



GENDER & ETHNICITY PAY GAP REPORT

2023

depop



Introducing our 2023 Gender & Ethnicity Pay Gap report

At Depop our mission is to make fashion circular, encouraging millions more people to choose secondhand fashion over new. Bringing this mission to life relies on building diverse communities both internally and externally. Internally, it means shaping teams that reflect the diversity and vibrancy of our base of sellers and buyers and the locations we operate in - teams who are equipped to build a marketplace championing unique personal style choices and opening up access to circular fashion, for everyone.

As part of our commitment to creating a truly diverse, inclusive and equitable workplace, we're pleased to share the results of our annual Gender and Ethnicity Pay Gap report. As in previous years, we're voluntarily disclosing our ethnicity pay gap data. We believe this is important to further transparency and create a benchmark by which we can measure progress. This year's report tells us that:

- **We reduced our median gender pay gap for the second year running. In addition, there is no median ethnicity pay gap at Depop.** There was a reduction in representation of both women and underrepresented ethnicities (URE) in the highest pay quartile at the snapshot date, but we've made recent appointments to our Executive Team which have increased both female and URE representation in this group since then.
- **100% of eligible employees received a bonus payment in the reporting period to 4th April 2023***, following the introduction of our company bonus scheme and RSUs last year.

We're therefore confident that eligibility is not impacted by gender or ethnicity. There is an increase in our bonus pay gap this year though, due to lower representation of women and UREs in roles which attract higher bonus pay.

- **We've made progress in closing our pay gap over the last three years, but still have plenty of work to do.** The UK GPG methodology is closely linked to representation, so developing and hiring talented people from underrepresented communities into higher paid roles at Depop remains our focus - and something we're actively doubling down on through targeted talent partnerships, hiring and progression practices, detailed on page 11 of this report.

To further our commitment to fairness in reward, we'll be conducting our second bi-annual pay equity study later this year. Using an independent third party provider, this study gives us additional insight to ensure our compensation is consistent and fair for similar roles across Depop, regardless of gender or ethnicity.

It's a culture of inclusion that truly unlocks the potential in a diverse workforce. So whilst we're making concrete steps towards building a more representative community, we're committed to also fostering an internal environment where all of our people are empowered to do their best work, and play a unique role in delivering on our mission.

Kruti Patel Goyal

Chief Executive Officer,
Kruti Patel Goyal



*Any employees not receiving a bonus were new joiners or employees on fixed term contracts who were not eligible for a bonus under the rules of the scheme

About this report

We're pleased to share our annual Gender & Ethnicity Pay Gap Report for 2023. All UK companies with more than 250 employees are legally required to report annually on any gender pay gap. The gender pay gap is reporting on any difference between the mean and median earnings of men and women. This is expressed as a percentage of men's earnings, and excludes any employees on reduced pay (e.g. statutory parental pay, statutory sick pay or unpaid leave).

The government requires us to publish a binary gender pay gap report but we believe everyone should have the freedom to express their gender and we respect the gender identity of everyone. At Depop, there are employees who identify as non-binary. Those employees, and those who did not declare their gender identity, are not included in these numbers.

Unlike the gender pay gap reporting, there's no legal obligation to publish our ethnicity pay gap data but we believe in transparency, so we voluntarily publish them together so that we can be held accountable.

The calculations are exactly the same as the gender pay gap, the only difference is that it relates to employees of ethnicities underrepresented at Depop (UREs) versus White employees.

*The figures given for this year represent a snapshot of Depop as of 5th April 2023.

Definitions and Context

Pay Quartiles

The percentage of women and men, and URE and White employees, in four quartiles, calculated by ranking employees from the highest paid to the lowest paid and dividing our workforce into four equal parts.

Mean

The difference between the average hourly rate of pay or bonus pay between women and men, and URE and White employees. A positive % indicates a pay gap favourable to men or White employees, a negative % indicates a pay gap favourable to women or URE employees.

