

**THREDUP**

2024

# **IMPACT REPORT**



# FOUNDERS' LETTER

Dear ThredUp Community,

It's inspiring to reflect on the incredible journey we've shared since founding ThredUp. What began 16 years ago as a simple belief in a better way to experience fashion – one that passionately prioritizes the planet – has blossomed into a powerful, undeniable movement. We are incredibly proud of how far we've come, and encouraged by the impact we're making together.

As ThredUp continues to grow and expand our reach, so too does our ability to drive meaningful change. We've made significant strides in advancing the circular economy, extending the life cycle of hundreds of millions of garments and diverting them from landfills. In recent years, our commitment to a more sustainable future for fashion has included the critical realm of policy and advocacy. We've been at the forefront of shaping federal and state legislation that will accelerate the industry's essential transition to circularity.

At our core, we are relentlessly focused on operationalizing circularity at scale because we know that's how we most effectively combat the fashion waste crisis. Our industry-leading Resale-as-a-Service (RaaS) platform empowers even more brands to launch their own resale programs, keeping countless items in circulation and out of landfills. We're also harnessing the power of AI to not only make thrifting easier and more accessible for everyone, but to significantly reduce friction throughout the entire secondhand experience.

This report is a testament to our deepening impact, showcasing not only the tangible results of our business but also our expanding leadership in shaping the future of fashion. We invite you to explore the data, initiatives, and inspiring stories within these pages and join us as we continue to grow our business and dent the universe.

Onward!



**James Reinhart**

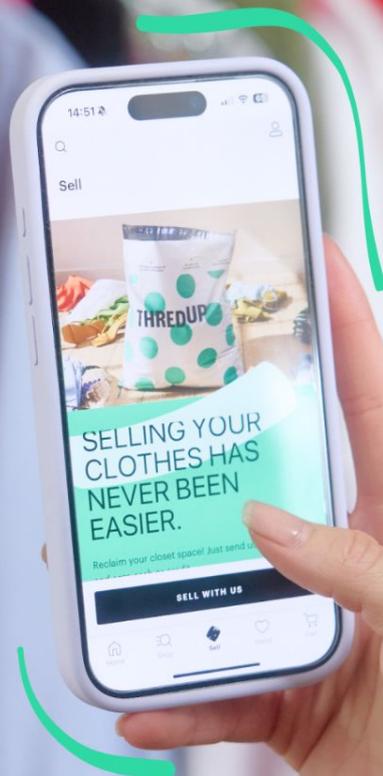
ThredUp Cofounder & CEO



**Chris Homer**

ThredUp Cofounder & COO

01  
**OUR APPROACH  
TO IMPACT**



# OUR MISSION

## To inspire the world to think secondhand first

As a leading online resale platform, ThredUp leverages technology and operational excellence to revolutionize the resale market. By simplifying the buying and selling of pre-owned goods, we extend the lifespan of apparel, reshape consumer shopping habits, and actively contribute to a more sustainable future for the fashion sector.

Our market leadership is driven by a comprehensive Environmental, Social, and Governance (ESG) strategy integrated with our business goals and brand principles. Through ongoing dialogue with stakeholders, both internal and external, we identify areas for improvement and leverage our strengths. Our commitment to transparent reporting and disclosure provides a clear overview of our ESG performance for our stakeholders, enabling continuous measurement and advancement of our progress.





# THREDUP IMPACT AT A GLANCE



**230M**

secondhand items processed



**1.1B**

lbs of CO2e prevented



**11.5B**

gallons of water saved



**2.1B**

kWh of energy saved



**2.3M**

items listed through our RaaS program in 2024



**\$260M**

total revenue from continuing operations in 2024



**1,630**

total employees in 2024



**1.3M**

active buyers in 2024



**66K+**

brands listed



**\$7.6B**

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**

# COMMITTED TO THE LONG-TERM: THREDUP ON THE LTSE

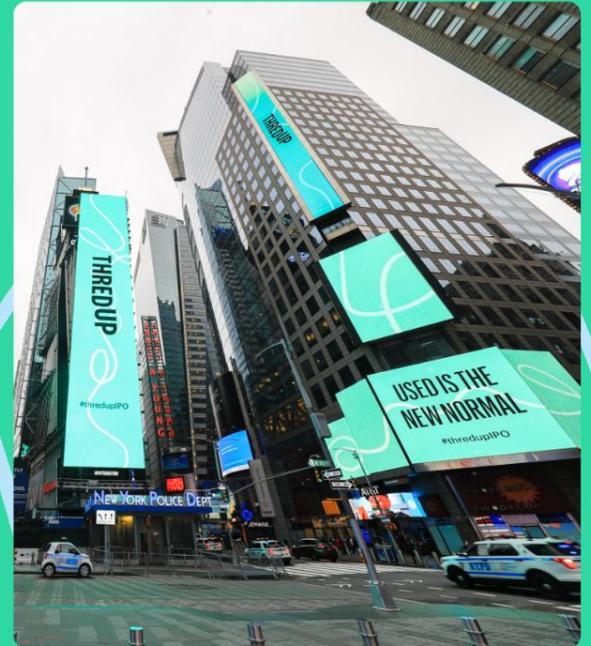
ThredUp proudly lists its Class A common stock on the [Long-Term Stock Exchange \(LTSE\)](#), a market built for enduring value. As the first consumer company to join the LTSE, ThredUp embraces its rigorous principles, publicly detailing our long-term business strategies for all stakeholders.

