



## **Policies and Procedures for Director Candidates**

### **A. Stockholder Recommendations**

The Nominating and Corporate Governance Committee (the “Committee”) will consider stockholder recommendations, as described below.

Stockholder recommendations for candidates to the Board must be received in writing by December 31st of the year prior to the year in which the recommended candidates will be considered for nomination at the next Annual Meeting of Stockholders. The recommendations must be sent to our Brooklyn headquarters, Etsy, Inc., 117 Adams Street, Brooklyn, NY 11201 to the attention of our General Counsel and Secretary, who will relay such recommendations to the Committee for its consideration.

The recommendation must include the candidate’s name, home and business contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and Etsy within the last three years, and evidence of the recommending person’s ownership of Etsy stock. Recommendations must also include a statement from the recommending stockholder in support of the candidate that addresses the criteria for Board membership described in Section C below, personal references, and confirmation of the candidate’s willingness to serve. The Committee may request additional information, such as completion of a questionnaire in a form provided by our Secretary, as appropriate.

### **B. Stockholder Nominations**

Stockholder nominations to the Board must meet the requirements for nominations set forth in Etsy’s bylaws and applicable law. Among other things, our bylaws require the notice to contain certain information about the nominee and the stockholder proposing the nomination. To be timely, a stockholder’s notice must be delivered to or mailed and received by the Secretary of Etsy at the principal executive offices of Etsy within the time period specified in the bylaws.

### **C. Identifying and Evaluating Nominees for Director**

When searching for new directors, the Committee will make reasonable efforts to seek out qualified diverse candidates for the pool from which Board nominees are chosen, and to include in the initial list of candidates considered by the Committee for nomination to our Board at least two qualified candidates with diversity of race, ethnicity, or gender. When identifying and evaluating director nominees (including current members of the Board who are eligible for re-election), the Committee seeks a balance of knowledge, experience, and capability on the Board, and in its evaluation may consider the following:

- the current size and composition of the Board and the needs of the Board and the respective committees of the Board;
- high integrity and adherence to Etsy values;
- qualities such as character, judgment, independence, relationships, experience, length of service, and the like;
- commitment to enhancing long-term stockholder value;
- diversity of backgrounds, which is construed broadly to include differences of viewpoint, age, skill, gender, race, ethnicity and other individual characteristics;
- financial literacy or financial expertise or other requirements as may be required by applicable rules;
- sufficiency of time to carry out their duties;
- the range of expertise and experience of the Board (including at the policy-making level) in business, government, technology or other areas relevant to Etsy's business; and
- such other factors as the Committee may consider appropriate, including conflicts of interest or competitive issues.

With regard to candidates who are properly recommended by stockholders or by other means, the Committee will review the qualifications of any such candidate in accordance with the same criteria described above. In addition, in the Committee's discretion, its review may include requiring the candidate to complete a questionnaire regarding his or her background, interviewing references, performing background checks, direct interviews with the candidate, or other actions that the Committee deems necessary or proper.

The Board will make all director selection decisions based on legitimate business criteria and will not discriminate on the basis of any legally protected characteristic.