

**THREDUP**

2023

# **IMPACT REPORT**



# FOUNDERS' LETTER

It's hard to believe it's been 15 years since we founded ThredUp. Back then, sustainability and social impact weren't exactly top priorities in the fashion industry. But we knew there had to be a better way – a way to experience the joy of fashion while minimizing its environmental footprint.

Fast forwarding to today, we love seeing how the conversation and consciousness have dramatically shifted. Impact is no longer a niche concern; it's a driving force behind many businesses. This aligns perfectly with our core values at ThredUp. We believe that every decision we make, from the materials we use in our packaging, to how we foster diversity, equity, inclusion and belonging within our workforce, to how we approach customer privacy, should all contribute to a positive impact on the world just as much as it contributes to building a successful business.

We're incredibly proud of the strides we've made in helping to build a growing circular economy. By making it easy to buy and sell secondhand, we've extended the life cycle of millions of garments – 200 million to be exact – and diverted them from landfills. But we're not resting on our laurels. This report outlines our commitment to continuous improvement as we're constantly searching for new ways to reduce our individual and collective impact on the environment and be good stewards of our local communities.

Despite all that's changed, one thing remains constant: As ThredUp grows, so does our impact. This report is a testament to that. We invite you to explore the data, initiatives, and stories within and join us on the journey to create a more sustainable future for fashion.

Onward!

**James Reinhart**

*ThredUp Cofounder & CEO*

**Chris Homer**

*ThredUp Cofounder & COO*

01  
**OUR APPROACH  
TO IMPACT**



## OUR MISSION

To inspire the world to think secondhand first

ThredUp is one of the largest online resale platforms, transforming resale with technology and operational excellence. By making it easy to buy and sell secondhand, ThredUp is extending the life cycle of apparel, changing the way consumers shop, and ushering in a more sustainable future for the fashion industry.

We are driving ThredUp's leading market position by implementing a holistic environmental, social, and governance (ESG) strategy that aligns with our business objectives and brand values. Continuous engagement with both internal and external stakeholders enables us to identify our strengths as well as areas for future development. Through transparent reporting and disclosures, we provide a comprehensive view of our ESG profile to individuals who are invested in our endeavors, while also granting us the opportunity to continually measure and advance our progress.





# THREDUP IMPACT AT A GLANCE



**200M**

secondhand items processed



**791.1M**

lbs of CO<sub>2</sub>e prevented



**8.4B**

gallons of water saved



**1.6B**

kWh of energy saved



**10M**

items listed through our RaaS program



**\$322M**

total revenue in 2023



**2,377**

total employees in 2023



**1.8M**

active buyers in 2023



**60K+**

brands listed



**\$6.5B**

saved by our buyers off est. retail prices

## OUR 12 PRIORITIES

We conducted a materiality assessment in 2021 and identified 12 priorities that are the foundation for what we discuss throughout this report and for our corporate ESG strategy.



**Product Circularity  
& End of Life**



**GHG Emissions  
& Climate Change**



**Energy Consumption  
& Efficiency**



**Sustainable  
Packaging**



**Waste Diversion  
& Disposal**



**Affiliate Social  
Assessment**



**Diversity, Equity,  
Inclusion, & Belonging**



**Community Giving  
& Volunteerism**



**Employee Health,  
Wellness, & Benefits**



**Employee Attraction  
& Retention**



**Corporate Governance  
& Business Ethics**



**Cybersecurity &  
Customer Privacy**

# United Nations Sustainable Development Goals

We are committed to taking action across these 6 goals to achieve a better and more sustainable future for all.



## UN SDG 3

### Good health and well-being

Address inequalities and to build good health for all.

## UN SDG 10

### Reduced inequalities

Promote economic inclusion of all regardless of sex, race, or ethnicity.

## UN SDG 12

### Responsible consumption and production

Reduce our ecological footprint by changing the way we produce and consume goods and resources.

## UN SDG 5

### Gender equality

End all discrimination against women and girls.

## UN SDG 11

### Sustainable cities and communities

Transform the way we build and manage our urban spaces.

## UN SDG 13

### Climate action

Address the needs of developing countries to both adapt to climate change and invest in low-carbon development.

## ★ LONG-TERM STOCK EXCHANGE

ThredUp's Class A common stock is [listed](#) on the [Long-Term Stock Exchange \(LTSE\)](#).

ThredUp is the first consumer company to list on LTSE, committing to higher standards. The Exchange's principles-based listing standards require listed companies to detail and publish policies on their website that offer stakeholders insight into how a company builds its business for the long term.

**By listing on LTSE, ThredUp is affirming its strategic alignment with long-term shareholders, employees, customers, and communities within a public market designed to promote sustainability, resilience, and long-term value creation.**

ThredUp and LTSE are pioneering the next generation of capitalism where traditional measures of financial performance and generating long-term sustainable value are integrated. The dual listing demonstrates how ThredUp is reframing capitalism through an impact lens, which is a key tenet of our business strategy and core to our mission to inspire a new generation of consumers to think secondhand first.

# 2023 HIGHLIGHTS

Recirculated 2.2 million secondhand items through our **Resale-as-a-Service** business, extending our impact through partnerships with leading brands.

Served as a founding member of the **American Circular Textiles (ACT)** policy group, advocating for sustainable textile policy.

Diverted 100% of the items we didn't resell in our marketplace to our **Rescues and Aftermarket programs**.

73% of our **workforce** identifies as a minority, with 73% identifying as female, and 59% identifying as Black or Latino/a/x.

Replanted 800 trees through **Trees for the Future** by buying 103,000 pounds of paper from Community Printers.

Donated \$64,000 on behalf of the **Future Fund**, our employee-led social impact organization.

Sent 100% of the Clean Out bags we received back from customers to **The Azek Company**, recycling 111,000 pounds of materials into decking products.

44% of our **Board of Directors** identified as female, while 22% identified as a racial minority.

