



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 2, 2022

Frances Mi  
Paul, Weiss, Rifkind, Wharton & Garrison LLP

Re: Etsy, Inc. (the "Company")  
Incoming letter dated March 2, 2022

Dear Ms. Mi:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Kristin Hull (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 31, 2022 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Kristin Hull

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VIA EMAIL ([shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov))

Office of Chief Counsel  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Re: **Etsy, Inc.**  
**Stockholder Proposal of Ms. Kristin Hull**

Ladies and Gentlemen:

We are writing on behalf of our client, Etsy, Inc., a Delaware corporation ("Etsy" or the "Company"), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to notify the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") of the Company's intention to exclude from the proxy materials to be distributed by the

Company in connection with its 2022 annual meeting of stockholders (the “Proxy Materials”), the stockholder proposal (the “Proposal”) and supporting statement (the “Supporting Statement”) submitted by Ms. Kristin Hull (the “Proponent”), by a letter dated December 9, 2021.

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), we are emailing this letter and its attachments to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to exclude the Proposal from the Proxy Materials. Pursuant to Rule 14a-8(j), this letter is being filed with the Commission no later than 80 calendar days before the date that the Company intends to file its definitive Proxy Statement with the Commission.

Rule 14a-8(k) of the Exchange Act and Section E of SLB 14D provide that a stockholder proponent is required to send companies a copy of any correspondence that the stockholder proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.

## **I. The Proposal**

The Proposal and the Supporting Statement are attached hereto as Exhibit A. The Proposal states:

### **RESOLVED:**

Shareholders of Etsy, Inc. (“Etsy”) ask that the Board of Directors prepare a public report assessing the potential risks to the company associated with its use of concealment clauses in the context of harassment, discrimination and other unlawful acts. The report should be prepared at reasonable cost and omit proprietary and personal information.

The Supporting Statement further defines such concealment clauses as “any employment or post-employment agreement, such as arbitration, non-disclosure or non-disparagement agreements, that Etsy asks employees or contractors to sign which would limit their ability to discuss unlawful acts in the workplace, including harassment and discrimination.”

## **II. Basis for Exclusion**

In accordance with Rule 14a-8 of the Exchange Act, we hereby respectfully request that the Staff concur in our view that the Proposal and the Supporting Statement may properly be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(10) of the Exchange Act because the Company has already substantially implemented the Proposal.

### III. Background

Pursuant to the Company's Nominating and Corporate Governance Committee (the "Committee") Charter, the Committee has been delegated the responsibility to review and discuss with management any stockholder proposals and recommend to the Company's Board of Directors (the "Board") Etsy's response. After consideration of the Proposal and Supporting Statement, the Committee authorized the Company to take action in response to the Proposal. Under the oversight of the Committee, management prepared a report titled "Etsy Report Regarding Employment-Related Concealment Clauses," which report assesses and discusses the potential risks to the Company associated with its use of concealment clauses, as defined in the Proposal and Supporting Statement (the "Report"). Further, on January 31, 2022, the Report was posted to and made publicly available on the Company's website at <https://investors.etsy.com/governance/governance-documents/default.aspx>. A copy of the Report is attached hereto as Exhibit B. The Report meets the key elements of the Proposal, namely that there be prepared a "public report assessing the potential risks to the company associated with its use of concealment clauses in the context of harassment, discrimination and other unlawful acts."

### IV. Analysis

Rule 14a-8(i)(10) permits a company to exclude a stockholder proposal if the company has already substantially implemented the proposal. The Commission adopted the "substantially implemented" standard in 1983 after determining that the "previous formalistic application" of the rule defeated its purpose, which is to "avoid the possibility of stockholders having to consider matters which already have been favorably acted upon by the management." See Exchange Act Release No. 34-20091 (Aug. 16, 1983) [48 FR 38218] (the "1983 Release"); Exchange Act Release No. 34-12598 (July 7, 1976) [41 FR 29982]. Accordingly, the actions requested by a proposal need not be "fully effected" provided that they have been "substantially implemented" by the company. See 1983 Release.