Our LTSE listing underscores ThredUp's deep commitment to our long-term vision, benefiting shareholders, employees, customers, and communities within a public ecosystem fostering sustainability, resilience, and lasting value creation. This dual commitment to financial performance and sustainable impact, championed by both ThredUp and the LTSE, redefines capitalism and drives our mission to inspire a secondhand-first mindset.

As a core tenet of our LTSE listing, ThredUp implements comprehensive policies—spanning long-term stakeholder engagement, strategic vision, executive compensation, board oversight, and shareholder relations—all designed to drive sustainable growth, reduce fashion waste, and foster a more circular economy for enduring positive impact. Read more about our Long Term Policies [here](#).

**LTSE** LONG-TERM  
STOCK EXCHANGE

**THREDUP**



## ★ 2024 HIGHLIGHTS

Recirculated 2.3 million secondhand items through our **Resale-as-a-Service** business, extending our impact through partnerships with leading brands.

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

In partnership with members of American Circular Textiles, we launched the **Sales and Use Tax petition** (to oppose double taxation of secondhand goods) to encourage consumers to petition against being taxed when buying a secondhand item.



## 2024 AWARDS

### TIME

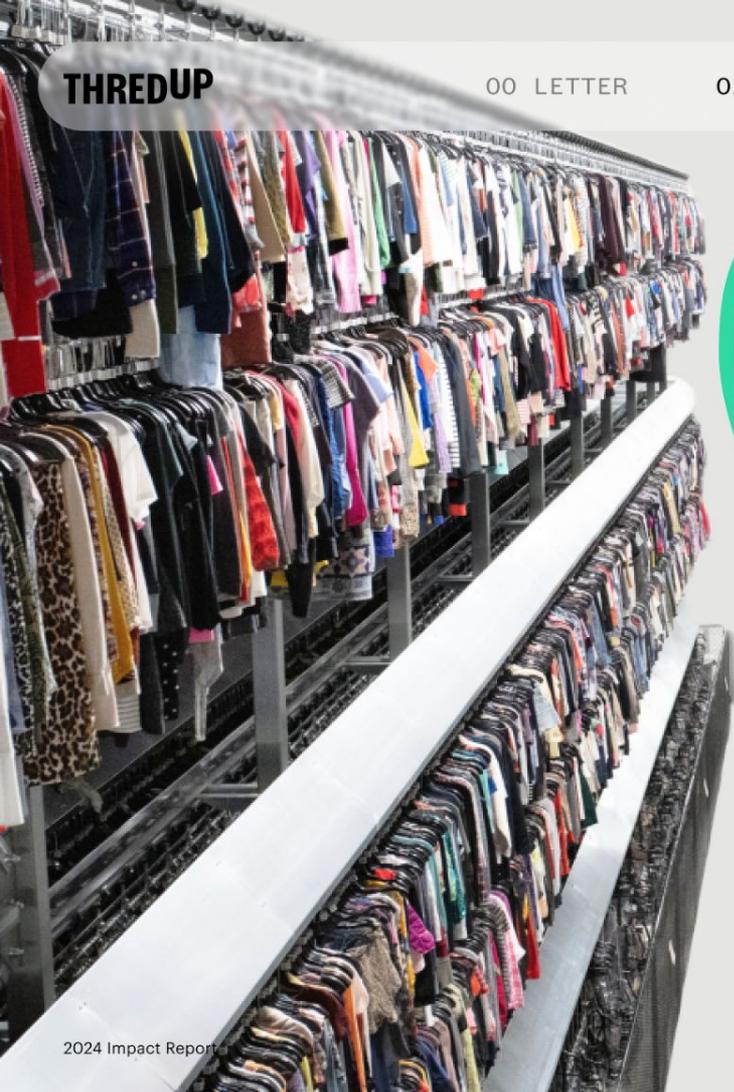
Best Inventions of 2024:  
AI Search

### GOOD HOUSEKEEPING

Sustainable Innovation  
Award - RaaS

### CNET

Best Thrifting and  
Secondhand Shopping  
Apps of 2024 - Most Eco-  
Friendly Online Resale  
Platform



“ThredUp demonstrates that mission-oriented businesses can be highly successful. Our strategic focus on building a robust and scalable platform for secondhand fashion has allowed us to grow our business while maintaining our integrity, proving that impact and profit can go hand-in-hand.”