## 2023 AWARDS

TIME

Time 100 Most Influential Companies 2023

worklife  
50

The WorkLife 50



Most Influential ESG Leaders Awards

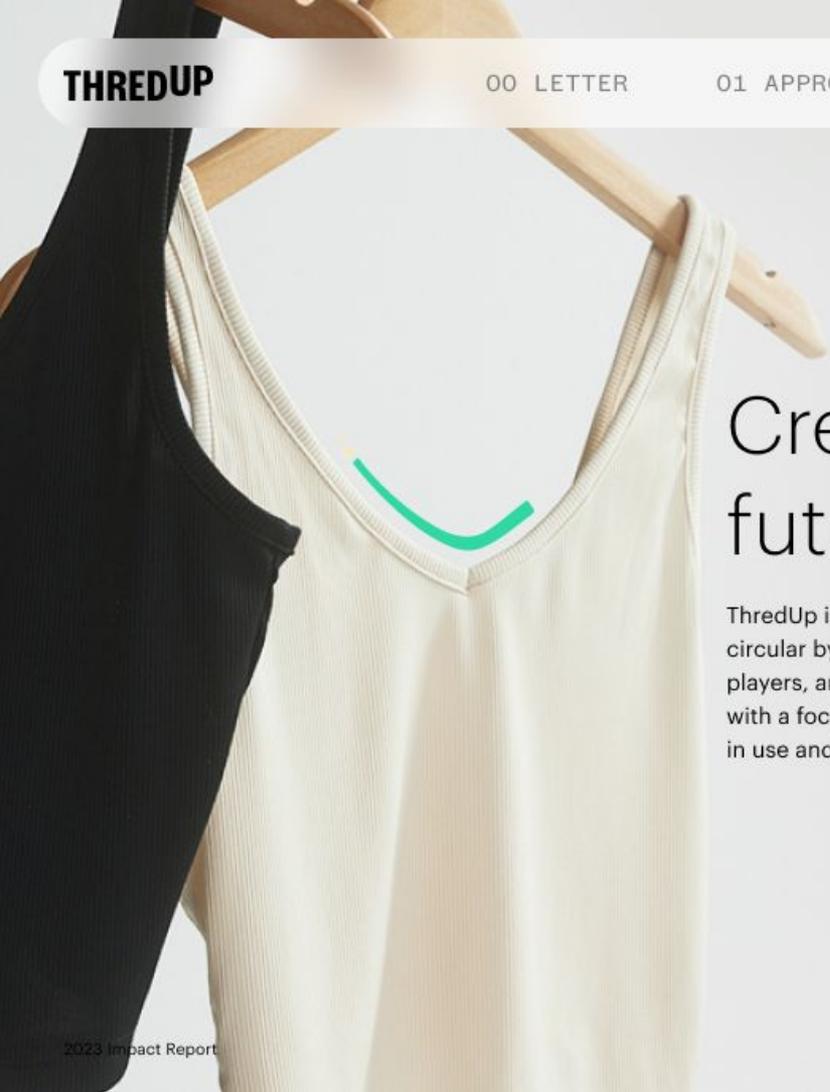
“ThredUp is living proof that a purpose-driven mission and a thriving business are not mutually exclusive. By championing secondhand fashion and fostering a culture that values both profit and positive impact, we're not only changing how people think about their closets, but also proving that intrinsically good businesses are good for the bottom line and the world.”



**Alon Rotem**  
Chief Legal Officer

02 ✨  
ENVIRONMENT





# Creating a more sustainable future for fashion

ThredUp is on a sustainability journey to take fashion circular by investing in innovation, supporting industry players, and advocating for circular textile policy – all with a focus on giving apparel a second life so it stays in use and out of landfill.

Buying secondhand apparel offsets the need to manufacture a new item, where the majority of fashion's water consumption, energy emissions, and chemical usage occur. Beyond our core business model, we are also committed to making our own operations as environmentally-friendly as possible and helping other retailers and brands adopt circular business models so they can advance their own sustainability goals. Fueled by our unwavering commitment to circularity, we are determined to reshape the fashion landscape, one recirculated item at a time.



## LIFE CYCLE ASSESSMENT (LCA)

As a mission-driven company with sustainability at our core, we have a responsibility to scientifically measure the environmental savings of choosing secondhand in a trustworthy, transparent, and rigorous way.

Our [Life Cycle Assessment \(LCA\)](#) conducted in partnership with Green Story Inc. compares the environmental impact of ThredUp's circular business model with a more traditional, linear business model to definitively answer the question, "What is the environmental impact of buying secondhand apparel instead of new?" The study shows that ThredUp's resale model is advantageous across all environmental indicators for all product categories calculated.

ThredUp leverages LCA impact data to help customers make informed purchasing decisions that align with their values. The data is presented on our product listing pages and in our marketing campaigns, and our Resale-as-a-Service clients also leverage the data to calculate the impact of their resale programs.

**Buying (and wearing) secondhand clothing instead of new reduces carbon emissions by an average of 25%**

### Secondhand Savings Compared to Buying New



**8.41**

lbs of CO<sub>2</sub>e



**16.48**

kWh of energy



**88.89**

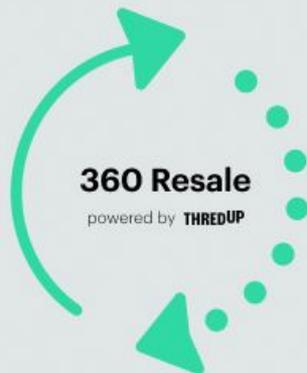
88.89 gallons of water

# RESALE-AS-A-SERVICE (RAAS)

ThredUp's Resale-as-a-Service® (RaaS®) enables the world's leading fashion brands and retailers to deliver customizable, scalable resale experiences to their customers. By leveraging ThredUp's operating platform that powers its marketplace, brands and retailers can incorporate circularity into their traditional linear business models with resale through a Clean Out program or with a full-service online resale shop, and the cash out marketplace – all powered by ThredUp.

### Clean Out Program

Provide customers with Clean Out Kits to turn their gently-worn apparel from any brand into brand shopping credit.



### Branded Online Resale

Integrate resale into a brand's ecommerce experience so customers can easily shop preloved items alongside new.

### RaaS by the Numbers

47

brand clients

680K\*

Clean Out Kits received through our RaaS program, up 42% from 2022

10M\*

items listed through our RaaS program, up 28% from 2022

CHRISTY DAWN

TORRID

Reformation

Michael Stars

kate spade  
NEW YORK

H&M

BANANA REPUBLIC

GAP

ATHLETA



# PRODUCT CIRCULARITY AND END OF LIFE

Our goal is to extend the life cycle of clothing and keep garments in use and out of landfill by putting as many items as possible back into American closets. We are also focused on refining our approach to managing items we can't resell in our core marketplace. Through our Rescues Program and our Aftermarket Program, we are dedicated to finding new ways to maximize each garment's life and closing this loop.

**44%**

of items are sold in  
ThredUp's aftermarket

**51%**

of items are listed on  
ThredUp's core marketplace

**5%**

of items are listed in  
ThredUp's Rescues program



### Product Circularity

## RESCUES PROGRAM

Through our Rescues program, customers can purchase heavily discounted bundles of secondhand items. This is our way of savings items we receive that don't qualify for listing on our marketplace but still have a lot of life left in them. In 2023, we sold 1.1 million items through our Rescues channel, with a total of 5.5 million items sold to date.

**This equals more than 2.8 million pounds of clothing diverted from third-party aftermarket channels.**



## Product Circularity

# AFTERMARKET

When the items we receive do not meet ThredUp's quality standards for resale or inclusion in our Rescue program, we are committed to working with our vetted network of partners to keep as many items as possible in use and out of landfill.

## Understanding our aftermarket and working with a transparent network of partners is key for end-of-life success.

All of our aftermarket partners must adhere to ThredUp's Aftermarket Partner Code of Conduct—requiring transparency, integrity, awareness of environmental impact, and respect for developing nations.

