**Report of Independent Accountants**

To the Board of Directors of Etsy, Inc.

We have reviewed the accompanying management assertion of Etsy, Inc. (Etsy) that the greenhouse gas (GHG) emissions and workforce metrics (sustainability metrics) for the years ended or as of December 31, 2023, 2022 and 2021 in management's assertion 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.

The firm applies the Statements on Quality Control Standards established by the AICPA.

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

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 emissions sources and consumption data for certain energy sources for which no primary usage data is available.

As discussed in Note 16 to management's assertion, over time, Etsy changed certain of its reporting boundaries, measurements methods, and criteria used to calculate certain Scope 1, Scope 2 and Scope 3 GHG emissions metrics.

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.

Florham Park, New Jersey
February 21, 2024

**Etsy, Inc. Management Assertion**
**For the years ended or as of December 31, 2021, 2022 and 2023**

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, 2021, 2022 and 2023. 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 co-located data centers (closed in 2021) leased by Etsy, Reverb Holdings, Inc. (Reverb), and Depop Limited (Depop) during the reporting year. Unless otherwise indicated, the sustainability metrics for all reporting years shown include both Etsy and Reverb and the 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 year ended or as of December 31, 2021.
- Elo7 Serviços de Informática S.A. (Elo7) - All reporting data for the years ended or as of December 31, 2021 and 2023 (Elo7 was sold on August 10, 2023), GHG emissions data for the year ended December 31, 2022, and racial and ethnic diversity data as of December 31, 2022.

### Table 1: Metrics - GHG Emissions

| Metric Description | Definition of Metric [1,2,3] | Metric Quantity for the Reporting Year Ended December 31, 2021 | Metric Quantity for the Reporting Year Ended December 31, 2022 | Metric Quantity for the Reporting Year Ended December 31, 2023 |
|---|---|---|---|---|
| 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 included natural gas.<br><br>Indirect energy consumed: Total MWh of indirect energy purchased, which included purchased electricity. [4,5,6] | 3,405 MWh | 4,001 MWh | 4,326 MWh |
| Scope 1 GHG Emissions (tCO2e) | Metric tonnes of carbon dioxide equivalent emissions (tCO2e). | 350 tCO2e | 371 tCO2e | 330 tCO2e |

| Metric Description | Definition of Metric [1,2,3] | Metric Quantity for the Reporting Year Ended December 31, 2021 | Metric Quantity for the Reporting Year Ended December 31, 2022 | Metric Quantity for the Reporting Year Ended December 31, 2023 |
|---|---|---|---|---|
| | 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. [4,6,16] | | | |
| Scope 2 GHG Emissions (tCO2e) | Metric tonnes of carbon dioxide equivalent emissions (tCO2e).<br><br>Scope 2 emissions are based on the use of purchased electricity multiplied by the associated emission factor. [5,6,16] | Scope 2 - Market - 0 tCO2e<br><br>Scope 2 - Location - 420 tCO2e | Scope 2 - Market - 0 tCO2e<br><br>Scope 2 - Location - 542 tCO2e | Scope 2 - Market - 0 tCO2e<br><br>Scope 2 - Location - 813 tCO2e |
| Total Scope 1 and Scope 2 GHG Emissions (tCO2e) [4,5,6,16] | | Market - 350 tCO2e<br>Location - 770 tCO2e | Market - 371 tCO2e<br>Location - 913 tCO2e | Market - 330 tCO2e<br>Location - 1,143 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 GHG emissions metric quantity. [7,8,16] | 97,302 tCO2e | 106,434 tCO2e | 102,157 tCO2e |

| Metric Description | Definition of Metric [1,2,3] | Metric Quantity for the Reporting Year Ended December 31, 2021 | Metric Quantity for the Reporting Year Ended December 31, 2022 | Metric Quantity for the Reporting Year Ended December 31, 2023 |
|---|---|---|---|---|
| Scope 3, Category 1: Purchased Goods & Services - Cloud Computing - Google Cloud (Etsy Only) | Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our Google Cloud Platform (GCP) computing activities.<br><br>Emissions exclude Reverb and Depop's cloud computing activities. Those emissions are categorized as other cloud computing emissions and reported separately as a subset of purchased goods and services. [7,10,16] | 13,623 tCO2e | 12,054 tCO2e | 15,397 tCO2e |
| Scope 3, Category 1: Purchased Goods & Services - Other Computing | Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our other cloud computing activities, excluding GCP computing.<br><br>Includes emissions associated with Amazon Web Services (AWS) cloud computing activities not provided by GCP, as well as other cloud computing suppliers classified as 'data processing and hosting'. [7,9,16] | 466 tCO2e | 1,836 tCO2e | 2,012 tCO2e |
| Scope 3, Category 6: Business Travel - Air Travel | Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our air travel | 67 tCO2e | 1,067 tCO2e | 4,093 tCO2e |