Median

The difference in the midpoints of hourly rates of pay or bonus pay between women and men, and URE and White employees. It's calculated by ranking all the figures from highest to lowest and takes the figures in the middle - this avoids skewing by figures at either end of the scale.

Bonus Pay Gap

Calculations are based upon variable pay received by relevant men and women between 6 April 2022 and 5 April 2023. This takes into consideration annual employee bonus, RSUs and any qualifying one-off payments that are awarded through payroll. It excludes non-cash items like benefits and salary.

Equal Pay vs Gender Pay Gap

Measured by comparing the pay for employees carrying out the same or similar work, taking into account level and job type. Gender pay gap is based on pay differences between men and women, and Ethnicity pay gap between URE and White employees. It doesn't consider employee level or job type.

Underrepresented Ethnicities (URE)

Defined as Asian, Black, Mixed, Other (inc. LatinX) employees. To identify which ethnicities are underrepresented, we consider census, workforce and benchmarking data as well as our aim to be a progressive workplace.

GENDER

Our 2023 Gender Pay Gap

Our Gender Pay Gap in 2023

Mean Gender Pay Gap: **7.1%**

Median Gender Pay Gap: **10%**

Variation in our Pay Gap (vs 2022)

Mean Gender Pay Gap **increased by 1.2pp** (vs 5.9% gap in 2022)

Median Gender Pay Gap **reduced by 1.4pp** (vs 11.4% gap in 2022)



Upper Quartile
Women 36%
Men 64%



Upper Middle Quartile
Women 44%
Men 56%



Lower Middle Quartile
Women 47%
Men 53%



Lower Quartile
Women 54%
Men 46%

Gender split at Depop*
46% Women
54% Men

*A small number of employees identify as non-binary or have not disclosed their gender, those people are not included in these figures.

Our 2023 Gender Bonus Gap

Who received Bonus Pay?*

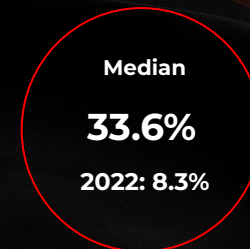
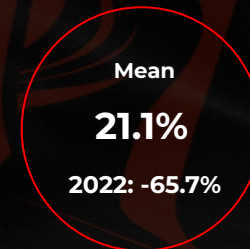
Women



Men



Bonus Pay Gap**



*We are confident that any disparity between groups that did not receive a bonus or RSU vesting is driven solely by representation of those who were eligible to receive them, rather than a fairness issue.

**RSU vesting schedules are different for each employee and each vesting is subject to fluctuation in value depending on the Etsy share price. This can contribute to steep variations in the bonus pay gap data

ETHNICITY

Our 2023 Ethnicity Pay Gap

Our 2023 Ethnicity Pay Gap

Mean Ethnicity Pay Gap: **5.3%**
 Median Ethnicity Pay Gap: **-1%**

Variation in our Pay Gap (vs 2023)

Mean Ethnicity Pay Gap **increased by 6.9pp**
 (vs -1.6% gap in 2022)

Median Ethnicity Pay Gap **increased by 2.1pp**
 (vs -3.1% gap in 2022), but still represents a negative gap