**Alon Rotem**

Chief Strategy Officer and Chief Legal Officer

02 ✨  
**ENVIRONMENT**



# Shaping a greener future for the apparel industry

ThredUp is dedicated to sustainability, striving for a circular fashion system by funding new ideas, backing key industry players, and promoting policies that support textile reuse. Our primary goal is to give clothes a second life, keeping them in circulation and out of landfills.

Purchasing pre-owned clothing reduces the demand for new production, which is responsible for significant water use, energy consumption, and chemical pollution in the fashion sector. Beyond our central business, we are also focused on making our own operations eco-conscious and assisting other businesses in adopting circular models to achieve their own sustainability targets. Driven by our strong belief in circularity, we aim to transform the fashion world, one secondhand 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**

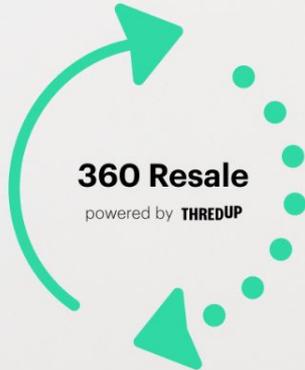
88.89 gallons of water

# 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

50

brand clients

140K

Clean Out Kits received through our RaaS program in 2024.

2.3M

items listed through our RaaS program in 2024.

CHRISTY DAWN

TORRID

Reformation

Michael Stars

Madewell

H&M

BANANA REPUBLIC

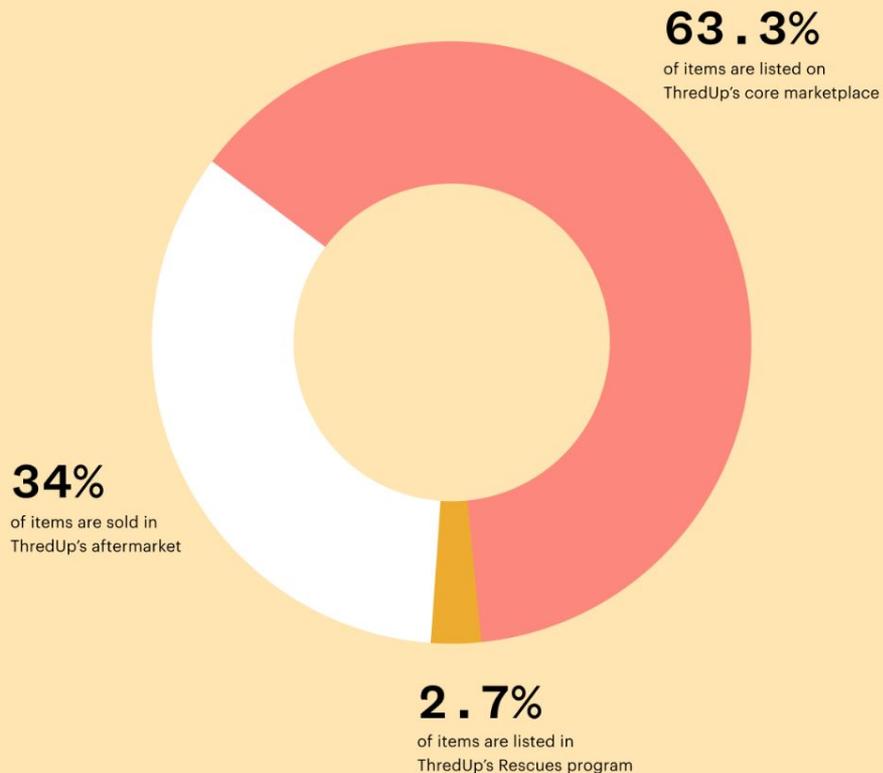


ATHLETA



# 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.





### Product Circularity

## RESCUES PROGRAM

Through our Rescues program, customers can purchase heavily discounted bundles of secondhand items. This is our way of saving items we receive that don't qualify for listing on our marketplace but still have a lot of life left in them.