**40%**

of items are sold to international brokers

**43%**

of items are sold to domestic thrift stores

**17%**

of items are sold to domestic graders or sorters

**60%** of aftermarket items are recirculated domestically.

In 2023, we decreased our number of aftermarket partners to focus on gathering greater transparency and started contributing to a fiber-to-fiber recycling ecosystem, where product was shipped to Europe through Bank and Vogue, an international broker based in Canada.

# GREENHOUSE GAS (GHG) EMISSIONS AND CLIMATE CHANGE

We recognize the urgency of the climate crisis and are proud that ThredUp's core business model reduces fashion's carbon footprint. While we work to amplify the carbon reduction benefits of wearing secondhand clothing, we continue to focus on our own carbon reductions across our business operations. With several years of emissions data, we understand where we have the largest opportunity to be more efficient and reduce our impact.

	Scope 1 MT CO <sub>2</sub> e	Scope 2 MT CO <sub>2</sub> e	Scope 3 MT CO <sub>2</sub> e	Total
2020	759	2,682	29,904	33,345
2021	691	2,693	31,660	35,045
2022	518	2,934	33,884	37,336

**Scope 1 emissions** are the direct emissions that come from equipment and vehicles that we use in our warehouses.

**Scope 2 emissions** are the indirect emissions that come from purchased energy used to power our warehouses and offices.

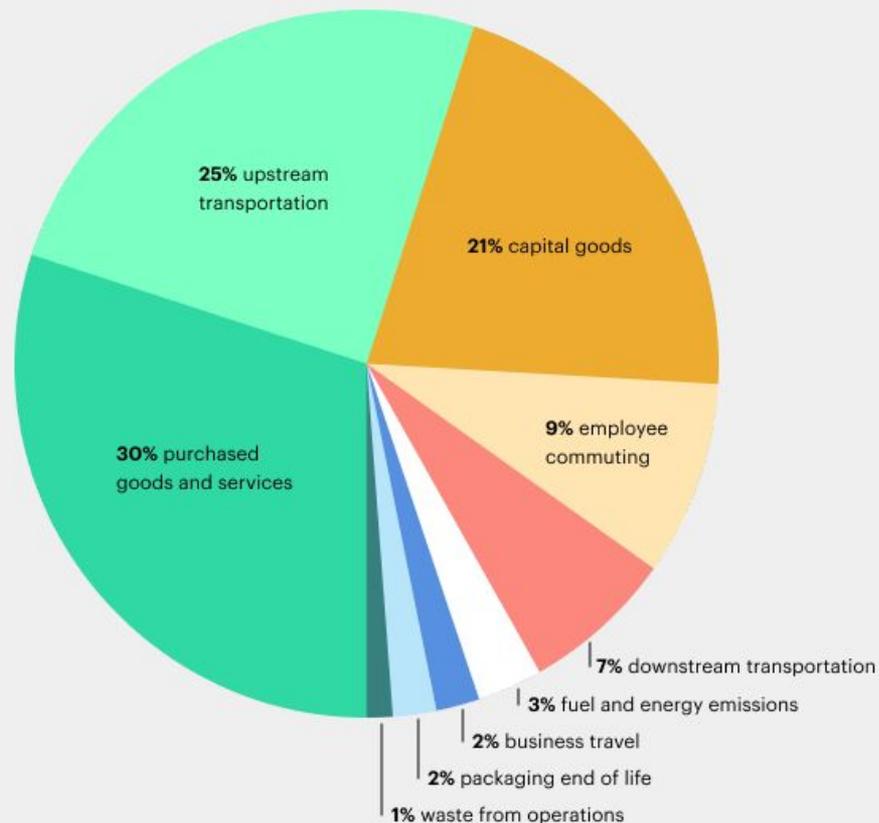
**Scope 3 emissions** are the emissions that are the result of our activity but out of our direct control. These include emissions from downstream transportation and distribution of our products, purchased goods and services, capital goods, and upstream transportation and distribution.



## GHG and Climate Change

# MANAGING OUR SCOPE 3 EMISSIONS

Scope 3 emissions (i.e. emissions that are the result of our activity but outside of our direct control) account for 91% of our inventory. We know that this is our biggest area of carbon impact and are eager to find more ways to make our Scope 3 activities more efficient in order to reduce our emissions.



**GHG and Climate Change****RESPONSIBLE SHIPPING**

We continue making improvements in how we efficiently ship packages to customers. 2022 was our first full year using advanced consolidation efforts to ship orders from multiple distribution centers together to their destination instead of individually.

Due in part to our order consolidation efforts, our U.S. based shipping emissions decreased by 35% in 2022.

**USA-Bound Packaging and Shipping Intensity**

2020

**3.16**<sub>1b</sub>  
CO<sub>2</sub>e/parcel

2021

**2**<sub>1b</sub>  
CO<sub>2</sub>e/parcel

2022

**4.14**<sub>1b</sub>  
CO<sub>2</sub>e/parcel



## ★ ENERGY CONSUMPTION AND EFFICIENCY

2023 was the first full year our new flagship distribution center in Lancaster, Texas was online. This facility has some of our most advanced technology, building upon our years of learnings from creating best-in-class infrastructure for single-SKU apparel.

**Such technology includes a multi-level garment storage system providing 25% higher storage density while consuming 40% less energy than previous version.**

## SUSTAINABLE PACKAGING

Our unboxing experience reflects our commitment to sustainability. Since our founding, we've continued to improve and streamline our packaging to include sustainable, reusable, and recyclable materials.

We partner with Community Printers, a Santa Cruz, California-based small business, for their sustainability focus. Community Printers uses FSC-certified paper often with recycled content varying from 10% up to 100% post-consumer waste. They partner with Trees for the Future to replant trees in areas affected by human activities and climate change. Their inks are vegetable oil-based and have programs for recycling virtually all of their waste.

**In 2023, ThredUp bought 103,578 pounds of paper from Community Printers, leading to the replanting of 880 trees through Trees for the Future – an increase of 230% from 2022.**





## WASTE DIVERSION AND DISPOSAL

We're continuously looking to make internal recycling improvements – from our cardboard sorting process, to pallet recycling in our distribution centers, to recycling and repurposing excess or damaged plastic hangers.

**Through our ongoing partnership with The AZEK Company, 100% of the Clean Out bags we receive back from customers are recycled into TimberTech composite decking. In 2023, we recycled 111,950 pounds of materials through our partnership – a 32% increase from 2022.**

# ★ ADVOCATING FOR SUSTAINABLE TEXTILE POLICY

ThredUp's business model is creating a more sustainable future for fashion, but we know that it will take more than our business alone to create a more sustainable future for the fashion industry.

