transporting our employees. [7,11]	153 tCO2e	67 tCO2e	1,067 tCO2e
Scope 3, Category 8: Upstream Leased Assets - Cloud Computing - GCP (Etsy only)	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our cloud computing activities Emissions exclude Reverb's cloud computing activities in 2020. Those emissions are included in Scope 3 - Category 1 GHG Emissions from purchased goods and services. [7,10,16]	Cloud Computing - GCP (Etsy only) - 0 tCO2e	Not calculated during reporting year	Not calculated during reporting year
Scope 3, Category 9: Downstream Transportation &	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our	303,218 tCO2e	363,361 tCO2e	339,395 tCO2e

Metric Description	Definition of Metric / Assessment Criteria [1,2,3]	Metric Quantity for the Reporting Year Ended December 31, 2020	Metric Quantity for the Reporting Year Ended December 31, 2021	Metric Quantity for the Reporting Year Ended December 31, 2022
Distribution - Shipping	shipping carriers in delivering products. [7,12]			
Scope 3, Category 9: Downstream Transportation & Distribution - Packaging	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the lifecycle emissions from the packaging material used to ship products. [7,13]	53,489 tCO2e	63,645 tCO2e	57,911 tCO2e
Scope 3, Category 11: Use of Sold Products - End User Energy Use	Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed from usage of our online platform by buyers and sellers and other users globally on personal devices (mobile devices and laptops). [7,14]	4,127 tCO2e	6,560 tCO2e	6,897 tCO2e

Table 2: Metrics - Workforce[1]

Metric Description	Definition of Metric / Assessment Criteria [15]	Metric Quantity as of December 31, 2020	Metric Quantity as of December 31, 2021	Metric Quantity as of December 31, 2022
Gender diversity by job category (global)	The gender diversity of the global workforce by job category, according to the gender as self-reported by the employee and recorded in the Human Resources system for the reporting year. Definitions: Additional Genders: An alternative to 'Female' or 'Male' as self-reported by the employee Not Declared: Employee chose to	Overall Gender %: Female – 47.7% Male – 45.3% Additional Genders – 2.0% Not Declared – 5.0% Leadership Gender %: Female – 43.7% Male – 55.0% Additional Genders – 0.0% Not Declared – 1.3% Tech Gender %:	Overall Gender %: Female – 46.9% Male – 46.2% Additional Genders – 2.2% Not Declared – 4.8% Leadership Gender %: Female – 47.7% Male – 48.2% Additional Genders – 1.0% Not Declared – 3.0% Tech Gender %:	Overall Gender %: Female – 46.7% Male – 47.7% Additional Genders – 2.2% Not Declared – 3.4% Leadership Gender %[1]: Female – 49.0% Male – 47.7% Additional Genders – 0.7% Not Declared – 2.7% Tech Gender %:

[1] Percentages may not sum to 100% due to rounding.