**In 2024, we sold 771,043 items through our Rescues channel, with a total of 6.3 million items sold to date.**



## 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.

**33%**

of items are sold to international brokers

**49%**

of items are sold to domestic thrift stores

**19%**

of items are sold to domestic graders or sorters

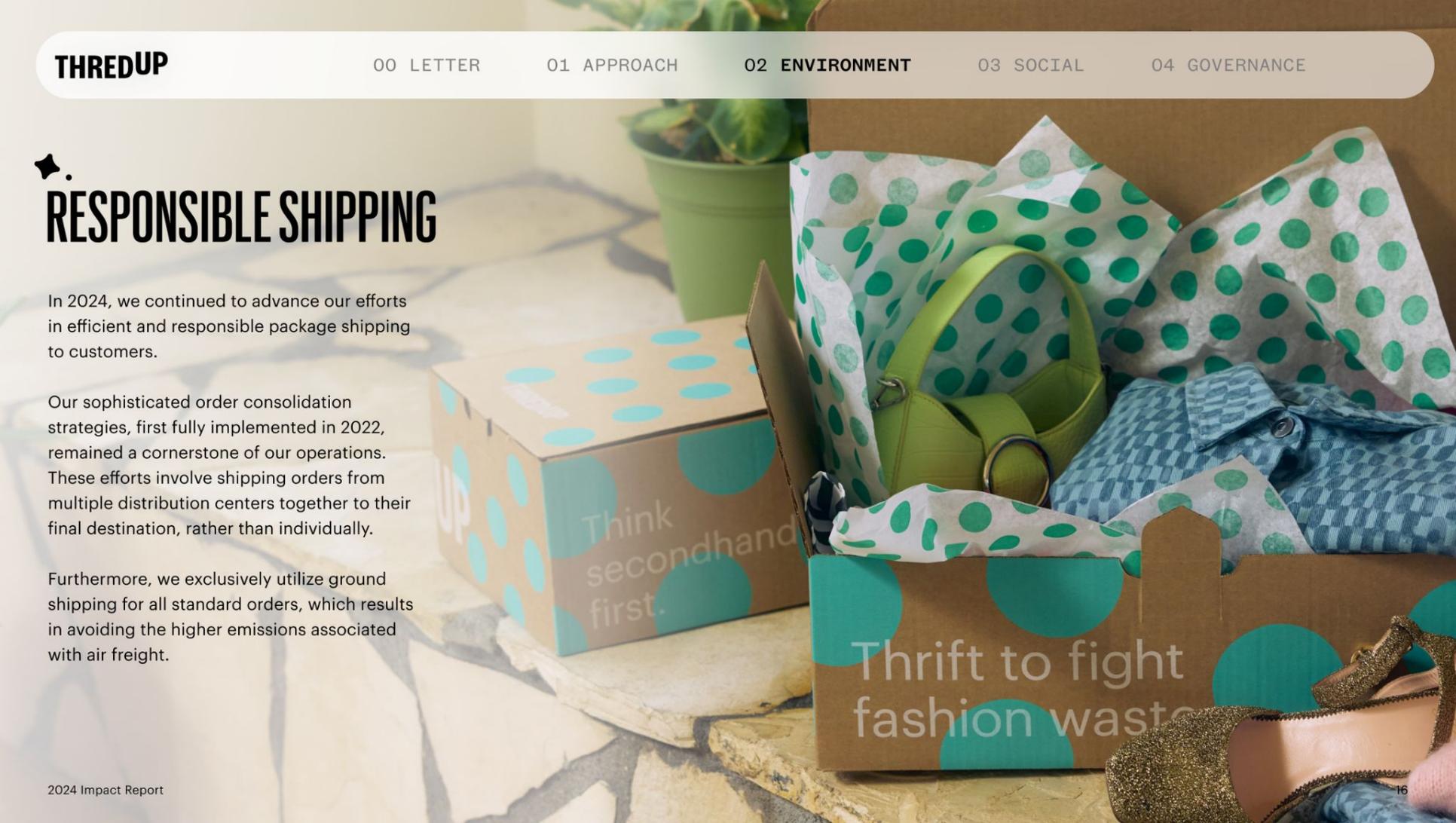
We are looking to expand our aftermarket partners. Want to join us? Reach out to [RAAS@thredup.com](mailto:RAAS@thredup.com).

# RESPONSIBLE SHIPPING

In 2024, we continued to advance our efforts in efficient and responsible package shipping to customers.

Our sophisticated order consolidation strategies, first fully implemented in 2022, remained a cornerstone of our operations. These efforts involve shipping orders from multiple distribution centers together to their final destination, rather than individually.

Furthermore, we exclusively utilize ground shipping for all standard orders, which results in avoiding the higher emissions associated with air freight.



Thrift to fight  
fashion waste

## ★ ENERGY CONSUMPTION AND EFFICIENCY

In 2024, ThredUp continued to prioritize energy efficiency across its operations. Efforts included strategically sourcing electricity at its distribution centers to optimize consumption and costs, alongside ongoing upgrades to energy-efficient LED lighting in key areas of the Company's distribution centers.

Furthermore, optimizing work schedules and consolidating operational periods across distribution centers led to a reduction in daily active hours, contributing to decreased energy consumption throughout ThredUp's operations.



# SUSTAINABLE PACKAGING

Our unboxing experience reflects our commitment to both circularity and sustainability. Every ThredUp garment is carefully wrapped in our iconic polka dot tissue paper, which is not only recyclable, but is made with 70% Forest Stewardship Council “FSC” certified recycled content.

In 2024, ThredUp purchased 84,105 pounds of tissue paper, manufactured with over 50,000 pounds of recycled fiber.

Our commitment extends to the boxes themselves. All of our corrugated boxes are made from 100% recycled content and are FSC certified. By choosing recycled materials, we significantly reduce energy consumption, water usage, and air pollution.