## AMERICAN CIRCULAR TEXTILES



**ThredUp is proud to be a founding member of American Circular Textiles policy group, whose mission is to advance circular textile policy.**

In 2023, the group established itself as a first-of-its-kind coalition of fashion organizations identifying bipartisan circular fashion policy opportunities that will create green jobs, bolster American business, support consumers, and protect our supply chains and our environment. Together, we represent some of the leading organizations driving circularity in the U.S.

To build our foundation as a membership, we published a policy paper, The United States' Opportunity for Circular Fashion, to convey American Circular Textiles unique policy approach to scale textile reuse and recycling in the U.S. In these materials we impart the scale of the problem, why textiles are a distinct economic opportunity from other household recyclables, and why it's critical to support existing circular solutions.

## 2023 ADVOCACY HIGHLIGHTS

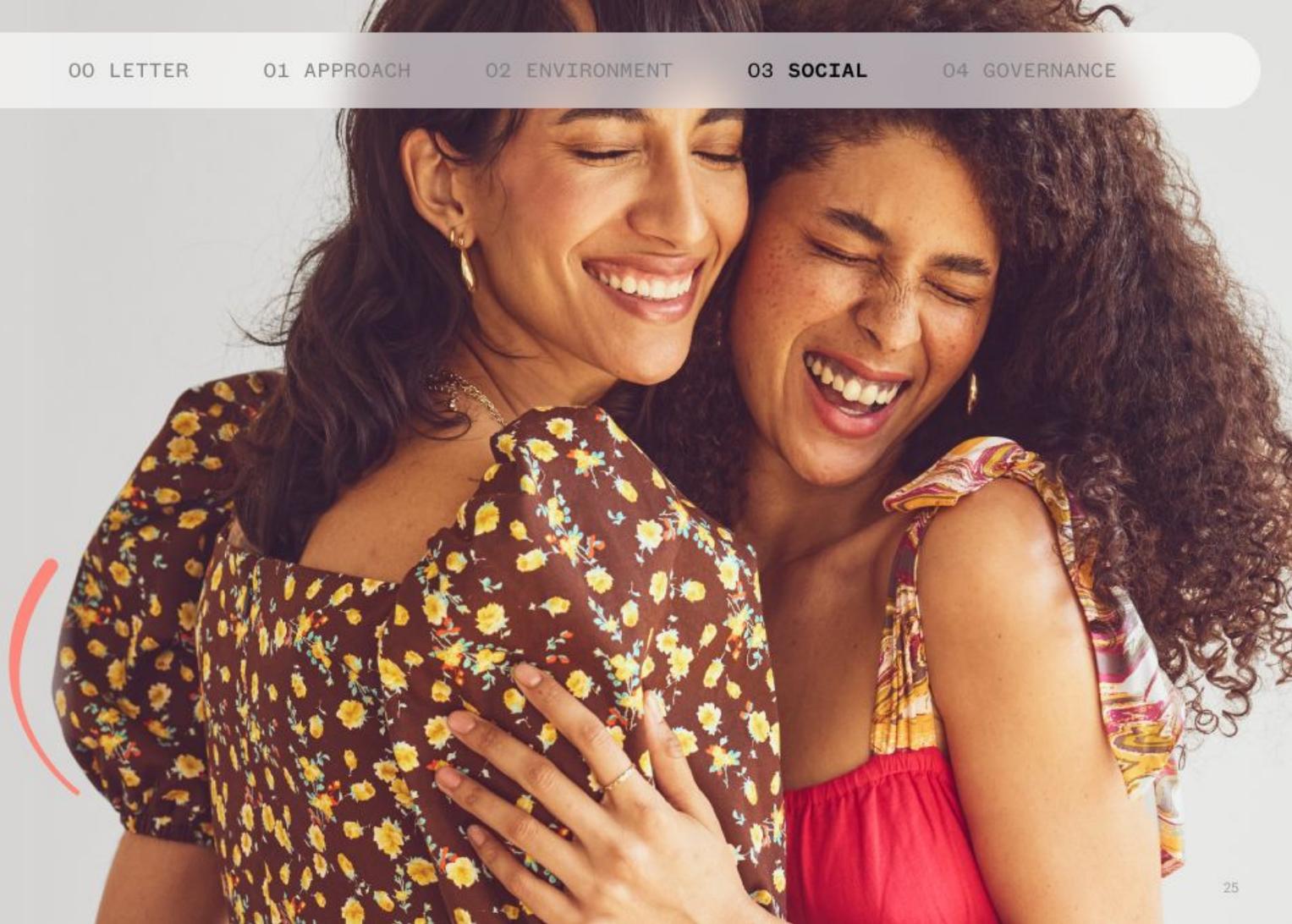
- ★ ThredUp participated in Congressional Briefing about Textile Circularity with the Senate Recycling Caucus, including U.S. Senators John Boozman (AR), Tom Carper (DE), and Shelley Capito (WV) to discuss pathways to improving textile circularity, including legislation.
- ★ American Circular Textiles provided public commentary for the Federal Trade Commission Green Guides, California State Bill 707, EPA Plastics Pollution, and Biden's Sustainable Procurement Rule.
- ★ American Circular Textiles was a signatory on a letter from American Apparel & Footwear Association (AAFA) about digitizing labeling requirements for domestic textile, garment, footwear, and related accessories.