| Metric Description | Definition of Metric [1,2,3] | Metric Quantity for the Reporting Year Ended December 31, 2021 | Metric Quantity for the Reporting Year Ended December 31, 2022 | Metric Quantity for the Reporting Year Ended December 31, 2023 |
|---|---|---|---|---|
| | providers in transporting our global employees and includes global air travel booked for non-employee business travel (e.g., recruiting activities, seller activities) and well-to-tank (WTT) emissions associated with aviation fuel. [7,11,16] | | | |
| Scope 3, Category 9: Downstream Transportation & Distribution - Shipping | Metric tonnes of carbon dioxide equivalent emissions (tCO2e) based on the energy consumed by our shipping carriers in delivering products. [7,12,16] | 363,361 tCO2e | 339,395 tCO2e | 276,559 tCO2e |
| 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] | 63,645 tCO2e | 57,911 tCO2e | 56,826 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 by buyers and sellers from usage of our online platform and other users on personal devices (mobile devices and non-mobile laptops) as well transmission and distribution (T&D) losses and WTT emissions associated with electricity consumed by buyers and sellers from usage of our online platform and | 6,560 tCO2e | 6,897 tCO2e | 9,724 tCO2e |

| Metric Description | Definition of Metric [1,2,3] | Metric Quantity for the Reporting Year Ended December 31, 2021 | Metric Quantity for the Reporting Year Ended December 31, 2022 | Metric Quantity for the Reporting Year Ended December 31, 2023 |
|---|---|---|---|---|
| | other users on personal devices. [7,14,16] | | | |