**ThredUp’s packaging choice helps save nearly 18,000 trees and prevents 900+ metric tons of CO2e emissions each year, according to estimates from ThredUp’s cardboard supplier.**

**The corrugated packaging used is highly recyclable, with over a 90% recovery rate in the U.S., keeping materials in circulation.**





## 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 2024, we recycled 182,400 pounds of materials through our partnership – a 62.9% increase from 2023.**

THE **AZEK**  
COMPANY



**THREDUP**

# DRIVING POLICY FOR SUSTAINABLE FASHION

ThredUp's mission to create a more sustainable future for fashion is strengthened by broad industry collaboration, extending beyond our own business.

**In 2024, ThredUp significantly expanded its commitment to policy and advocacy, actively driving circularity across the U.S. We continued our work with American Circular Textiles, a coalition identifying bipartisan policy opportunities, emphasizing textiles as a distinct economic opportunity and supporting existing circular solutions.**



Our efforts included robust support for the Americas Act, a proposed federal bill with over \$14 billion in incentives for circular fashion and textile recycling, aiming to boost domestic circularity and create green jobs.

We actively joined Congressional briefings in D.C. for the Americas Act, meeting with five Congressional offices to highlight its economic benefits. Through American Circular Textiles, ThredUp also launched a nationwide consumer call-to-action to end the secondhand tax, advocating against double taxation that discourages sustainable shopping.

Furthermore, ThredUp endorsed the New York Fashion Act, legislation requiring large fashion companies to conduct due diligence and disclose their environmental and social impacts.



## LAUNCHED THE SLOW FASHION CAUCUS

At the launch event on June 27th, 2024 for the Slow Fashion Caucus, a new Congressional Member Organization (CMO) led by Congresswomen Chellie Pingree [-D-ME], ThredUp's Chief Strategy Officer Alon Rotem delivered keynote remarks.

Alon emphasized the critical need for public policy to accelerate the transition to a sustainable fashion future, highlighting that this Caucus provides a powerful new platform to advance the fashion policy agenda and change incentive structures to benefit the planet and its resources.

# 2024 ADVOCACY HIGHLIGHTS

- ✦ **Co-authored the Americas Act:** ThredUp collaborated with American Circular Textiles on The America's Act, a proposed bipartisan federal bill designed to strengthen U.S. trade relations and includes over \$14 billion in incentives for the circular fashion and textile recycling sectors. It aims to boost domestic circularity, reduce reliance on foreign supply chains, and create green jobs through grants, loans, and tax exclusions for businesses engaged in reuse, repair, rental, and recycling activities.
- ✦ **Promoted the end of Secondhand Sales Tax:** Through our partnership with American Circular Textiles, ThredUp launched a nationwide consumer call-to-action to end secondhand tax. Currently, many states impose sales tax on secondhand items, such as clothing, shoes, and accessories, subjecting consumers to double taxation. This policy not only discourages sustainable shopping practices but also hinders the growth of the circular economy.

- ✦ **Supported the NY Fashion Act:** ThredUp endorsed the proposed New York Fashion Act, legislation designed to hold large fashion companies accountable for human rights and environmental impacts across their supply chains through mandated due diligence and disclosures.
- ✦ **Joined Congressional Briefings in DC:** ThredUp actively participated in a policy tour in D.C. for the Americas Act which included meeting with five Congressional offices. The objective of the tour was to highlight how the bill strengthens the U.S. economy, alongside attending a reception where U.S. Senators Cassidy and Bennett shared remarks with attendees from Congress, foreign embassies, and various brands and retailers.

## THREDUP'S THOUGHT LEADERSHIP AND SELECTED SPEAKING ROLES

ThredUp's leadership, including CEO James Reinhart, has actively participated in various thought leadership and speaking engagements.

Reinhart has spoken at conferences like The Lead and FUTR North America, highlighting the role of AI in boosting resale adoption and discoverability. He's also been featured in podcasts (NRF's Retail Gets Real, Legends N Leaders, Off Bounds) and Forbes, all focusing on ThredUp's AI and innovation in resale.

Additionally, members of the ThredUp team attended the 2024 Textile Exchange Conference. This event gathered stakeholders to address the textile industry's need for systemic transformation, particularly emphasizing regenerative agriculture and circular business models as solutions to environmental challenges.