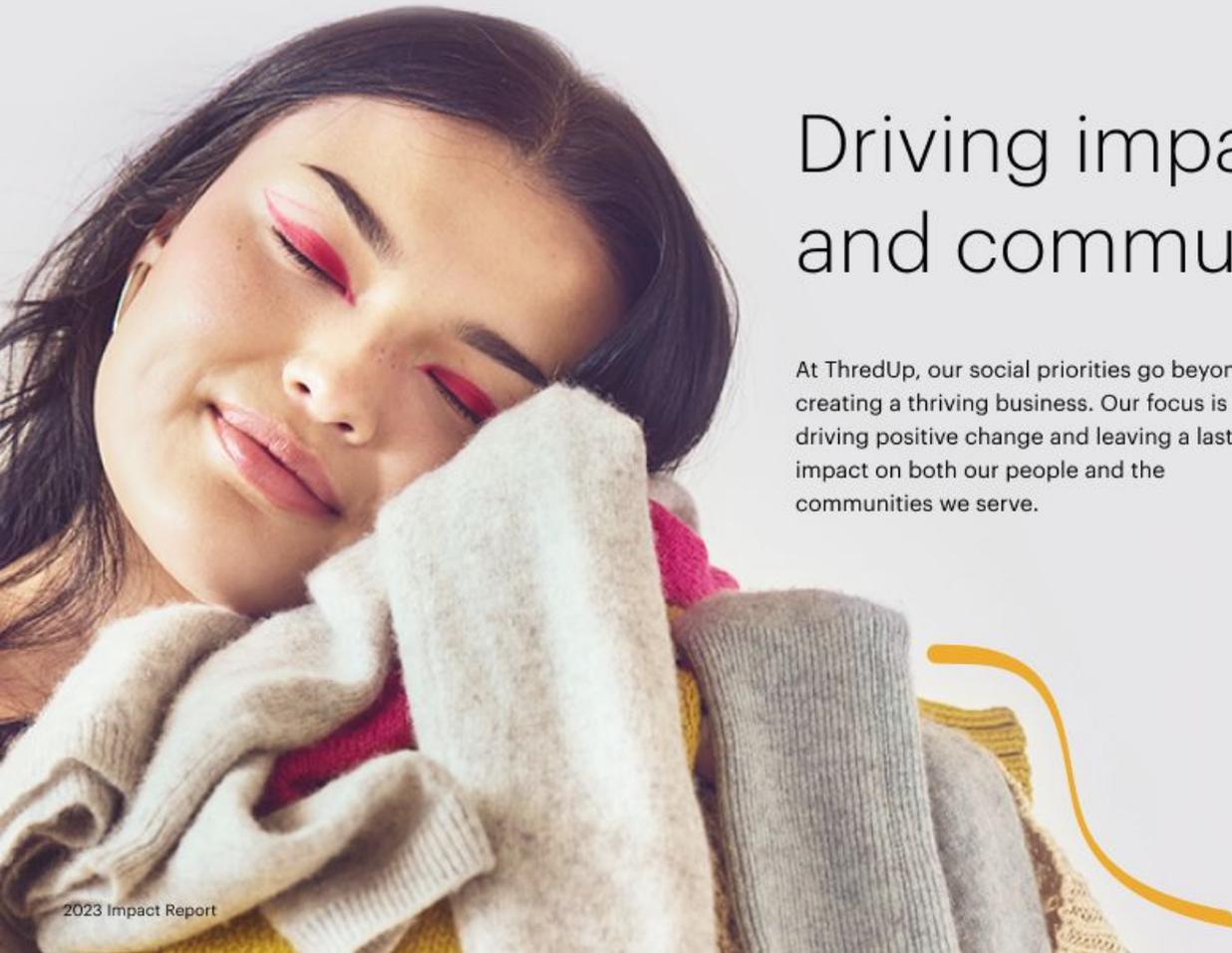
“We’re proud of the environmental impact ThredUp is making by making it easy to buy and sell secondhand apparel, shoes, and accessories, and we also believe that our responsibility goes beyond facilitating resale. It’s a two-pronged approach: Fostering a more circular future for fashion by extending the life cycle of clothes while continuously minimizing our own footprint across our business operations.”



**Al Ghorai**  
SVP, Operations

03  
SOCIAL





# Driving impact for people and communities<sup>★</sup>

At ThredUp, our social priorities go beyond creating a thriving business. Our focus is on driving positive change and leaving a lasting impact on both our people and the communities we serve.

We are dedicated to creating opportunities that benefit our entire workforce, fostering an environment where people can reach their full potential and do the best work of their lives. Our commitment also extends outside the workplace, as we invest in the health of our communities through our many outreach programs and initiatives.

# OUR CORE VALUES

Our corporate values are the cornerstone of our culture, embodied by all our employees — from the talented teams at our distribution centers to our corporate offices in the U.S. and abroad.

**Our corporate values are deeply ingrained in our DNA and serve as a guide for all decisions our team makes.**

We understand that our ability to make meaningful progress against our mission is heavily dependent on the integrity with which we think and act.

Speak Up

Think Big

Influence  
Outcomes

Seek the  
Truth

Infinite  
Learning

Transparency



# AFFILIATE SOCIAL ASSESSMENT

Partnering with third-parties enables us to expand our circular business goals and tap into specialized knowledge, skills, and resources. We evaluate the social practices of prospective affiliates and strive only to partner with those who share our brand values and mission and promote responsible business practices.

We collaborate with a variety of strategic partners across every department including non-profit organizations, brands and retailers, technology providers, professional services vendors, and influencers.

## Ellen MacArthur Foundation

Since 2020, we have been a Network Member of the Ellen MacArthur Foundation, an international charity that develops and promotes a circular economy that benefits people, business, and the natural world. Driven by design, a circular economy eliminates waste and pollution, circulates products and materials, and regenerates nature.



Reformation

 Green Story





# DIVERSITY, EQUITY, INCLUSION, AND BELONGING

We champion diversity in its most expansive sense, recognizing and embracing a rich spectrum of perspectives, experiences, and talents. Our commitment extends to a broad array of backgrounds, skills, and ideas, fostering an inclusive culture that fuels innovation, creativity, and collective success.

We believe in promoting equity and ensuring that everyone has the opportunity to reach their full potential. Our goal is to create an environment where all employees have access to the resources and support they need to succeed.

These initiatives are led by our DEIB Committee – a dedicated task force of employees who collaborate to develop, identify, and establish opportunities across the company. Through their focused efforts, we are driving progress that aligns with our circular business goals.





## Diversity, Equity, Inclusion, and Belonging

# DEIB INITIATIVES

### Internal awareness

To show our support of diverse communities, we celebrate observances and heritage months that represent different members of our workforce, such as Pride Month, AAPI Heritage Month, and Mental Health Awareness Day.

### Diversity sourcing

We've expanded our partnerships with a wide range of organizations to tap into diverse talent pipelines. This includes connecting with student and alumni groups from a variety of colleges and universities to attract candidates with diverse backgrounds and experiences.

### Employee Resources Groups

In 2023, we introduced Employee Resource Groups (ERGs) to foster inclusivity and a greater sense of belonging by building micro-communities within our broader organization. Bringing together individuals with similar backgrounds and experiences, our ERGs are designed to help employees develop connections with each other, regardless of job function or location. We launched two ERGs in 2023, including Uplift Women for employees that identify as female and PrideUp for members and allies of the LGBTQIA+ community.

## 2023 Diversity in Leadership and the Workforce

### Minority



● 73% workforce  
● 21% senior leadership\*

### Female



● 67% workforce  
● 63% senior leadership\*

### Black or Latinx



● 59% workforce  
● 4% senior leadership\*

# COMMUNITY GIVING AND VOLUNTEERISM

At ThredUp, we are driven to make a tangible, positive impact on our communities and support causes that align with our mission. We actively engage with stakeholders and communities through a comprehensive range of initiatives.

## The Future Fund

The Future Fund is our internal, employee-led social impact arm. It supports causes aligned with our corporate values through employee initiatives.

**We donated \$64,297 to benefit nonprofits through volunteer hours, monetary donations, and in-kind donations on behalf of the Future Fund in 2023.**

## 2023 Future Fund pillars

### Education

We're invested in educational equality and equity so that learners of all disciplines, across all age groups, can learn without barriers. In 2023, we volunteered at a writing workshop for students at 826 Valencia, hosted a career panel for Hack the Hood, and hosted virtual resume workshops for Mission Bit.