**Table 2: Metrics - Workforce[1]**

| Metric Description | Definition of Metric / Assessment Criteria [15] | Metric Quantity as of December 31, 2021 | Metric Quantity as of December 31, 2022 | Metric Quantity as of December 31, 2023 |
|---|---|---|---|---|
| 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 as of December 31 of the reporting year.<br><br>Definitions:<br>Additional Genders: An alternative to 'Female' or 'Male' as self-reported by the employee<br><br>Not Declared: Employee chose to not self-identify their gender<br><br>Leadership: Employees at the Director-level and above<br><br>Tech: Employees who work on Product, Engineering, Analytics and HR Information and Financial Systems Administration teams<br><br>Engineering: Employees with roles in the Engineering Job Family | Overall Gender %:<br>Female – 46.9%<br>Male – 46.2%<br>Additional Genders – 2.2%<br>Not Declared – 4.8%<br><br>Leadership Gender %:<br>Female – 47.7%<br>Male – 48.2%<br>Additional Genders – 1.0%<br>Not Declared – 3.0%<br><br>Tech Gender %:<br>Female – 37.7%<br>Male – 54.7%<br>Additional Genders – 2.4%<br>Not Declared – 5.3%<br><br>Engineering Gender %:<br>Female – 30.3%<br>Male – 60.7%<br>Additional Genders – 2.8%<br>Not Declared – 6.2%<br><br>Other Business Roles Gender %: | Overall Gender %:<br>Female – 46.7%<br>Male – 47.7%<br>Additional Genders – 2.2%<br>Not Declared – 3.4%<br><br>Leadership Gender %:<br>Female – 49.0%<br>Male – 47.7%<br>Additional Genders – 0.7%<br>Not Declared – 2.7%<br><br>Tech Gender %:<br>Female – 35.8%<br>Male – 58.0 %<br>Additional Genders – 2.3%<br>Not Declared – 3.9%<br><br>Engineering Gender %:<br>Female – 28.1%<br>Male – 64.7%<br>Additional Genders – 2.7%<br>Not Declared – 4.6%<br><br>Other Business Roles Gender %: | Overall Gender %:<br>Female – 47.6%<br>Male – 46.7%<br>Additional Genders – 2.4%<br>Not Declared – 3.3%<br><br>Leadership Gender %:<br>Female – 53.3%<br>Male – 43.9%<br>Additional Genders – 0.6%<br>Not Declared – 2.2%<br><br>Tech Gender %:<br>Female – 39.9%<br>Male – 54.0%<br>Additional Genders –2.6%<br>Not Declared – 3.5%<br><br>Engineering Gender %:<br>Female – 31.3%<br>Male – 60.5%<br>Additional Genders – 3.5%<br>Not Declared – 4.6%<br><br>Other Business Roles 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, 2021 | Metric Quantity as of December 31, 2022 | Metric Quantity as of December 31, 2023 |
|---|---|---|---|---|
| | Group included within Tech<br><br>Other Business Roles: Employees who work in roles outside of the Tech definition, inclusive of non-Tech Leadership positions | Female – 60.8%<br>Male – 33.4%<br>Additional Genders –1.8%<br>Not Declared – 4.0% | Female – 62.8%<br>Male – 32.6%<br>Additional Genders – 2.0%<br>Not Declared – 2.7% | Female – 63.1%<br>Male – 33.0%<br>Additional Genders – 1.5%<br>Not Declared – 2.4% |
| 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 as of December 31 of the reporting year.<br><br>Definitions:<br>Leadership: Employees at the Director-level and above<br><br>Tech: Employees who work on Product, Engineering, Analytics and HR Information and Financial Systems Administration teams<br><br>Engineering: Employees with roles in the Engineering Job Family Group included within Tech<br><br>Other Business Roles: Employees who work in roles outside of the Tech definition, inclusive of non-Tech Leadership positions | Overall Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.1%<br>Asian – 18.9%<br>Black/African American – 6.1%<br>Hispanic – 6.3%<br>Two or more races – 3.7%<br>White – 61.2%<br>Not Declared – 3.7%<br><br>Leadership Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.0%<br>Asian – 15.6%<br>Black or African American – 6.1%<br>Hispanic – 3.3%<br>Two or more races – 2.2%<br>White – 70.0%<br>Not Declared – 2.8%<br><br>Tech Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.2%<br>Asian – 24.7%<br>Black or African American – 5.4%<br>Hispanic – 5.0%<br>Two or more races – 3.9%<br>White – 57.0%<br>Not Declared – 3.8%<br><br>Engineering Race/Ethnicity % | Overall Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.2%<br>Asian – 18.7%<br>Black/African American – 7.1%<br>Hispanic – 7.3%<br>Two or more races – 3.5%<br>White – 60.2%<br>Not Declared – 3.0%<br><br>Leadership Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.0%<br>Asian – 14.1%<br>Black or African American – 6.2%<br>Hispanic – 4.0%<br>Two or more races – 2.2%<br>White – 71.8%<br>Not Declared – 1.8%<br><br>Tech Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.2%<br>Asian – 24.0%<br>Black or African American – 5.6%<br>Hispanic – 5.7%<br>Two or more races – 3.6%<br>White – 58.1%<br>Not Declared – 2.8%<br><br>Engineering Race/Ethnicity % | Overall Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.1%<br>Asian – 20.5%<br>Black/African American – 7.3%<br>Hispanic – 7.2%<br>Two or more races – 3.6%<br>White – 58.5%<br>Not Declared – 2.9%<br><br>Leadership Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.0%<br>Asian – 15.8%<br>Black or African American – 5.5%<br>Hispanic – 3.6%<br>Two or more races – 1.6%<br>White – 71.5%<br>Not Declared – 2.0%<br><br>Tech Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.1%<br>Asian – 25.6%<br>Black or African American – 5.9%<br>Hispanic – 5.9%<br>Two or more races – 3.8%<br>White – 55.8%<br>Not Declared – 2.8%<br><br>Engineering Race/Ethnicity % |

| Metric Description | Definition of Metric / Assessment Criteria [15] | Metric Quantity as of December 31, 2021 | Metric Quantity as of December 31, 2022 | Metric Quantity as of December 31, 2023 |
|---|---|---|---|---|
| | | (US):<br>American Indian or Alaska Native – 0.3%<br>Asian – 24.2%<br>Black or African American – 5.6%<br>Hispanic – 5.6%<br>Two or more races – 4.4%<br>White – 55.6%<br>Not Declared – 4.4%<br><br>Other business roles Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.0%<br>Asian – 9.8%<br>Black or African American – 7.2%<br>Hispanic – 8.5%<br>Two or more races – 3.1%<br>White – 67.8%<br>Not Declared – 3.6% | (US):<br>American Indian or Alaska Native – 0.2%<br>Asian – 24.5%<br>Black or African American – 4.8%<br>Hispanic – 5.9%<br>Two or more races - 3.9%<br>White – 57.3%<br>Not Declared – 3.4%<br><br>Other business roles Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.1%<br>Asian – 10.2%<br>Black or African American – 9.5%<br>Hispanic – 9.9%<br>Two or more races – 3.2%<br>White – 63.8%<br>Not Declared – 3.3% | (US):<br>American Indian or Alaska Native – 0.1%<br>Asian – 25.4%<br>Black or African American – 5.1%<br>Hispanic – 5.6%<br>Two or more races - 4.3%<br>White – 56.2%<br>Not Declared – 3.2%<br><br>Other business roles Race/Ethnicity % (US):<br>American Indian or Alaska Native – 0.2%<br>Asian – 11.3%<br>Black or African American – 10.2%<br>Hispanic – 9.8%<br>Two or more races – 3.0%<br>White – 62.7%<br>Not Declared – 2.9% |
| 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 as of December 31 of the reporting year. | Overall Age %:<br>24 or below – 3.0%<br>25-29 – 23.5%<br>30-34 – 33.5%<br>35-39 – 22.3%<br>40-49 – 14.4%<br>50+ – 3.1%<br>Not Declared – 0.2% | Overall Age %:<br>24 or below – 4.0%<br>25-29 – 22.6%<br>30-34 – 33.0%<br>35-39 – 22.5%<br>40-49 – 14.9%<br>50+ – 2.9%<br>Not Declared – 0.1% | Overall Age %:<br>24 or below – 2.1%<br>25-29 – 18.4%<br>30-34 – 34.1%<br>35-39 – 24.6%<br>40-49 – 17.6%<br>50+ – 3.1%<br>Not Declared – 0.04% |