Metric Description	Definition of Metric / Assessment Criteria [15]	Metric Quantity as of December 31, 2020	Metric Quantity as of December 31, 2021	Metric Quantity as of December 31, 2022
	not self-identify their gender Leadership: Employees at the Director-level and above Tech: Employees who work on Product, Engineering, Analytics and HR Information and Financial Systems Administration teams Engineering: Employees with roles in the Engineering Job Family Group included within Tech Other Business Roles: Employees who work in roles outside of the Tech definition, inclusive of non-Tech Leadership positions	Female – 36.8% Male – 54.9% Additional Genders – 2.7% Not Declared – 5.6% Engineering Gender %: Female – 30.3% Male – 60.2% Additional Genders – 3.3% Not Declared – 6.2% Other Business Roles Gender %: Female – 62.0% Male – 32.7% Additional Genders – 1.0% Not Declared – 4.3%	Female – 37.7% Male – 54.7 % Additional Genders – 2.4% Not Declared – 5.3% Engineering Gender %: Female – 30.3% Male – 60.7% Additional Genders – 2.8% Not Declared – 6.2% Other Business Roles Gender %: Female – 60.8% Male – 33.4% Additional Genders –1.8% Not Declared – 4.0%	Female – 35.8% Male – 58.0 % Additional Genders – 2.3% Not Declared – 3.9% Engineering Gender %[1]: Female – 28.1% Male – 64.7% Additional Genders – 2.7% Not Declared – 4.6% Other Business Roles Gender %: Female – 62.8% Male – 32.6% Additional Genders – 2.0% Not Declared – 2.7%
Racial and ethnic diversity by job category (United States workforce only)	The racial and ethnic diversity of the workforce employed in the United States by job category according to the race and ethnicity as self-reported by the employee and recorded in the Human Resources systems for the reporting year. Definitions: Leadership: Employees at the Director-level and above Tech: Employees who work on Product, Engineering, Analytics and HR Information and Financial Systems Administration teams Engineering: Employees with roles in the Engineering Job Family	Overall Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 17.5% Black or African American – 5.9% Hispanic – 6.1% Two or more races – 3.4% White – 63.0% Not Declared –3.8% Leadership Race/Ethnicity % (US): American Indian or Alaska Native – 0.7% Asian – 14.4% Black or African American – 5.8% Hispanic – 2.2% Two or more races – 3.6% White – 71.9%	Overall Race/Ethnicity % (US): American Indian or Alaska Native – 0.1% Asian – 18.9% Black or African American – 6.1% Hispanic – 6.3% Two or more races – 3.7% White – 61.2% Not Declared – 3.7% Leadership Race/Ethnicity % (US): American Indian or Alaska Native – 0.0% Asian – 15.6% Black or African American – 6.1% Hispanic – 3.3%	Overall Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 18.7% Black or African American – 7.1% Hispanic – 7.3% Two or more races – 3.5% White – 60.2% Not Declared – 3.0% Leadership Race/Ethnicity % (US): American Indian or Alaska Native – 0.0% Asian – 14.1% Black or African American – 6.2% Hispanic – 4.0% Two or more races – 2.2% White – 71.8% Not Declared – 1.8%

Metric Description	Definition of Metric / Assessment Criteria [15]	Metric Quantity as of December 31, 2020	Metric Quantity as of December 31, 2021	Metric Quantity as of December 31, 2022
	Group included within Tech Other Business Roles: Employees who work in roles outside of the Tech definition, and is inclusive of non-Tech Leadership positions	Not Declared – 1.4% Tech Race/Ethnicity % (US): American Indian or Alaska Native - 0.1% Asian – 25.6% Black or African American – 5.0% Hispanic – 4.6% Two or more races – 4.2% White – 56.4% Not Declared – 4.0% Engineering Race/Ethnicity % (US): American Indian or Alaska Native – 0.0% Asian – 22.6% Black or African American – 5.5% Hispanic – 5.5% Two or more races – 4.4% White – 57.5% Not Declared – 4.6% Other business roles Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 8.0% Black or African American – 7.2% Hispanic – 8.0% Two or more races – 2.5% White – 70.6% Not Declared – 3.3%	Two or more races – 2.2% White – 70.0% Not Declared – 2.8% Tech Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 24.7% Black or African American – 5.4% Hispanic – 5.0% Two or more races – 3.9% White – 57.0% Not Declared – 3.8% Engineering Race/Ethnicity % (US): American Indian or Alaska Native – 0.3% Asian – 24.2% Black or African American – 5.6% Hispanic – 5.6% Two or more races – 4.4% White – 55.6% Not Declared – 4.4% Other business roles Race/Ethnicity % (US): American Indian or Alaska Native – 0.0% Asian – 9.8% Black or African American – 7.2% Hispanic – 8.5% Two or more races – 3.1% White – 67.8% Not Declared – 3.6%	Tech Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 24.0% Black or African American – 5.6% Hispanic – 5.7% Two or more races – 3.6% White – 58.1% Not Declared – 2.8% Engineering Race/Ethnicity % (US): American Indian or Alaska Native – 0.2% Asian – 24.5% Black or African American – 4.8% Hispanic – 5.9% Two or more races - 3.9% White – 57.3% Not Declared – 3.4% Other business roles Race/Ethnicity % (US): American Indian or Alaska Native – 0.1% Asian – 10.2% Black or African American – 9.5% Hispanic – 9.9% Two or more races – 3.2% White – 63.8% Not Declared – 3.3%