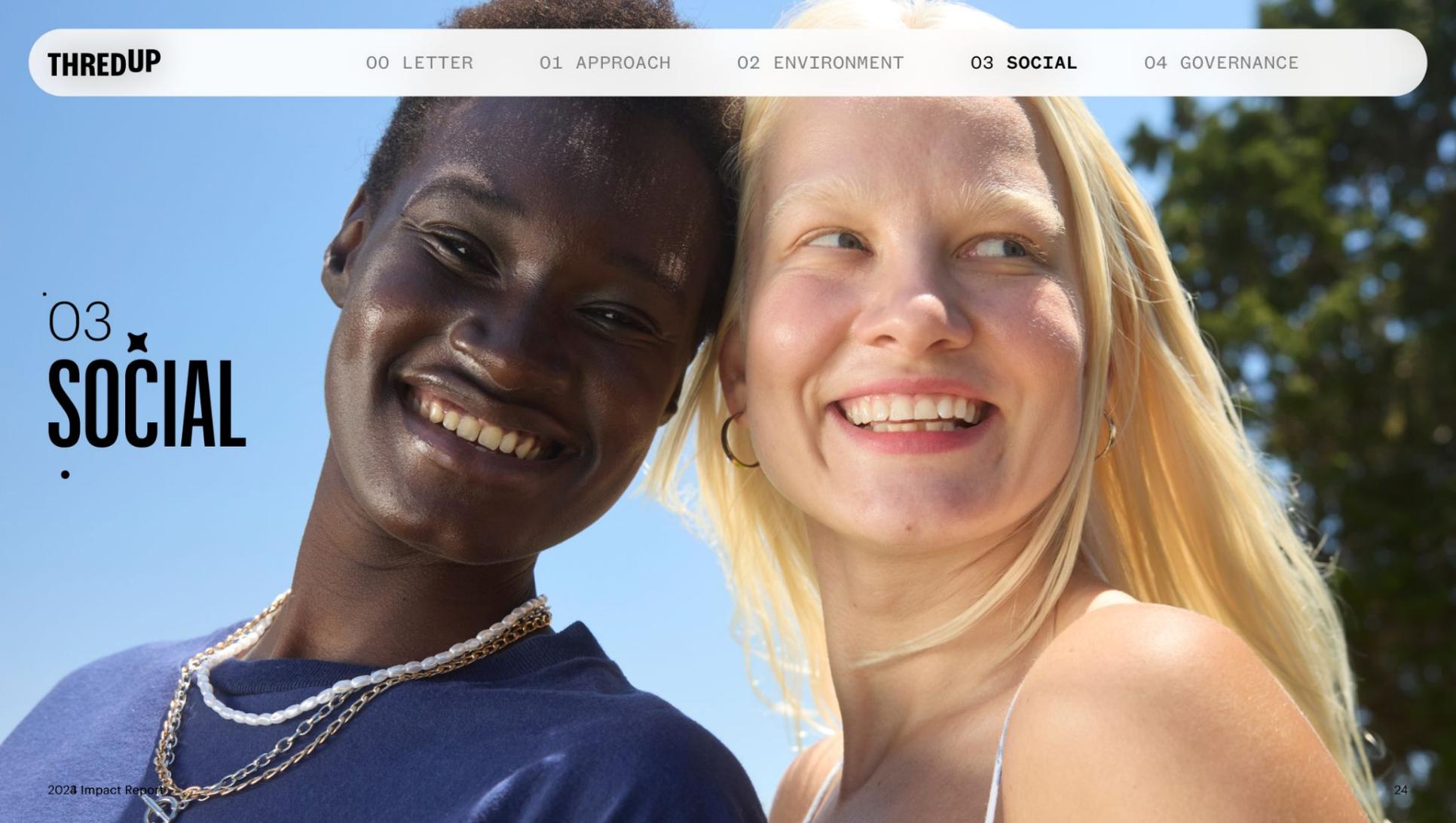


Every day we make it easier for people to buy and sell secondhand—and that matters. The bigger we get, the more we can shrink fashion's footprint. The unsung hero in all this? Our distribution centers. The work we've done to simplify processes, increase throughput, and improve quality doesn't just make the customer experience better—it cuts waste, saves time, and drives environmental gains. Operational efficiency isn't just good business—it's good for the planet.

**Al Ghorai**

SVP, Operations

03  
**SOCIAL**





# Our Commitment to People and Communities ✦

At ThredUp, our purpose extends beyond commercial success. We are deeply committed to fostering positive transformation and generating enduring value for both our employees and the wider communities we engage with.

We strive to cultivate an inclusive environment where every team member can realize their full capabilities and excel. Our dedication extends to actively contributing to the well-being of our communities through robust outreach efforts and strategic partnerships.