**Emission Factors**

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

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| **Scope 1, United States** | Natural Gas | United States (U.S.) Environmental Protection Agency (EPA) (2021). GHG Emission Factors Hub. Center for Corporate Climate Leadership. (April 2021). | U.S. EPA (2022). GHG Emission Factors Hub. Center for Corporate Climate Leadership. (April 2022). | U.S. EPA (2023). GHG Emission Factors Hub. Center for Corporate Climate Leadership. (April 2023). |
| **Scope 1, Europe (except The Netherlands)** | Natural Gas | Department for Business, Energy & Industrial Strategy (2021). 2021 UK Government GHG Conversion Factors for Company Reporting. | Department for Business, Energy & Industrial Strategy (2022). 2022 UK Government GHG Conversion Factors for Company Reporting. | U.S. EPA (2023). GHG Emission Factors Hub. Center for Corporate Climate Leadership. (April 2023). |
| **Scope 1, The Netherlands** | Natural Gas | CO2 emissiefactoren (2021) | Not applicable for the reporting year as the office closed in 2021. | |
| **Scope 1, Global** | Refrigerant Gas Loss | IPCC (2014). IPCC Fifth Assessment Report (AR5): Climate Change 2014. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. | | IPCC (2023). IPCC Sixth Assessment Report (AR6): Climate Change 2023. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. |
| **Scope 2, United States** | Grid Electricity | U.S. EPA (2021). eGrid2019. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 2/23/2021. | U.S. EPA (2022). eGrid2020. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 1/27/2022. | U.S. EPA (2023). eGrid2021. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 1/30/2023. |
| **Scope 2, United Kingdom** | Grid Electricity | Department for Business, Energy & Industrial Strategy (2021). 2021 UK Government GHG Conversion Factors for Company Reporting. | Department for Business, Energy & Industrial Strategy (2022). 2022 UK Government GHG Conversion Factors for Company Reporting. | Department for Energy Security & Net Zero (2023). 2023 UK Government GHG Conversion Factors for Company Reporting. |
| **Scope 2, The Netherlands** | Grid Electricity | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[2] | Not applicable for the reporting year as the office closed in 2021. | |

[2] Reporting year 2021 and 2022 electricity emission factors are internally derived instead of using publicly available electricity emission factors.

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| **Scope 2, Ireland** | Grid Electricity | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[2] | | International Energy Agency (IEA) (2022). CO2e emission factors from electricity only generation for world countries, using 2020 factors. |
| **Scope 2, Ontario** | Grid Electricity | Environment Canada (EC) (2021). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2019. | EC (2022). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2020. | Not applicable for the reporting year as the office closed in 2022. |
| **Scope 2, Australia** | Grid Electricity | Not applicable for the reporting year as related to Depop. | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[2] | Not applicable for the reporting year as the office closed in 2022. |
| **Scope 2, India** | Grid Electricity | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[2] | | IEA (2022). CO2e emission factors from electricity only generation for world countries, using 2020 factors. |
| **Scope 2, Mexico** | Grid Electricity | Not applicable for the reporting year as the office was not open in 2021. | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[3] | IEA (2022). CO2e emission factors from electricity only generation for world countries, using 2020 factors. |
| **Scope 3** | Category 1: Purchased Goods & Services | U.S. EPA (2019). USEEIO v1.1 - Matrices. U.S. EPA Office of Research and Development (ORD) Accessed January 2021. | <u>Purchased Goods & Services (excluding Computing) & Other Computing:</u><br><br>*Where the suppliers' publicly available CDP Climate Change disclosure or sustainability report was deemed comprehensive and reasonable by management, the data* | <u>Purchased Goods & Services (excluding Computing) & Other Computing:</u><br><br>*Where the suppliers' publicly available CDP Climate Change disclosure or sustainability report was deemed comprehensive and reasonable by management, the data* |

[3] Reporting year 2021 and 2022 electricity emission factors are internally derived instead of using publicly available electricity emission factors.