Metric Description	Definition of Metric / Assessment Criteria [15]	Metric Quantity as of December 31, 2020	Metric Quantity as of December 31, 2021	Metric Quantity as of December 31, 2022
Age diversity (global)	The age diversity of the global workforce according to the date of birth as self-reported by the employee and recorded in the Human Resources systems for the reporting year.	Age % (Global): 24 or below – 3.3% 25-29 – 25.3% 30-34 – 33.6% 35-39 – 21.4% 40-49 – 12.9% 50+ – 3.3% Not Declared – 0.2%	Age % (Global): 24 or below – 3.0% 25-29 – 23.5% 30-34 – 33.5% 35-39 – 22.3% 40-49 – 14.4% 50+ – 3.1% Not Declared – 0.2%	Age % (Global): 24 or below – 4.0% 25-29 – 22.6% 30-34 – 33.0% 35-39 – 22.5% 40-49 – 14.9% 50+ – 2.9% Not Declared – 0.1%

Emission Factors

Note, the year in parentheses indicates the publish date of emission factors.

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
Scope 1, United States	Natural Gas	US EPA (2020). GHG Emission Factors Hub. Center for Corporate Climate Leadership. March 2020.	US EPA (2021). GHG Emission Factors Hub. Center for Corporate Climate Leadership. April 2021.	US EPA (2022). GHG Emission Factors Hub. Center for Corporate Climate Leadership. April 2022.
Scope 1, Europe (except The Netherlands)	Natural Gas	Department for Business, Energy & Industrial Strategy (2020). 2020 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2021). 2021 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2022). 2022 Government GHG Conversion Factors for Company Reporting.
Scope 1, The Netherlands	Natural Gas	CO2 emissiefactoren (2017)	CO2 emissiefactoren (2021)	CO2 emissiefactoren (2022)
Scope 1, Global	Refrigerant Gas Loss	Actual data: IPCC (2014). IPCC Fifth Assessment Report: Climate Change 2014. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. Estimated data: EPA (2016). Accounting Tool to Support Federal Reporting of HFC Emissions, version 1.1, prepared by ICF International under contract for the US Environmental Protection Agency.		
Scope 2, Global	District Heat & Steam	IPCC (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual from the Intergovernmental Panel on	Not applicable for the reporting year. [5]	Not applicable for the reporting year. [5]

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
		Climate Change to calculate emissions from district heat and steam.		
Scope 2, United States	Grid Electricity	United States EPA eGRID sub-region emission factors for electricity purchased in the U.S. EPA (2020). eGrid2018v2. Release: 3/9/2020.	United States EPA eGRID sub-region emission factors for electricity purchased in the U.S. EPA (2021). eGrid2019. Release: 2/23/2021.	United States EPA eGRID sub-region emission factors for electricity purchased in the U.S. EPA (2022). eGrid2020. Release: 1/27/2022.
Scope 2, United Kingdom	Grid Electricity	Department for Business, Energy & Industrial Strategy (2020). 2020 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2021). 2021 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2022). 2022 Government GHG Conversion Factors for Company Reporting.
Scope 2, Ireland[2], Germany[2], and France[2]	Grid Electricity	International Energy Agency (IEA) (2019). Statistics. IPCC (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.	International Energy Agency IEA (2019). Statistics. United Nations (2021). UN Statistics Division - Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.	United Nations (2022). UN Statistics Division - Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.
Scope 2, Ontario	Grid Electricity	EC (2020). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2017. Environment Canada.	EC (2021). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2019. Environment Canada.	EC (2022). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2020. Environment Canada.

[2] Electricity emission factors are internally derived instead of being publicly available.