Applying this standard, the Staff has consistently permitted exclusion of a proposal under Rule 14a-8(i)(10) when it has determined that the company's policies, practices, procedures and/or public disclosures compare favorably with the guidelines of the proposal. See, e.g., *JPMorgan Chase & Co.* (Mar. 9, 2021); *AbbVie Inc.* (Mar. 2, 2021); *Devon Energy Corp.* (Apr. 1, 2020); *Amazon.com, Inc. (Sisters of the Order of St. Dominic of Grand Rapids et al.)* (Mar. 27, 2020); *Pfizer Inc.* (Jan. 31, 2020); *The Allstate Corp.* (Mar. 15, 2019); *Dunkin' Brands Group, Inc.* (Mar. 6, 2019); *Johnson & Johnson* (Feb. 6, 2019). In other words, substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed both the proposal's underlying concerns and its essential objective. See, e.g., *Wells Fargo & Co.* (Jan. 23, 2018) ("Wells Fargo"). As described above, the Report prepared in response to the Proposal directly addresses the requests contained in the Proposal and was specifically designed to satisfy the Proposal's essential objective. The Report provides an assessment of the potential risks to the Company associated with its use of concealment clauses in the context of harassment, discrimination and other unlawful acts and is publicly

available on the Company's website at <https://investors.etsy.com/governance/governance-documents/default.aspx>. Thus, the Report substantially implements the Proposal for purposes of Rule 14a-8(i)(10).

When a company has already acted favorably on an issue addressed in a stockholder proposal, Rule 14a-8(i)(10) does not require the company and its stockholders to reconsider the issue. In this regard, the Staff has on numerous occasions concurred with the exclusion of stockholder proposals under Rule 14a-8(i)(10) that requested reports where the company already made public disclosures that compared favorably to the report requested by the proposal or addressed the same subject matter. *See, e.g., Comcast Corp.* (Apr. 9, 2021) (concurring with the exclusion of a proposal requesting a report assessing the company's diversity and inclusion efforts where the company published on its website annual reports that included data "assessing its diversity and inclusion plans, initiatives, and progress"); *Kohl's Corp.* (Jan. 16, 2020) (concurring with the exclusion of a proposal requesting a report on the company's process for identifying and analyzing human rights risks of operations and its supply chain where the company required its merchandise vendors to abide by terms of engagement which were publicly available on the company's website); *Hess Corp.* (Apr. 11, 2019) (concurring with the exclusion of a proposal requesting a report on aligning the company's carbon footprint with the necessary greenhouse gas reductions to achieve the Paris Agreement's goal where the company had met the essential objective through its most recent sustainability report, its responses to a climate change questionnaire and its investor day presentation); *Wells Fargo* (concurring with the exclusion of a proposal asking the board to assess and report on the feasibility of requiring senior executives to enter a covenant to reimburse the company for a portion of certain fines or penalties imposed on the company where the company had issued, and made available on its website, a report assessing the feasibility of implementing senior executive reimbursement covenants). Moreover, a report need not be a particular length or form or provide all of the information requested in order to compare favorably to the guidelines of the proposal for purposes of Rule 14a-8(i)(10). *See, e.g., Amazon.com, Inc. (The Nathan Cummings Foundation)* (Apr. 7, 2021) (concurring with the exclusion of a proposal requesting a report on the company's "efforts to address hate speech and the sale or promotion of offensive products throughout its businesses" where the company had published a blog post discussing the company's policies on the same topic); *The Dow Chemical Co.* (Mar. 18, 2014) (concurring with the exclusion of a proposal requesting that the company prepare a report "assessing the short and long term financial, reputational and operational impacts" of an environmental incident in Bhopal, India where the company had provided "Q and A" on its website with respect to the Bhopal incident).