# 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.

WE THINK **BIG**

Imagine the world as it could be

  
WE INFLUENCE  
OUTCOMES

Outputs,  
not inputs

WE SPEAK  UP

You get paid for  
your opinions

WE SEEK  
THE TRUTH 

First principle  
thinking

WE ARE  
INFINITE LEARNERS 

Can't stop,  
won't stop

WE ARE  
**TRANSPARENT**

Windows,  
not doors

## 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

GreenStory



THE AZEK  
COMPANY

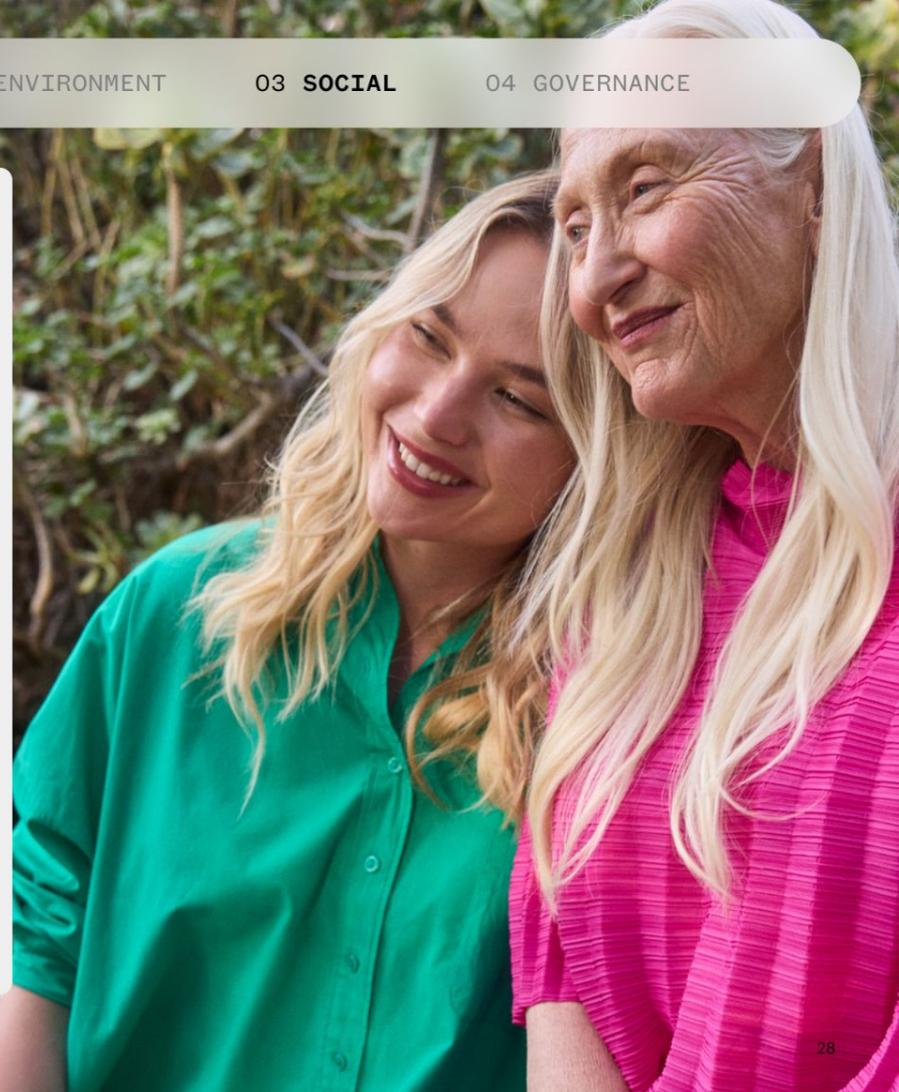


## A CULTURE OF CONNECTION & COMMUNITY

We believe great ideas and strong teams are built when people feel seen, supported, and valued. That's why we're committed to creating a workplace where everyone feels welcome to bring their whole selves to work, regardless of background, experience, or role.

We focus on building a culture where everyone has access to the tools, resources, and support they need to grow and thrive. When people are given the space to do their best work and collaborate with others who bring different strengths to the table, everyone benefits.

Part of this effort includes our Employee Resource Groups (ERGs), like Uplift Women and PrideUP. In 2024, our two ERGs continued to support their members by hosting bi-monthly meetings, welcoming guest speakers, and organizing connection events throughout the year. These groups help create community within the organization by bringing people together around shared experiences and interests. They offer a space to connect, support one another, and build relationships that may not naturally form in day-to-day work. These connections help turn a workplace into a true community, and that's something we're proud of.



# COMMUNITY ENGAGEMENT AND ENVIRONMENTAL STEWARDSHIP INITIATIVES

Throughout the past year, ThredUp employees actively engaged in a series of initiatives that underscored our commitment to environmental stewardship and community well-being.



## Native Seed Deployment in White Tank Mountains

ThredUp participated in a successful seed deployment initiative, where participants learned to sow native seeds in areas previously treated for invasive plants or impacted by wildfires. This effort deterred invasive species, mitigated wildfire potential, and enhanced native biodiversity.

## Support for Autism-Focused Programs

ThredUp contributed to fundraising efforts for Autism-focused programs across Arizona, directly benefiting initiatives designed to assist individuals and families affected by autism.

## Phoenix Children's Hospital Ignite Hope Walk

Our team at ThredUp demonstrated solidarity with Phoenix Children's Hospital during the Ignite Hope Walk, supporting the hospital's vital work in providing healthcare to children.

## Pat's Run for Military and Veteran Empowerment

ThredUp's involvement in Pat's Run contributed to fundraising dedicated to empowering military service members, veterans, and their spouses, fostering their development as future leaders committed to service beyond self.

# CHARITABLE PARTNERSHIPS

## 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 2024, our sellers donated \$57,775 spread across three charity partners.