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
Scope 2, Australia	Grid Electricity	Not applicable for the reporting year as related to Depop.		United Nations (2022). UN Statistics Division - Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.
Scope 2, India[3]	Grid Electricity	Not applicable for the reporting year.	United Nations (2021). UN Statistics Division - Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.	United Nations (2022). UN Statistics Division - Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge.
Scope 3	Category 1: Purchased Goods & Services	EPA (2020). Supply Chain GHG Emission Factors for US Commodities and Industries. EPA (2019). USEEIO v1.1 - Matrices. U.S. EPA Office of Research and Development (ORD).		<u>Purchased Goods & Services (excluding Computing) & Other Computing:</u> EPA (2022). Supply Chain GHG Emission Factors for US Commodities and Industries. Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.

[3] Electricity emission factors are internally derived instead of being publicly available.

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
				Hybrid Supplier Specific Factors: Meta (2021). 2021 Sustainability Report. Microsoft (2021). Microsoft 2021 Environmental Sustainability Report. Salesforce (2021). Schedules of Selected Environmental, Equality and Social Value Metrics. <u>Purchased Goods & Services - Cloud Computing - GCP (Etsy Only)</u>: United Nations (2022). UN Statistics Division - 2019 Energy Balance Visualizations. Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. Governo do Brasil (2022). MCTIC. Arquivos dos fatores médios de emissão de CO2 grid mês/ano. Ministério da Ciência, Tecnologia, Inovações e Comunicações. Accessed May 2022.
Scope 3	Category 6: Business Travel - Air Travel	Department for Business, Energy & Industrial Strategy (2020). 2020 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2021). 2021 Government GHG Conversion Factors for Company Reporting.	Department for Business, Energy & Industrial Strategy (2022). 2022 Government GHG Conversion Factors for Company Reporting.

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
Scope 3	Category 9: Downstream Transportation & Distribution - Shipping	USPS calculated GHG emission factors based on the shipping of products from an Etsy seller to an Etsy buyer which are then applied to Etsy, Reverb and Depop shipping data.		
Scope 3	Category 9: Downstream Transportation & Distribution - Packaging	Franklin Associates. life cycle inventory of packaging options for shipment of retail mail-order soft goods. Prepared for Oregon Department of Environmental Quality (DEQ) and U.S. EPA Environmentally preferable purchasing program. April 2004. U.S. Environmental Protection Agency. Paper and Paperboard: Material-Specific Data. Last updated 5 January 2021. U.S. Environmental Protection Agency. Plastics: Material-Specific Data. Last updated 5 January 2021.	Franklin Associates. life cycle inventory of packaging options for shipment of retail mail-order soft goods. Prepared for Oregon Department of Environmental Quality (DEQ) and U.S. EPA Environmentally preferable purchasing program. April 2004. U.S. Environmental Protection Agency. Paper and Paperboard: Material-Specific Data. Last updated 5 January 2021. U.S. Environmental Protection Agency. Plastics: Material-Specific Data. Last updated 5 January 2021.	Franklin Associates. life cycle inventory of packaging options for shipment of retail mail-order soft goods. Prepared for Oregon Department of Environmental Quality (DEQ) and U.S. EPA Environmentally preferable purchasing program. April 2004. U.S. Environmental Protection Agency. Paper and Paperboard: Material-Specific Data. Last updated 5 January 2021. U.S. Environmental Protection Agency. Plastics: Material-Specific Data. Last updated 5 January 2021.
Scope 3	Category 11: Use of Sold Products - End User Energy Use	IEA (2019). Statistics. IPCC (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge EC (2020). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2017. Environment Canada.		IEA (2019). Statistics. IPCC (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge

Emission Scope	Emissions Source Type	Emission Factors for Reporting Year 2020	Emission Factors for Reporting Year 2021	Emission Factors for Reporting Year 2022
		EPA (2020). eGrid2018v2. Released: 3/9/2020. Department for Business, Energy and Industrial Strategy (2020). 2020 Government GHG Conversion Factors for Company Reporting. Governo do Brasil (2020). MCTIC. Arquivos dos fatores médios de emissão de CO2 grid mês/ano. Ministério da Ciência, Tecnologia, Inovações e Comunicações. Government of India (2018). Ministry of Power, Central Electricity Authority. CO2 Baseline Database for the Indian Power Sector. User Guide, Version 14.0, December 2018.		University Press, Cambridge United Nations (2022). UN Statistics Division - 2019 Energy Balance Visualizations. (2006). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. Department for Business, Energy & Industrial Strategy (2022). 2022 Government GHG Conversion Factors for Company Reporting. United States EPA eGRID sub-region emission factors for electricity purchased in the U.S. Electricity emission factors are updated annually based on the most current data available. EPA (2022). eGrid2020. Release: 1/27/2022. EC (2022). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2020. Environment Canada.

GHG Emissions and Workforce Metric Methodology

1. Etsy considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised*, *GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard*, and the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard* (collectively, the "GHG Protocol"), recognized

external standards, to calculate and report direct and indirect GHG emissions.

2. GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

   The preparation of the total energy consumed for Scope 1 and 2 activities metric requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in a materially different amount or metric being reported.

3. Carbon dioxide emissions and equivalents have been determined on the basis of measured or estimated energy and fuel usage, multiplied by relevant carbon emission factors, and for carbon dioxide equivalent emissions, taking into account relevant global warming potentials. Etsy uses the IPCC Fifth Assessment Report (AR5) global warming potentials with the inclusion of climate–carbon feedbacks (cc fb).

   GHG emissions have been calculated using energy consumption data (when available) or refrigerant gas loss, and multiplied by the relevant GHG emission factors for carbon dioxide, methane and nitrous oxide emissions and by the global warming potential relevant to each refrigerant gas. In order to provide the most accurate estimate of GHG emissions, primary data provided by third party invoices was used where available. Secondary data in the form of estimates, extrapolations and industry averages was used when primary data was not available.

   Carbon dioxide equivalent (CO_2e) emissions are inclusive of carbon dioxide (CO_2), nitrous oxide (N_2O), and methane (CH_4). The other GHGs of sulfur hexafluoride (SF_6), perfluorocarbons (PFCs) and nitrogen trifluoride (NF_3) are not emitted. Emissions data by individual gas is not disclosed as a majority of CO_2e in Table 1 relates to CO_2.

4. Related to Scope 1 GHG emissions:

   - Scope 1 includes direct GHG emissions from stationary combustion of natural gas and fugitive emissions from refrigerant gas loss. Chlorofluorocarbon (CFC) and hydrofluorocarbon (HFC) refrigerants are not included in the GHG inventory as they are considered optional information to be reported separately from Scope 1 and Scope 2 GHG emissions per the GHG Protocol.
   - Refrigerant data – We did not have sufficient refrigerant source data for India, San Francisco, or Toronto locations, or our co-located data center; we estimated refrigerant gas loss considering building type, surface area, type of refrigerant gas, type of equipment, and number of units per surface area using the following data source: *Accounting Tool to Support Federal Reporting of HFC Emissions*, Version 1.1, prepared by ICF International under contract for the US Environmental Protection Agency (2016). Refrigerant gas loss associated with our co-located data center was excluded on the basis of immateriality.

5. Related to Scope 2 GHG emissions:

   - Scope 2 includes indirect GHG emissions from the use of purchased electricity, and in 2020 only, district heat and steam generated

off-site. Scope 2 market-based GHG emissions were calculated by applying emission factors based on the Scope 2 hierarchy.

6. Related to Scope 1 and Scope 2 direct GHG emissions:

    - Reported Scope 1 and Scope 2 GHG emissions were comprised of approximately 7-10% estimated data and 90-93% actual data depending on the reporting year. Actual data refers to actual energy consumption data (and not actual emissions data), as the consumption data may rely on average non-standard conversions, such as energy content of fuel or energy intensity per surface area, before applying average emission factors to convert data into emissions. We continue to work to increase the amount of actual energy data (without the need for non-standard conversions) available at our offices and data centers. More significant assumptions were as follows:

        - Energy Data – Offices: Actual consumption data was collected for Q1 through Q3, while for the Q4 period, actual data was only partially available for certain offices. Where available, annual energy consumption for offices was sourced from utility bills specific to occupied spaces; any missing consumption was estimated as follows:
            - Where specific days or meter information was not available for a specified time, but partial actual reporting year data was received, the missing data was estimated by pro-rating available consumption data using daily average consumption rates.
            - Geographically relevant sites with actual data were also applied to offices with missing data, using an intensity factor based on periods with actual data.
            - For offices where no energy consumption data was available for the reporting year, data was estimated using either consumption from a previous year or researched intensity values (full-time employee per day by location) of office space, specific to the energy type, and where possible, specific to the location being estimated.
        - Energy Data - Data Centers: In 2020 and 2021, Etsy included both server and overhead consumption; the server data was based on actual invoices, and estimated overhead data was derived from server consumption and Power Usage Effectiveness (PUE) from the total building provided by the vendor to calculate Etsy's share. All on-site data centers were closed in 2022.

    - Each year we aim to increase the quality of the data reported. As tenants of leased facilities, we do not have access to data related to heat source or generator diesel use in our data centers, complete refrigerant sources, and certain shared building common space energy sources. We are pursuing this data for future reports.

7. Related to Scope 3 GHG emissions:

    - Scope 3 GHG emissions included significant assumptions and estimates. Note that actual data refers to actual energy consumption data (and not actual emissions data), as the activity data may rely on more estimations, as described within the relevant Scope 3 footnotes, before applying average emission factors to convert data into emissions. We continue to work to increase the amount of actual data available from our suppliers.

8. Purchased Goods & Services (excluding Computing): Includes purchased goods and services that are not captured by another scope or category of GHG emissions (e.g., electricity, Scope 2). Emissions for this category are calculated by multiplying supplier spend US dollar amounts from the financial system by specific coefficients for each spend type representing “cradle to gate” emissions according to the GHG Protocol. The coefficient is obtained from public data on industry averages (i.e., EPA EEIO model), in line with the GHG Protocol guidance.

In 2022, hybrid spend-based supplier specific factors were used for three suppliers (Meta, Microsoft, and Salesforce) to derive emissions from publicly available and assured company-wide emissions and revenue data. These factors represent "cradle to gate" emissions aligning with the GHG Protocol. As a result of the change in methodology in 2022, the emissions in this category are not comparable year over year.

9. Purchased Goods & Services - Other Computing: Includes supplier spend for AWS by Reverb and Depop and computing spend that is mapped to 'data processing and hosting' in the US EPA's EEIO factors. Emissions for this category are calculated by multiplying supplier spend US dollar amounts from the financial system by specific coefficients for each spend type representing "cradle to gate" emissions according to the GHG Protocol. The coefficient is obtained from public data on industry averages (i.e., EPA EEIO model), in line with the GHG Protocol guidance.

10. Purchased Goods & Services - Cloud Computing - GCP (Etsy Only): Etsy uses Google Cloud Platform (GCP) to perform computing tasks which include server, storage, network data transfers and overhead consumption.
    - In 2022, we further refined the methodologies used to calculate emissions from GCP services.
        - In order to convert GCP cloud usage information into approximate energy used, the following methodology was applied (called Cloud Jewels). This approximate energy used is an input into the calculation of estimated GCP emissions.
            - The server and storage utilization data was based on actual third-party invoices from GCP, multiplied by energy coefficients derived from publicly available data on hardware infrastructure, specifically SPEC (Standard Performance Evaluation Corporation) Power Results 2008 - 2019; United States Data Center Energy Usage Report (2016); "Electricity Intensity of Internet Data Transmission: Untangling the Estimates," Journal of Industrial Ecology, vol. 22, no. 4 (Aug. 2017); and publicly available information on Google Cloud Platform CPU platforms, machine types, and sole-tenant nodes to estimate energy kWh. The SPEC database and United States Data Center Energy Usage Report were used for the server coefficient, the United States Data Center Energy Usage Report was used for the storage coefficient, and the United States Data Center Energy Usage Report and "Electricity Intensity" reports were used for the network power draw coefficient. Etsy estimates overhead energy data from power usage effectiveness (PUE) provided by Google. Where possible, we use instance-specific PUE, and where that data is unavailable, we rely on GCP's fleetwide average PUE.
        - Using Ety's apportioned total Scope 1, Scope 2 (location-based), and Scope 3 emissions of 20,764 tCO2e provided by Google via the GCP user portal for the reporting year, Etsy calculated the reported emissions for this category as follows:
            - Scope 1 and 3 emissions - Used the CO_2e emissions as provided by Google via the GCP user portal.
            - Scope 2 emissions - Using the methodology above, determined energy use apportioned to Etsy's US GCP load. To reduce associated scope 2 emissions to zero for Etsy's US GCP load, Etsy retired RECs on behalf of Google in an amount equal to the estimated apportioned energy usage. Emissions outside the US GCP load were calculated by applying emission factors based on the Scope 2 hierarchy.
    - In 2021, emissions for this category were calculated by multiplying supplier spend US dollar amounts from the financial system by specific coefficients for each spend type. The coefficient is obtained from public data on industry averages (i.e., EPA EEIO model).