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| | | | *was used to create spend-based emission factors:* Supplier-specific emission factor (which covers Scope 1, 2, and 3 emissions) based on the suppliers' publicly available CDP Climate Change disclosure or sustainability report for the previous fiscal year, and the previous fiscal year's revenue from the suppliers' publicly available audited financial statements.<br><br>*Where the suppliers' publicly available CDP Climate Change disclosure or sustainability report was not used to create spend-based emission factors:* U.S. EPA (2022). Supply Chain GHG Emission Factors for U.S. Commodities and Industries. v1.1. Accessed April 2022.<br><br><u>Purchased Goods & Services - Cloud Computing - Google Cloud (Etsy Only)</u>:<br><br>*Scope 1 and 3 emissions:* Supplier-specific emission factor obtained from Google Cloud Carbon Footprint (2022) retrieved from the customer portal.<br><br>*Scope 2 emissions (emission factor based on country where GCP has data centers)*: | *was used to create spend-based emission factors:* Supplier-specific emission factor (which covers Scope 1, 2, and 3 emissions) based on the suppliers' publicly available CDP Climate Change disclosure or sustainability report for the previous fiscal year, and the previous fiscal year's revenue from the suppliers' publicly available audited financial statements.<br><br>*Where the suppliers' publicly available CDP Climate Change disclosure or sustainability report was not used to create spend-based emission factors:* U.S. EPA (2022). USEEIO v2.0.1 - Matrices. U.S. EPA Office of Research and Development (ORD).<br><br><u>Purchased Goods & Services - Cloud Computing - Google Cloud (Etsy Only)</u>:<br><br>Supplier-specific emission factor obtained from Google Cloud Carbon Footprint (2023) retrieved from the customer portal. |

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| | | | <u>Applied to U.S. usage:</u><br>U.S. EPA (2022). eGrid2020. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 1/27/2022.<br><br><u>Applied to UK usage:</u><br>Department for Business, Energy and Industrial Strategy (2022). 2022 UK Government GHG Conversion Factors for Company Reporting.<br><br><u>Applied to Netherlands, Finland, South Korea, Ontario, and Japan usage:</u><br>United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[4]<br><br><u>Applied to Brazil usage:</u><br>Governo do Brasil (2022). MCTIC. Arquivos dos fatores médios de emissão de $CO_2$ 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 (2021). 2021 UK Government GHG Conversion Factors for Company Reporting. Without radiative forcing factor (RF). | Department for Business, Energy & Industrial Strategy (2022). 2022 UK Government GHG Conversion Factors for Company Reporting. Without RF factor. | *Air travel & WTT (mileage):* Department for Energy Security & Net Zero (2023). 2023 UK Government GHG Conversion Factors for Company Reporting. With RF factor (air travel only). |

[4] Reporting year 2021 and 2022 electricity emission factors are internally derived instead of using publicly available electricity emission factors.

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| | | | | *Air travel (spend):* U.S. EPA (2022). USEEIO v2.0.1 - Matrices. U.S. EPA Office of Research and Development (ORD). |
| **Scope 3** | Category 9: Downstream Transportation & Distribution - Shipping | All shipments: USPS calculated GHG emission factors based on the shipping of products from a seller to a buyer which are then applied to Etsy, Reverb and Depop shipping data. | | All shipments except Royal Mail: USPS calculated GHG emission factors based on the shipping of products from a seller to a buyer which are then applied to Etsy, Reverb and Depop shipping data.<br><br>Royal Mail shipments: Royal Mail published emission factors per parcel and per letter based on the shipping of products from a seller to a buyer which were then applied to Depop and Etsy Royal Mail 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. | | 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 US EPA Environmentally preferable purchasing program. April 2004. |