Upper Quartile
URE 24%
White 76%



Upper Middle Quartile
URE 38%
White 62%



Lower Middle Quartile
URE 28%
White 72%



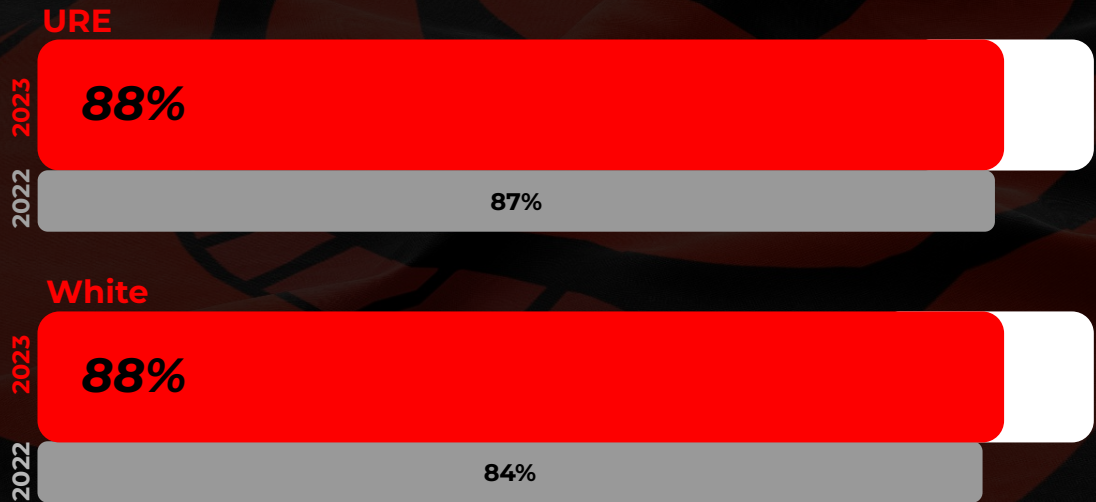
Lower Quartile
URE 29%
White 71%

Ethnicity split at Depop
30% URE*
70% White

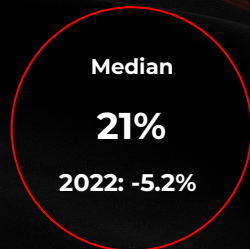
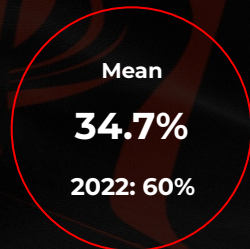
* Underrepresented Ethnicities (URE) - defined as Asian, Black, Mixed, Other (inc. LatinX). Note that a small number of employees have not disclosed their ethnicity, those people are not included in these figures.

Our 2023 Ethnicity Bonus Gap

Who received Bonus Pay?*



Bonus Pay Gap**



*Any employees not receiving a bonus is due only to eligibility (new joiners, FTCs)
 **RSU vesting schedules are different for each employee and each vesting is subject to fluctuation in value depending on the Etsy share price. This can contribute to steep variations in the bonus pay gap data

We know there's still a long way to go, and we're dedicated to furthering our commitment to DEI through fairness and consistency at every stage

Diversifying our hiring pipelines

Following a successful trial of this approach in 2023, our Talent Partners embark on a dedicated 1-week DEI sourcing sprint for every new role we recruit. This proactive approach ensures we actively reach out to candidates from underrepresented communities early on, fostering more equitable representation in our talent pipelines. We have also been trialling a custom hiring approach inspired by the Mansfield Rule, aimed at improving the representation of underrepresented gender identities and ethnicities in our Engineering & Data and Management hiring pipelines specifically.

Collaborative talent outreach

We have continued to strengthen our talent outreach efforts by investing in external partnerships with Women Who Code, Black Young Professionals, and Black Create Connect. Through these collaborations, we aim to broaden our reach into, and increase representation from, underrepresented communities. We post roles on their job boards, co-create compelling social media content, and host inclusive events throughout the year.

Setting ambitious representation targets

We've set public representation targets and reported these in our 2023 Impact Report, which captures our primary Impact Goals for the years ahead. We've committed to reach 27% underrepresented gender identities in Engineering and Data, and 35% UREs at Depop in the UK and US by 2028*.

Embedding consistency in progression & pay

We review all performance and promotion decisions to check for internal equity, and set defined pay bands to ensure employees are paid fairly and equitably when they join, and as they progress through, the organisation.

Maintaining external checks and balances

Later this year, we will be working with Mercer, an independent third party, to conduct our second Pay Equity study to ensure compensation is fair and equitable across those doing similar roles at Depop.

Declaration
March 2024

**We confirm that the
information and data
reported are accurate.
They follow the government's
Equality Act 2010 (Gender
Pay Gap information)
Regulations 2017.**

Kruti Patel Goyal

Chief Executive Officer,
Kruti Patel Goyal