    As a result of the above change in methodology in 2022, the emissions in this category are not comparable year over year.

11. Business Travel - Air travel: Includes global air travel of Etsy, Depop, and Reverb employees, and global air travel booked for non-employee business travel (e.g., recruiting activities, seller activities). For Etsy and Reverb, GHG emissions for business air travel are calculated using mileage information provided by the third-party commercial travel manager. Flight information from the accounting system is used to calculate business air travel booked outside of the travel manager. Distances between origin and destination airports for

travel logged in Etsy's accounting system were obtained using an on-line tool to calculate Great Circle Distance.

Air travel remains an estimate since unforeseen circumstances can occur (e.g., different routes due to adverse weather, or aircraft fleet changes), however, the figure presented follows DEFRA methodology and is considered to be a reasonable estimate of air travel emissions.

Depop utilizes a third party business travel software to track most of their air travel data. For any additional travel spend not stored in this system, it is accounted for in their procurement system which then has emissions calculated on a spend basis and is captured within Scope 3, Category 1: Purchased Goods & Services (Excluding Computing).

12. Downstream Transportation & Distribution - Shipping: Emissions from the global shipment of goods between Etsy's, Reverb's, and Depop's buyers and sellers. Emissions from shipping activity are based on third-party reports with CO_2e information received from our shipping partner, USPS, for Q1 through Q3, which is also used to estimate the Q4 emissions factor for Etsy, Depop and Reverb. To calculate greenhouse gas emissions for each shipment, we use shipment weight, shipment distance, shipment mail class, and an emissions factor based on the mail class derived from USPS emissions and shipment data. For shipment weight and shipment mail class, we use data from Etsy and Reverb shipping labels, where available. Where shipment weight and shipment mail class is not available, we estimate the emissions based on available data, including estimated package weight based on product type, or in the case of Depop, this is estimated per product category shipped based on the average weight of the most common item in the category (e.g., t-shirt for Men's Top) and includes packaging. We calculate the shipment distance between buyer and seller using our internal records of buyer and seller latitude and longitude. We apply an uplift of 12% to the direct mileage between buyer and seller to take into account mileage using road transportation and direct flights (rather than 'as the crow flies'). We review this uplift factor annually.

13. Downstream Transportation & Distribution - Packaging: Includes packaging materials used to ship products between Etsy's, Reverb's and Depop's buyers and sellers. For Etsy, it is calculated using survey data collected from Etsy sellers on packaging materials and reuse as conducted by Qualtrics in 2022, publicly available evidence on the carbon impacts of different packaging materials (reference 1 below), and the number of packages shipped on the Etsy marketplace and the associated packaging weight by packaging material. For Reverb, it is calculated using assumptions on packaging type by product category (e.g., guitars), publicly available evidence on the carbon impacts across packaging materials (reference 1 below), and the number of orders on the Reverb marketplace and the associated packaging weight by packaging material using publicly available weights of packaging materials (references 1 and 4 below). For Depop, it is calculated using survey data collected from Depop sellers in November 2021 on packaging materials and reuse and using publicly available evidence on the carbon impacts of different packaging materials. We then obtain order data from each of the shipping teams which gives us a count of each order type. For each shipment order for Etsy, Reverb, and Depop, we multiply the weight of the packaging material by the associated emissions factor from the Franklin Associates report referenced below to derive greenhouse gas emissions. We incorporated U.S. average recycling rates by packaging material into our analysis by pro-rating associated disposal emissions (references 2 and 3 below).