| Emissions Scope | Emissions Source Type | Emission Factors for Reporting Year 2021 | Emission Factors for Reporting Year 2022 | Emission Factors for Reporting Year 2023 |
|---|---|---|---|---|
| **Scope 3** | Category 11: Use of Sold Products - End User Energy Use | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[5]<br><br>EC (2019). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2017.<br><br>U.S. EPA (2021). eGrid2019. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 2/23/2021.<br><br>Department for Business, Energy & Industrial Strategy (2020). 2020 UK Government GHG Conversion Factors for Company Reporting.<br><br>Governo do Brasil (2020). MCTIC. Arquivos dos fatores médios de emissão de CO2 grid mês/ano. Ministério da Ciência, Tecnologia, Inovações e Comunicações.<br><br>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. | United Nations. UN Statistics Division - Energy Balance Visualizations. (2006).[5]<br><br>EC (2022). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990 - 2020.<br><br>US EPA (2022). eGrid2020. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 1/27/2022.<br><br>Department for Business, Energy & Industrial Strategy (2022). 2022 UK Government GHG Conversion Factors for Company Reporting. | IEA (2022). CO2e emission factors from electricity only generation for world countries, using 2020 factors.<br><br>EC (2023). National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990-2021.<br><br>U.S. EPA (2023). eGrid2021. U.S. EPA eGRID sub-region emission factors for electricity purchased in the U.S. Release: 1/30/2023.<br><br>Department for Energy Security & Net Zero (2023). 2023 UK Government GHG Conversion Factors for Company Reporting.<br><br>Australian Government (2023). 2022 National Greenhouse Accounts Factors.<br><br>European Residual Mixes 2022 (published May 2023) CO2 emissions. CH4 and N2O are pulled from Department for Energy Security & Net Zero. |

[5] Reporting year 2021 and 2022 electricity emission factors are internally derived instead of using publicly available electricity emission factors.

**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"), which are recognized external standards, to calculate and report energy consumption as well as 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 or refrigerant gas loss, multiplied by relevant carbon emission factors for carbon dioxide, methane and nitrous oxide emissions and, and for carbon dioxide equivalent emissions, taking into account relevant global warming potentials for each gas. For 2021 and 2022, Etsy used the IPCC Fifth Assessment Report (AR5) global warming potentials. For 2023, Etsy used the IPCC Sixth Assessment Report (AR6) global warming potentials. To estimate GHG emissions, primary data from third party invoices was used when available and feasible to integrate into calculations. 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 ($N_2O$), methane ($CH_4$), chlorofluorocarbons (CFCs) and hydrofluorocarbons (HFCs). 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.
   - Refrigerant data – We estimated refrigerant gas loss considering building type and 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 U.S. Environmental Protection Agency (2016). Refrigerant gas loss associated with our co-located data centers was excluded on the basis of immateriality for the year ended December 31, 2021 as our last co-located data center was closed in 2021.

5. Related to Scope 2 GHG emissions:
    - Scope 2 includes indirect GHG emissions from the use of purchased electricity. Scope 2 market-based GHG emissions were calculated by applying emission factors based on the Scope 2 hierarchy. RECs and GOs applicable to the 2023 reporting year have been contracted and will be retired before June 7, 2024. RECs and GOs applicable to the 2022 and 2021 reporting years have been contracted for and retired.
6. Related to Scope 1 and Scope 2 GHG emissions:
    - Scope 1 and Scope 2 GHG emissions were comprised of approximately 7-18% estimated data and 82-93% actual data depending on the reporting year. Actual data refers to actual energy consumption data from invoices or meters (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 data (without the need for non-standard conversions) available for our offices. The most significant assumptions were as follows:
        - Energy Data – Offices:
            - Actual consumption data was collected for Q1 through Q3, while for the Q4 period, we only had data for a portion of the quarter for certain offices. When available, annual energy consumption for offices was sourced from invoices or meters 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.
                - 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 office location) of office space, specific to the energy type, and where possible, specific to the office location being estimated.
            - Energy Data – Co-Located Data Centers:
                - In 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. The last co-located data center was closed in 2021.
    - Each year we aim to increase the quality of the data reported. As tenants of leased offices and formerly of co-located data centers, we did not have access to data related to heat source or generator diesel use in our co-located data centers, complete refrigerant sources, and certain shared building common space energy sources.

7. Related to Scope 3 GHG emissions:

    - Scope 3 GHG emissions included significant assumptions and estimates. We continue to work to increase the amount of actual data available from our suppliers.

8. Purchased Goods & Services (excluding Computing): Includes energy consumed from our purchased goods and services which are not captured by another scope or category of GHG emissions (e.g., electricity, Scope 2). Emissions for this category are calculated by multiplying our spend U.S. dollar amounts for each of our suppliers 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., U.S. EPA EEIO model), in line with the GHG Protocol guidance. In 2023, supplier spend was converted to 2012 dollars to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis to align with the 2012 dollar amounts used in the EEIO model.