# EMPLOYEE HEALTH, WELLNESS, BENEFITS

## Modern Work, Meaningful Balance

ThredUp continues to embrace a modern approach to work that prioritizes work-life integration for its team members. Initially introduced as a pandemic-era pilot, the four-day workweek is now a permanent benefit for corporate salaried employees, driving lasting improvements in well-being, productivity, and retention. Feedback from our team has shown that the four-day schedule positively impacts focus, energy, and overall effectiveness. The four-day workweek applies to both corporate and DC/Ops roles, with shift options of 3 or 4 days in our distribution centers, ensuring flexibility for our teams while maintaining the coverage needed to consistently meet and deliver an exceptional experience to our customers.

Our culture is focused on outcomes, not hours. We believe people do their best work when they have the space to rest, reset, and return with purpose. Challenging outdated norms isn't always easy, but we know the future of work rewards those who are willing to work differently. The four-day workweek demands focus, discipline, and teamwork, and when we bring that, we unlock a rhythm that fuels both performance and well-being. This is how we build a more sustainable, impactful way to work—together.



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)
- ✦ Employee Stock Purchase Plan
- ✦ Life Insurance
- ✦ Disability insurance
- ✦ 401k
- ✦ Pet Insurance
- ✦ Legal Insurance
- ✦ Paid 12-week parental leave\*
- ✦ Flexible PTO\*
- ✦ Floating Holiday Program\*\*
- ✦ 8 weeks paid sabbatical after 3 years\*
- ✦ Udemy Online Courses

\*Only applicable for salaried employees

\*\*Only applicable for hourly employees



## 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.

## Career Compass

In 2024, ThredUp launched Career Compass, a program designed to support team members in navigating their career growth with clarity and confidence. Recognizing that career development is an ongoing journey rather than a linear path, Career Compass provides a structured approach to understanding role expectations, exploring future opportunities, and fostering meaningful career conversations between employees and their leaders.

The program equips team members with practical tools and resources to drive their own development while encouraging long-term thinking about their future at ThredUp. Career Compass reflects our continued investment in building a culture of growth, where individuals are empowered to expand their skills, pursue new challenges, and contribute to the company's ongoing success.



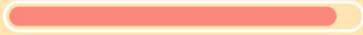


Employee Attraction & Retention

EMPLOYEE SATISFACTION

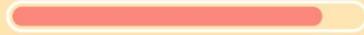
94%

of employees understand how their work contributes to company goals.



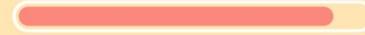
89%

of employees feel their direct manager is supportive and invested in their success.



90%

of employees feel their manager provides the autonomy they need to do their job.



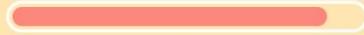
88%

of employees feel the 4 day work week has made a positive impact on their overall productivity.



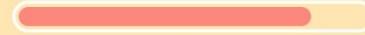
90%

of employees feel invested in ThredUp's mission, vision, and values.



84%

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



“At ThredUp, people are at the center of everything we do. We focus on creating a work environment that is positive, inclusive, and supportive. It's important that team members feel valued and have room to grow. By investing in their well-being and development, we build a stronger culture and set the foundation for lasting impact.”



**Natalie Breece**

Chief People and Diversity Officer



04  
GOVERNANCE



# Corporate governance and business ethics



Our commitment to being a purpose-driven enterprise is evident not just in our sustainability-focused business model, but deeply integrated into our fundamental values. Our corporate governance framework rests on a foundation of transparency, integrity, and ethical conduct.

ThredUp has established a comprehensive Code of Business Conduct and Ethics and operates under an independent Board. This Board's Nominating and ESG Committee provides oversight for our ESG strategy and related reporting initiatives. To ensure these governance principles are effectively implemented, we have implemented several transparent communication channels, including a whistleblower hotline, an impartial and autonomous process for internal inquiries, and a recurring executive Q&A forum.



## Corporate governance

# OUR BOARD

ThredUp's Board of Directors 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.

### 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 the [Corporate Governance Section](#) of our investor relations website for more information on board oversight and governance of sustainability.

### Ethics & Compliance

Our commitment to ethics and integrity is embodied in our [Code of Business Conduct and Ethics](#) (the "Code of Conduct"). Our Board is responsible for administering the Code of Conduct in partnership with our Chief Legal Officer, who is responsible for day-to-day Code of Conduct responsibilities. The Code of Conduct 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 of Conduct](#) 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 of Conduct 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 of Conduct.

# ✦. 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**

- ★ An option for our customers to directly delete their personal identifiable information (PII) through our privacy page
- ★ 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
- ★ Privacy guidelines and materials to educate our workforce on the importance of key privacy processing principles such as data minimization and purpose limitation

“We believe ethical and responsible leadership, grounded in strong governance, is essential to ThredUp’s vision for a sustainable future. We’re committed to embedding our values and ESG principles into our approach in a way that fosters resilient growth and ultimately accelerates the transition to a more circular economy.”



**Patricia Nakache**

Chairperson of the Board, Chair of  
Nominating and ESG Committee



## ABOUT THIS REPORT

ThredUp's 2024 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.