    - Reference 1: Franklin Associates. Life cycle inventory of packaging options for shipment of retail mail-order soft goods. Prepared for Oregon Department of Environmental Quality (DEQ) and U.S. EPA environmentally preferable purchasing program. April 2004.

    - Reference 2: U.S. Environmental Protection Agency. Paper and Paperboard: Material-Specific Data. Last updated 3 December 2022.

    - Reference 3: U.S. Environmental Protection Agency. Plastics: Material-Specific Data. Last updated 3 December 2022.

    - Reference 4: Packaging materials specifications from uline.com. Packaging materials specifications from uline.com.

14. Use of Sold Products - End User Energy Use: This metric is related to energy use associated with the use of Etsy's, Reverb's, and Depop's platforms by buyers and sellers globally on personal devices (mobile devices and non-mobile laptops). Emissions are calculated using actual data based on a user's visit length (duration), device type, and location at the country-level. In order to calculate estimated energy consumption, user visit duration is multiplied by a power draw factor in watts, and converted to kWh. The power draw factor is determined by device type: mobile devices and non-mobile which are assumed to be laptops. For mobile devices, we incorporate charging efficiency of 75%, while for non-mobile devices, we assume that the device is plugged in during use, in real-world adjusted, high active mode (i.e., a charging efficiency of 100%). Average country-level emissions factors are applied to the resulting electricity consumption to derive the associated emissions. Our assumptions are based on the following sources:
    - Carroll, A. & Heiser, G. (June 2010). An Analysis of Power Consumption in a Smartphone. Presented at USENIXATC'10 Annual Technical Conference.
    - Yoon, C., et al. (June 2012). AppScope: Application Energy Metering Framework for Android Smartphones using Kernel Activity Monitoring. Presented at USENIXATC'12 Annual Technical Conference.
    - Huang, et al. (June 2012). A Close Examination of Performance and Power Characteristics of 4G LTE Networks. Presented at MobiSys '12: Proceedings of the 10th international conference on Mobile systems, applications, and services.
    - Urban, et al. (December 2017). Energy Consumption of Consumer Electronics in U.S. Homes in 2017. Final Report by the Fraunhofer USA Center for Sustainable Energy Systems to the Consumer Electronics Association (pg. 24).
    - Urban, et al. (June 2014). Energy Consumption of Consumer Electronics in U.S. Homes in 2013. Final Report by the Fraunhofer USA Center for Sustainable Energy Systems to the Consumer Electronics Association (pg. 150).

15. All diversity information is provided by employees voluntarily, as self-reported by the employee, and recorded in the Human Resources system. Employee demographic information can be changed at any time by the employee. The diversity metrics included in this assertion are based on data in the system as of December 31 in the corresponding reporting year.

16. In 2020, GCP computing services were excluded from purchased goods and services and separately reported under Category 8: Upstream Leased Assets. In 2021, we further expanded the scope of our measured and reported GHG emissions inventory and refined the methodologies used to calculate our Scope 3 GHG emissions. We updated the supplier spend data, emission factors, and categorizations included in our Scope 3 - Category 1 emissions calculations, resulting in higher emissions year-over-year. We reclassified emissions generated from GCP cloud computing from Scope 3 - Category 8 to Scope 3 - Category 1. As part of the recategorization of cloud computing, we have now included an estimate of our supplier's Scope 3 emissions, resulting in higher emissions. Furthermore, we break out emissions from other computing for further transparency about our usage.