Here, the Proposal requests a "public report assessing the potential risks to the company associated with its use of concealment clauses in the context of harassment, discrimination and other unlawful acts" and does not prescribe how the Company should address such matters or dictate the determination that must be reached as a result of the requested assessment. Thus, the Report, which has been made publicly available and which addresses "potential risks to the Company associated with its use of concealment

clauses in the context of harassment, discrimination and other unlawful acts,” is directly responsive to and substantially implements the Proposal. As a result, the Company’s existing public disclosures directly address the key elements of the Proposal, thereby satisfying the essential objective of the Proposal. Accordingly, for the reasons set forth above, the Proposal may be excluded from the Company’s Proxy Materials under Rule 14a-8(i)(10).

## V. Conclusion

By copy of this letter, the Proponent is being notified that for the reasons set forth herein, the Company intends to exclude the Proposal and Supporting Statement from its Proxy Materials. We respectfully request that the Staff concur with our view and not recommend enforcement action if the Company excludes the Proposal and Supporting Statement from its Proxy Materials. If we can be of assistance in this matter, please do not hesitate to contact me at [fmi@paulweiss.com](mailto:fmi@paulweiss.com) or (212) 373-3185.

Sincerely,



Frances Mi

cc: Jill Simeone, Etsy, Inc.  
Lynn Horwitz, Etsy, Inc.  
Kristin Hull, Nia Impact Capital  
Kelly Hall, Nia Impact Capital

Attachments

**EXHIBIT A**

**Proponent's Proposal and Supporting Statement**

(See attached)

## **RESOLVED:**

Shareholders of Etsy, Inc. (“Etsy”) ask that the Board of Directors prepare a public report assessing the potential risks to the company associated with its use of concealment clauses in the context of harassment, discrimination and other unlawful acts. The report should be prepared at reasonable cost and omit proprietary and personal information.

**SUPPORTING STATEMENT:** Concealment clauses are defined as any employment or post-employment agreement, such as arbitration, non-disclosure or non-disparagement agreements, that Etsy asks employees or contractors to sign which would limit their ability to discuss unlawful acts in the workplace, including harassment and discrimination.

## **WHEREAS:**

Etsy wisely uses concealment clauses in employment agreements to protect corporate information, such as trade secrets. However, harassment and discrimination are not trade secrets, nor are they core to Etsy’s operations or needed for competitive reasons. Yet, Etsy’s employment agreements may prohibit their workers from speaking openly on these topics. Given this, investors cannot be confident in their knowledge of Etsy’s workplace culture.

A healthy workplace culture is linked to strong returns. McKinsey found that companies in the top quartile for workplace culture post a return to shareholders 60 percent higher than median companies and 200 percent higher than organizations in the bottom quartile.<sup>1</sup> A study by the *Wall Street Journal* found that over a five-year period, the 20 most diverse companies in the S&P 500 had an average annual stock return almost six percentage points higher than the 20 least diverse companies.<sup>2</sup>

In contrast, a workplace that tolerates harassment invites legal, brand, financial and human capital risk. Companies may experience reduced morale, lost productivity, absenteeism and challenges in attracting and retaining talent.<sup>3</sup> Employees who engage in harmful behavior may also be shielded from accountability.

Pinterest paid \$22.5 million to settle a gender discrimination lawsuit brought by a former executive after years of binding employees who settled discrimination claims to concealment agreements. Shareholders ultimately sued Pinterest executives alleging a breach of fiduciary duty by “perpetrating or knowingly ignoring the long-standing and systemic culture of discrimination and retaliation.”<sup>4</sup> Similarly, in 2020, Alphabet agreed to limit confidentiality restrictions associated with harassment and discrimination cases as part of a \$300 million settlement of shareholder lawsuits alleging the company created a toxic work environment.<sup>5</sup> This year, Meta paid \$14.25 million to settle discriminatory hiring claims<sup>6</sup> and Tesla paid

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<sup>1</sup> <https://www.mckinsey.com/business-functions/organization/our-insights/the-organization-blog/culture-4-keys-to-why-it-matters>