### Economic Security

We support causes that provide opportunities for underresourced individuals and communities. In 2023, we engaged with organizations in our local communities, including Chicanos por la Causa, Sojourner's Center, Oakland Bloom, the Grocery Spot Atlanta, North Texas Food Bank, Agua Fria Food Bank, and La Raza Community Resource Center.

### Environment

We strive to create a more sustainable future through our unwavering commitment to protecting and healing our planet. In 2023, we funded employee microlending through Kiva to 216 small businesses that operate with sustainable goals and also supported the Surfrider Foundation, Gorillas on the Line, and Trees for the Future.

### Community Building

We aim to drive positive change and leave a lasting impact on both our people and the communities we serve. In 2023, we worked with Autism Speaks of Greater Phoenix, Cut Fruit Collective, Family Promise of Gwinnett County, and Eat. Learn. Play.



Community giving and volunteerism

## CHARITABLE PARTNERSHIPS

### Oakland Roots Sponsorship

2023 marked year two of a three-year corporate sponsorship with the Oakland Roots Sports Club, a purpose-driven men's soccer team based in Oakland, home of our headquarters. We pledged a total of \$298,000 to enable the Roots to operate their soccer team and engage with the Oakland community through the power of sports as a social force for good. As part of our partnership, we sponsor a special title night each year where we donate \$5 for every Donation Clean Out Kit we receive to Girls Inc., a nonprofit organization equipping girls with the skills to navigate through economic, gender, and social barriers.

### Donation Clean Out Kits

Our Clean Out service includes a donation program, where sellers have the option to make a charitable donation in lieu of receiving a payout for their items. In 2023, our sellers donated \$43K spread across 6 charity partners.

FEEDING  
AMERICA

HELP  
A MOTHER  
OUT

Make A Wish

susan g.  
komen.

WARDROBE FOR OPPORTUNITY

girls  
inc.

THREDUP®

# EMPLOYEE HEALTH, WELLNESS, BENEFITS

We are making a meaningful, positive impact on the lives of our team members, providing them with the tools and resources to feel fully supported both at work and at home. We firmly believe that a happy and healthy workforce is the foundation of our collective success, and we've made a steadfast, ongoing commitment to providing comprehensive employee benefits that go beyond the basics.

## Pioneering the 4-day work week

We're pioneering a new world of work, where employees have a healthy work-life integration. Challenging long-established norms that no longer serve today's multi-faceted workforce is crucial for the ongoing health and wellness of our employees and the success of our teams. What started as a pandemic-era experiment has morphed into a perk that has proven to be incredibly beneficial for ThredUp's working parents, productivity levels, and employee satisfaction and retention. 94% of ThredUp employees agree that the 4-day work week has made a positive impact in their overall productivity.

The four-day work week applies to corporate salaried employees. In our distribution centers, leaders and hourly employees work with a similar level of flexibility through a variety of shift times across 3-5 days per week.





Employee health, wellness, benefits

## COMPREHENSIVE AND COMPETITIVE BENEFITS PACKAGE

We offer the following benefits to all full-time employees across our corporate offices and distribution centers:

- ✦ Medical, dental and vision insurance
- ✦ Prescription drug coverage
- ✦ Voluntary accident & hospital protection
- ✦ One Medical\*
- ✦ Healthcare travel reimbursement policy
- ✦ Employee Assistance Program (EAP)
- ✦ Health Savings Account (HSA)
- ✦ Flexible Spending Accounts (FSA)
- ✦ Life Insurance
- ✦ Disability insurance
- ✦ 401k
- ✦ Pet Insurance
- ✦ Legal Insurance
- ✦ Paid 12-week parental leave\*
- ✦ Unlimited PTO\*
- ✦ Floating Holiday Program\*\*
- ✦ Employee Stock Purchase Plan
- ✦ 8 weeks paid sabbatical after 3 years\*

\*Only applicable for salaried employees

\*\*Only applicable for hourly employees



## EMPLOYEE ATTRACTION AND RETENTION

Our people are at the heart of everything we do as we pursue our mission.

**Our unwavering focus on employee attraction and retention has been instrumental in our progress.**

We believe that our ability to achieve our ambitious goals is contingent upon recruiting and retaining top talent, and we strive to cultivate a team of exceptional individuals who are passionate about their work and dedicated to our mission. Their expertise, creativity, and commitment drive innovation, fuel growth, and ensure that we remain at the forefront of our industry. By investing in our employees, we not only strengthen our organization but create a positive ripple effect that extends to our customers, partners, and the communities we serve.

Our corporate retention rate in 2023 was 95.5%\*.



## Employee Attraction & Retention

# TRAINING AND DEVELOPMENT

We see ourselves as a community of learners, including both teachers and students with a passion for infinite learning. As a result of this company-wide curiosity, employee development is woven into everything we do, from internships to management training to self-learning opportunities.

## IMPACT Institute

IMPACT Institute is the title for of our corporate Learning and Development programs. Programming includes short courses, group connection opportunities, and leadership summits. The mission of IMPACT Institute is to provide employees with developmental resources rooted in ThredUp company values and IMPACT leadership principles. The goal of each IMPACT Institute experience is for employees to walk away with new skills and knowledge, an increased connection with other employees, and actionable takeaways aligned with overall company goals.

**I**mpact

**M**otivation

**P**sychological safety

**A**uthenticity

**C**ourage

**T**ransparency

**Employee Attraction & Retention****EMPLOYEE SATISFACTION****90%**

of employees say they are proud to tell others they work at ThredUp.

**89%**

of employees say their manager is open to give and receive feedback on a regular basis.

**87%**

of employees say they feel empowered to make decisions at work.

**83%**

of employees say they see themselves working at ThredUp a year from now.

**82%**

of employees say ThredUp is visibly committed to Diversity, Equity, Inclusion, and Belonging.

**81%**

of employees say people from all demographic backgrounds have an equal opportunity to succeed at ThredUp.



“ At ThredUp, we believe people are at the heart of everything we do. We’re committed to fostering a positive and inclusive work environment for our employees while also strengthening the communities where we operate. By investing in our team members’ well-being and actively engaging with local causes, we aim to create a ripple effect of positive change. ”

