



Investors push back against Etsy's use of NDAs that include harassment and discrimination

Contact: Valentina Johnson, valentina@niaimpactcapital.com

At Etsy's (NYSE:ETSY) June 14th investor meeting, investors will ask Etsy's Board of Directors to commission an independent review of the effectiveness and outcomes of Etsy's efforts to prevent harassment and discrimination. The proposal comes in response to a 2022 [report](#) Etsy issued affirming its use of nondisclosure agreements (NDAs) that include harassment and discrimination.

[Nia Impact Capital](#) has asked that the company provide aggregated data detailing the extent to which NDAs are used by Etsy.

Dr. Kristin Hull, PhD, Founder and CEO of Nia, states "A non-disclosure agreement can mask a wide range of misdeeds. They are designed to keep outsiders, which includes investors, from hearing the opinions and experiences of employees."

Investors are concerned about the diversity and inclusion practices of their companies as multiple studies indicate that a diverse and inclusive workplace benefits a company and its investors. The research indicates that companies with diverse teams tend to provide better management, stronger long-term growth prospects, and improved share value.

The use of NDAs around harassment and discrimination has fallen out of favor. Companies including Alphabet, Twilio, Apple, Microsoft, and Salesforce, have stopped, or never used these policies. Etsy is also using NDAs under a patchwork of state, federal and international laws. At the federal level, the use of pre-dispute NDAs for sexual assault and harassment is banned. The states of California and Washington have also prohibited NDAs from covering any harassment or discrimination allegations.

Meredith Benton, Founder and CEO of the consultancy [Whistle Stop Capital](#), which supported Nia in its engagement with Etsy, stated "That NDAs are a concerning practice that stacks the deck against the victim seems to be one of the few things our legislators are able to agree on."

Kristin Hull, PhD kristin@niaimpactcapital.com, [Nia Impact Capital](#)

Dr. Kristin Hull is the Founder and CEO of Nia Impact Capital. Nia is a women-led firm investing at the intersection of environmental sustainability and social justice. Nia applies both a gender-lens and a commitment to racial equity across the investment decision-making process. The Nia Global Solutions Equity Portfolio invests in publicly traded companies providing market solutions for a more inclusive and sustainable world.

Meredith Benton, benton@whistlestop.capital, [Whistle Stop Capital](#) - Meredith Benton is principal and founder of Whistle Stop Capital, a consultancy that works with asset owners and advisors to assess and address material social and environmental exposures within their investment portfolios.