9. Purchased Goods & Services - Other Computing: Includes emissions associated with Amazon Web Services (AWS) cloud computing activities not provided by GCP, as well as several other cloud computing suppliers classified as 'data processing and hosting' in the U.S. EPA's EEIO factors. Emissions for this category are calculated by multiplying our spend U.S. 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., U.S. EPA EEIO model), in line with the GHG Protocol guidance. In 2023, supplier spend was converted to 2012 dollars to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis to align with the 2012 dollar amounts used in the EEIO model.

10. Purchased Goods & Services - Cloud Computing - Google Cloud (Etsy Only): Includes emissions based on energy consumed by Etsy's Google Cloud Platform (GCP) computing activities, which include server, storage, network data transfers and overhead consumption.

    - In 2023, Etsy used supplier-specific emissions data provided by Google for the reporting year which represented Etsy's apportioned total Scope 1, Scope 2 (market-based) and Scope 3 upstream emissions. Google expressly excludes the below activities from the supplier-specific emissions data:
        - Generating electricity that is subsequently lost during transmission and distribution.
        - Extraction and transportation of fuels used to generate grid electricity, and the lifecycle emissions associated with the generation facilities and equipment.
        - Fugitive emissions from HVAC system coolants.
        - Emissions arising from small equipment deployments at internet service providers' partners.
        - Emissions from Google networking equipment deployed outside data centers.
        - Downstream end-of-life emissions of data center equipment and buildings.

    - In 2022, Etsy used the below methodology:
        - In order to convert GCP cloud usage information into approximate energy used, Etsy applied the following methodology (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. 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 when that data is unavailable, we rely on GCP's fleetwide average PUE.

- Using Etsy's apportioned total Scope 1, Scope 2 (location-based), and Scope 3 emissions of 20,764 tCO2e provided by Google via the GCP customer portal for the reporting year, Etsy calculated the reported emissions for this category as follows:
  - Scope 1 and 3 upstream emissions - Used the CO2e emissions as provided by Google via the GCP customer portal.
  - Scope 2 emissions - Using the methodology above, determined energy use apportioned to Etsy's U.S. GCP load. To reduce associated Scope 2 emissions to zero for Etsy's U.S. GCP load, Etsy retired RECs on behalf of Google in an amount equal to the estimated apportioned energy usage. Emissions outside the U.S. GCP load were calculated by applying emission factors based on the Scope 2 hierarchy.

- In 2021, emissions for this category were calculated by multiplying our spend in U.S. dollar amounts for each of our suppliers from the financial system by specific coefficients for each spend type. The coefficient is obtained from public data on industry averages (i.e., U.S. EPA EEIO model), in line with the GHG Protocol guidance.

11. Business Travel - Air Travel: Includes energy consumed by our air travel providers in transporting our global Etsy, Depop, and Reverb employees, global air travel booked for non-employee business travel (e.g., recruiting activities, seller activities), and for 2023 only, well-to-tank (WTT) emissions associated with aviation fuel. For Etsy and Reverb, for business air travel booked through the third-party commercial air travel provider, GHG emissions for business air travel are calculated using mileage information (i) provided by the third-party commercial air travel provider or (ii) based on the distances between origin and destination airports using the Great Circle Distance on-line tool (2021 and 2022 only). For business air travel not booked through the third-party commercial air travel provider, GHG emissions for business air travel are calculated using flight cost information from the accounting system. For 2023, flight cost information was converted to 2012 dollars to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis to align with the 2012 dollar amounts used in the EEIO model.

    For most of its air travel data, Depop utilizes a third-party business travel software that provides distance data for calculation and flight class. For travel spend not stored in this system, Depop calculates its emissions on a spend basis, which are captured within Scope 3, Category 1: Purchased Goods & Services (excluding Computing) for 2022, but is now captured in Scope 3, Category 6: Business Travel - Air Travel for 2023. For 2023, flight cost information was converted to 2012 dollars to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis to align with the 2012 dollar amounts used in the EEIO model. Note that Depop was excluded from the reporting data for the year ended December 31, 2021.

    For 2023, air travel includes WTT emissions associated with aviation fuel which were calculated based on air travel activity for Etsy, Reverb and Depop as described within this footnote.

    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.