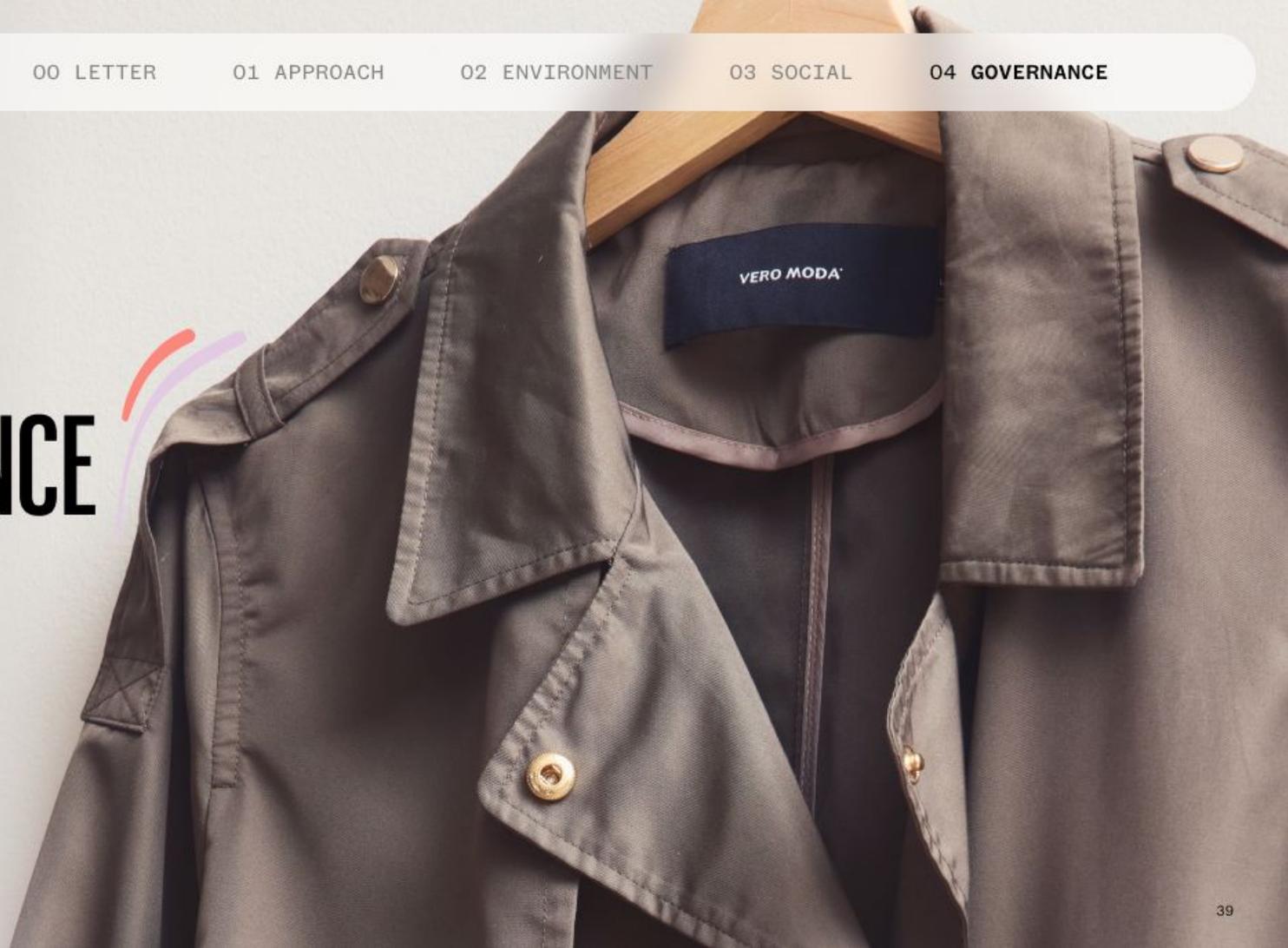


**Natalie Breece**

Chief People and Diversity Officer



04  
GOVERNANCE



# ★ Corporate governance and business ethics



Building a purpose-driven business is not only reflected in our sustainable business model, but embedded in the core values we embrace. Transparency, integrity, and ethical behavior form the underpinnings of our corporate governance framework.

ThredUp has published a detailed Code of Business Conduct and Ethics (the “Code”) and maintains an independent Board, whose Nominating and ESG Committee oversees our ESG strategy and disclosure efforts. To support these governance principles in action, we have set up multiple transparency-driven communications channels, such as a whistleblower hotline, an objective and independent process for internal investigations, and a monthly executive Q&A forum.



## Corporate governance

# OUR BOARD

Our Board evaluates our CEO's performance, provides oversight of our financial reporting processes, and determines and implements our corporate governance policies.

Our Board and management team are committed to the highest standards of corporate governance to ensure that we are managed for the long-term benefit of our stakeholders.

### Board diversity

Our Board is made up of 9 members, with 44% identifying as female, and 22% identifying as a racial minority.

The positions of Chief Executive Officer and Chairperson of the Board are two separate roles. The Chairperson of our Board presides over meetings of our Board and holds other powers customarily carried out by the Chairperson of the Board. Our Board believes that keeping these roles separate allows the CEO to have strategic and operational objectives while the Chairperson and the Board can maintain effective oversight and objective evaluation of corporate performance.