12. Downstream Transportation & Distribution - Shipping: Includes emissions based on the energy consumed 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 CO2e 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 emission factor based on the mail class derived from USPS or Royal Mail (Etsy.com and Depop UK shipments for 2023) emissions, and shipment data. For shipment weight and shipment mail class, we use data from Etsy and Reverb shipping labels, when 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 emissions based on the lifecycle emissions from the packaging materials used to ship products between Etsy's, Reverb's and Depop's buyers and sellers. For Etsy, packaging material and reuse of packaging material is determined based on survey data collected from Etsy sellers as conducted by Qualtrics in 2019 for reporting year 2021 and 2022 and survey data collected from Etsy's sellers by Etsy for reporting year 2023, publicly available studies 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 studies 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 for reporting year 2021 and 2022 and survey data collected from Depop sellers in November 2023 for reporting year 2023 for materials and reuse, and using publicly available studies on the carbon impacts of different packaging materials (reference 1 below). 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 emission 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.
    - Reference 2: U.S. EPA. Paper and Paperboard: Material-Specific Data.
    - Reference 3: U.S. EPA. Plastics: Material-Specific Data.
    - Reference 4: Packaging materials specifications from uline.com.

14. Use of Sold Products - End User Energy Use: Includes emissions based on the energy consumed by buyers and sellers from usage of Etsy's, Reverb's, and Depop's online platform and other users on personal devices (mobile devices and non-mobile laptops) as well as, for 2023 only, transmission and distribution (T&D) losses and WTT emissions. 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 emission 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).

For 2023, use of sold products emissions includes T&D losses and WTT emissions associated with electricity consumed by buyers and sellers from the use of Etsy's, Reverb's, and Depop's online platform and other users on personal devices which was calculated based on energy consumption data described in this footnote.

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. Over time, Etsy has changed certain of its reporting boundaries, measurement methods, and criteria used to calculate certain Scope 1, Scope 2, and Scope 3 GHG emissions metrics. As a result of the changes, the emissions in the below categories are not comparable year over year. The changes include:

    - Scope 1 GHG emissions:
        - In 2023, Etsy changed the source of the emission factors for our European operations from the Department for Business, Energy & Industrial Strategy UK Government GHG Conversion Factors for Company Reporting to the U.S. EPA's Center for Corporate Climate Leadership GHG Emission Factors Hub.
    - Scope 2 GHG emissions:
        - In 2023, Etsy changed the source of the emission factors for our Ireland, Mexico, and India operations from electricity emission factors that were internally derived to using publicly available emission factors from electricity only generation for world countries published by IEA.
    - Scope 3, Category 1: Purchased Good & Services (excluding Computing) and Purchased Goods & Services - Other Computing:
        - In 2023, Etsy (i) changed the source of the coefficient from the U.S. EPA Supply Chain GHG Emission Factors for U.S. Commodities and Industries v1.1 to the U.S. EPA USEEIO v2.0.1 and (ii) adjusted the supplier spend to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis

to align with the 2012 dollar amounts used in the EEIO model.

- In 2022, Etsy began to derive supplier-specific emission factors for select suppliers using the methodology described in the Emission Factors table.

- Scope 3, Category 1: Purchased Goods & Services -Cloud Computing - Google Cloud (Etsy Only):
  - In 2023, 2022 and 2021, Etsy changed the methodology used to calculate emissions in this category. Refer to footnote 10 for further information on the methodologies used in 2023, 2022 and 2021.

- Scope 3, Category 6: Business Travel – Air Travel:
  - In 2023, Etsy began to include WTT emissions associated with aviation fuel from air travel within this category versus Scope 3, Category 3: Fuel & Energy Related Activities where it was reported in 2021 and 2022.
  - In 2023, Etsy changed the emission factors for air travel to include a radiative forcing factor. 2021 and 2022 did not include a radiative forcing factor.
  - In 2023, Etsy calculated certain emissions from air travel on a spend basis for Depop and included the related emissions within this category, whereas in 2022 these emissions were reported in Scope 3, Category 1: Purchased Goods & Services (excluding Computing).
  - In 2023, flight cost information was converted to 2012 dollars to account for inflation or deflation using industry-level price index data (2012-2021 and 2022) published by the U.S. Bureau of Economic Analysis to align with the 2012 dollar amounts used in the EEIO model.
  - In 2023, Etsy no longer used the Great Circle on-line tool to calculate mileage information for business air travel booked through the third-party commercial air travel provider and instead used mileage information provided by the third-party commercial air travel provider for distance-based calculations.

- Scope 3. Category 9 Downstream Transportation & Distribution - Shipping:
  - In 2023, Etsy changed the methodology for calculating emissions from global shipment of goods to include emission factor data from Royal Mail for Etsy.com and Depop UK shipments.

- Scope 3, Category 11: Use of Sold Products – End User Energy Use:
  - In 2023, Etsy began to include T&D losses and WTT emissions associated with electricity consumed by buyers and sellers from use of Etsy's, Reverb's, and Depop's online platform and other users on personal devices within this category versus Scope 3, Category 3: Fuel & Energy Related Activities where it was reported in 2021 and 2022.