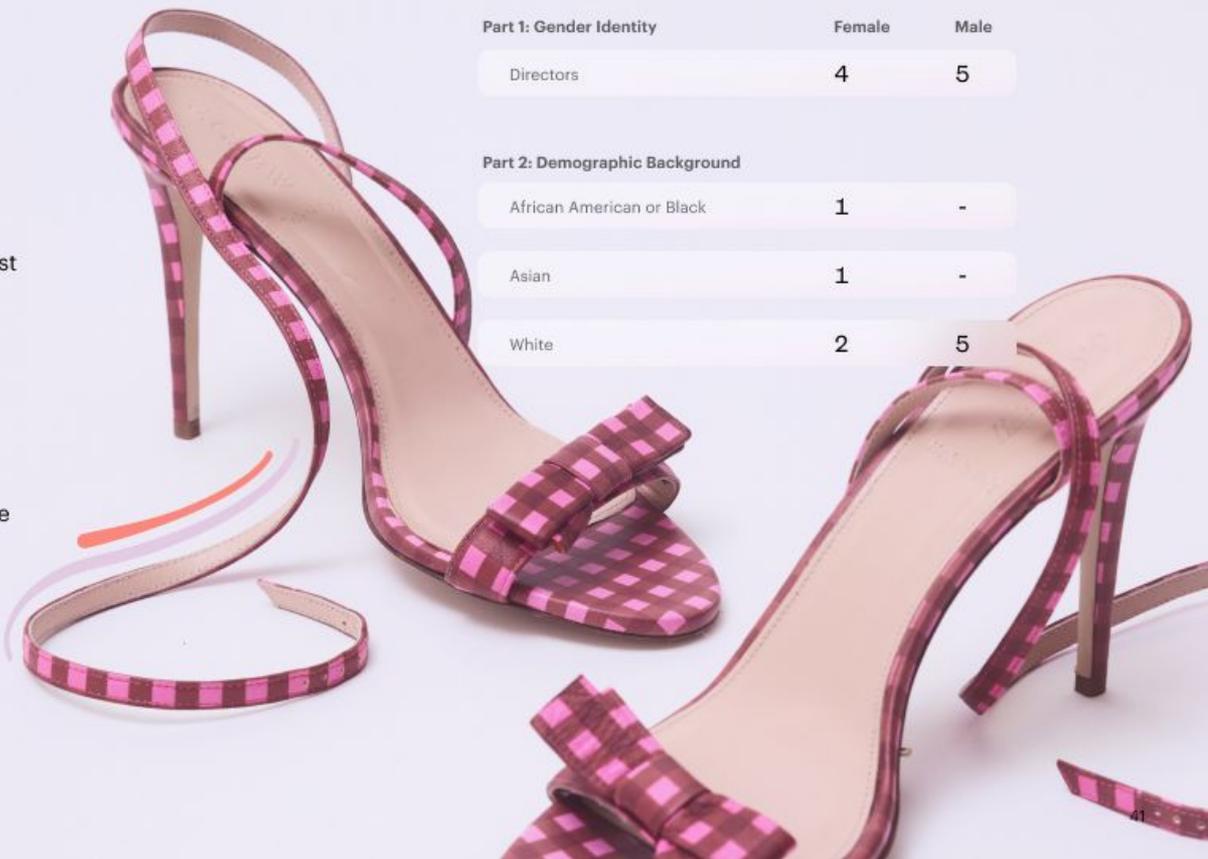
### Board diversity

#### Part 1: Gender Identity

	Female	Male
Directors	4	5

#### Part 2: Demographic Background

African American or Black	1	-
Asian	1	-
White	2	5





## Corporate Governance

# BOARD-LEVEL ESG OVERSIGHT

We believe that board-level oversight of ESG strategy and disclosure is a critical component of modern corporate governance. Accordingly, we have embedded board-level oversight of ESG into our Nominating and ESG Committee charter. Our management team briefs our NESG Committee and Board of Directors on a quarterly basis. Please visit [Corporate Governance](#) at ThredUp for more information on board oversight and governance of sustainability.

## Ethics and compliance

Our commitment to ethics and integrity is embodied in our [Code of Business Conduct and Ethics](#) (the “Code”). Our Board is responsible for administering the Code in partnership with our Chief Legal Officer, who is responsible for day-to-day Code responsibilities. The Code includes compliance with laws, rules, and regulations; conflicts of interest, insider trading, confidentiality, ethical conduct, and the protection and use of corporate assets.

## Risk management

Our Board has responsibility for the oversight of our risk management processes, and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business, and the steps we take to manage them. The risk oversight process includes receiving regular reports from Board committees and members of senior management to enable our Board to understand our risk identification, risk management, and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, cybersecurity, strategic, and reputational risk.



**Corporate Governance****BUSINESS ETHICS****Anti-corruption**

We require that all employees, officers, and directors comply with all laws, rules, and regulations applicable to ThredUp wherever we do business, that they use good judgment and common sense, and that they speak up. If any employee, officer, or director encounters any violation of any law, rule, or regulation by ThredUp, it is their responsibility to promptly report the matter to a supervisor, our Chief Legal Officer, or to the whistleblower hotline.

**Promote ethical behavior**

Employees, officers, and directors who have material nonpublic information about ThredUp are prohibited by law and ThredUp policy from trading in securities, as well as from communicating such information to others who might trade based on that information.

**Employee training**

All employees receive a copy of the Code and are required to acknowledge it at the time of hire and annually thereafter. Managers also receive annual training on reporting workplace concerns, for example, reporting unethical conduct or conduct that violates ThredUp's harassment prevention policies.

**Ethics reporting**

ThredUp employees are obligated to report concerns or potential violations of the Code through several authorized communications channels, including directly to our Chief Legal Officer. We have established multiple methods for reporting, including anonymously through the whistleblower hotline, as outlined in our Code.

# ✦ CYBERSECURITY

As an e-commerce business, we protect sensitive information and access to critical networks and systems via a comprehensive information security program with clearly defined and audited policies and procedures. The program spans access management, vendor and risk management, vulnerability management, incident response, disaster recovery and business continuity plans, internal and external security audits, and security and awareness training. Our program has been documented and independently verified to be in compliance with SOC2 Type 2 and PCI DSS Level 2 standards.

We employ extensive scanning and monitoring of system infrastructure including networks, containers, servers, operating systems as well as source code and software dependencies. We utilize a variety of mechanisms to detect and remediate malicious activity such as purchase fraud, suspicious account activity, and unauthorized system access. We conduct continuous testing of our security posture internally and via external vendors.

Security awareness training is required of all employees and contractors upon hire and annually thereafter. Program activities including results of internal and external testing, assessments, and audits are reviewed with our Board's Audit Committee on a quarterly basis. External audits for SOC 2 and SOX IT are conducted on an annual basis. PCI DSS compliance scans are conducted quarterly to comply with Level 2 standards.



# CUSTOMER PRIVACY

We take the privacy of our customer and employee data seriously. ThredUp complies with applicable state privacy laws and continuously monitors the U.S. state regulatory landscape to ensure compliance with upcoming privacy laws.

## Our consumer-facing privacy policy outlines our data use and sharing practices to customers, including California-specific privacy rights.

Our universal privacy policy ensures privacy rights for all customers, regardless of location. We prioritize safeguarding your information with an in-house cookie management solution developed after a thorough third-party cookie audit. Customers can easily manage their privacy settings, including data deletion and sharing preferences, in our privacy portal. Our privacy automation tool proactively maps data processes, collects DPIAs, and regularly scans for potential privacy issues. We're committed to maintaining transparency and giving customers full control over their personal information.

## Our privacy program includes

- ✦ A new option for our customers to directly delete their **personal identifiable information (PII)** through [our privacy page](#)
- ✦ A comprehensive **data inventory** identifying team-specific data uses, processing activities, and utilized applications across the data lifecycle
- ✦ Internally created workflows to facilitate **fulfillment of deletion**, access, and Do Not Sell requests, including establishment of data separation architecture for RaaS client deletion requests
- ✦ A **Data Protection Impact Assessment (DPIA)** template that evaluated changes to our HRIS technology with the People Operations team
- ✦ Privacy guidelines and materials to educate our workforce on the importance of key **privacy processing principles** such as data minimization and purpose limitation

“ At ThredUp, ethical and responsible practices are the bedrock of our success. Our commitment to strong governance ensures integrity across everything we do, from board oversight to daily operations. We're building a company where every decision is guided by these principles, fostering sustainable growth that benefits all our stakeholders. ”



**Patricia Nakache**

Chairperson of the Board, Chair of  
Nominating and ESG Committee





## ABOUT THIS REPORT

ThredUp's 2023 Impact Report is our third annual report outlining our commitment and approach to shaping the future of fashion and our impact on our people, planet, and communities. The report provides details on our management approach, policies, programs, and impacts across key environmental, social, and governance areas.

Unless otherwise stated, the boundary of our report includes our entire business operations including ThredUp's headquarters in Oakland, California; our office in Scottsdale, Arizona; and our four distribution centers in Arizona, Georgia, Pennsylvania, and Texas.

Please reach out to ThredUp at [sustainability@thredup.com](mailto:sustainability@thredup.com) with questions or feedback.