<sup>2</sup> <https://www.wsj.com/articles/the-business-case-for-more-diversity-11572091200>

<sup>3</sup> [https://conference.iza.org/conference\\_files/LaborMarkets\\_2021/sockin\\_j28322.pdf](https://conference.iza.org/conference_files/LaborMarkets_2021/sockin_j28322.pdf)

<sup>4</sup> <https://www.institutionalinvestor.com/article/b1phvnsffr2bp/Retirement-System-Sues-Pinterest-Board-and-Execs-Over-Discrimination>

<sup>5</sup> <https://www.nytimes.com/2020/09/25/technology/google-sexual-harassment-lawsuit-settlement.html>

<sup>6</sup> <https://www.reuters.com/legal/litigation/Meta-pay-up-1425-mln-settle-us-employment-discrimination-claims-2021-10-19/>



\$137 million in damages to an employee for racial discrimination.<sup>7</sup> Investors seek assurance that missteps are not occurring at Etsy, hidden from view because of concealment clauses.

California law prohibits concealment clauses in employment agreements involving recognized forms of discrimination and unlawful activity.<sup>8</sup> Etsy works under a patchwork of state laws related to the use of concealment clauses and may benefit from consistent practices across all employees and contractors.

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<sup>7</sup> <https://www.bloomberg.com/news/articles/2021-10-04/tesla-ordered-to-pay-137-million-for-harboring-workplace-racism>

<sup>8</sup> <https://www.marketwatch.com/story/silenced-no-more-act-becomes-law-in-california-crippling-ndas-11633705395>

**EXHIBIT B**

**Etsy Report Regarding Employment-Related Concealment Clauses**

(See attached)

# Etsy Report Regarding Employment-Related Concealment Clauses

Etsy cares deeply about creating a workplace free from discrimination and harassment and is committed broadly to equity efforts.

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*Etsy employees are not bound by any contractual agreement during their employment with Etsy that would prevent them from speaking up about conduct that is or is perceived to be unlawful, discriminatory, or harassing. Our limited use of confidentiality or non-disparagement provisions (sometimes called “concealment clauses”) protects continuing employees who may have spoken up to Etsy regarding their concerns in the workplace, as well as those employees who may have been witnesses to actual or alleged misconduct, from harassment or retaliation from involuntarily terminated employees who were terminated because of complaints or concerns about their behavior. Employees have overwhelmingly shared that they are comfortable raising such concerns at Etsy, and confidentiality and protection from retaliation are critical to employees feeling comfortable using open reporting channels.*

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## Background

This report has been prepared by management under the oversight of the Nominating and Corporate Governance Committee of the Board of Directors of Etsy, Inc. (“Etsy”) to assess potential risks to Etsy associated with the use of “concealment clauses” in the context of harassment, discrimination, and other unlawful acts.

Solely for the purpose of this report, “concealment clauses” are defined as any employment or post-employment agreement, such as arbitration, non-disclosure, or non-disparagement agreements, that Etsy asks employees or contractors to sign which would limit their ability to discuss unlawful acts in the workplace, including harassment and discrimination.

## Who We Are: Etsy Cares About a Harassment-Free Workplace

At Etsy, we encourage open communication, feedback, and discussion about topics that matter to our employees. We have a transparent culture, and we encourage employee feedback through frequent engagement and pulse surveys, Etsy forums with live question and answer sessions with our Executive Team, and a commitment to equality.

In 2020, Etsy commissioned a pay equity study undertaken by a third-party consulting firm. The analysis found no unexplained pay gaps adverse to women or employees from other marginalized genders, or non-white employees. This was consistent with the findings of Etsy's 2018 analysis. Etsy will again conduct this analysis in 2022, as it does every two years.

Creating a culture of equality, transparency, and inclusion is one of our differentiators; it's in our DNA, it's one of the reasons why people come to work for Etsy. We have been recognized in numerous ways for our outstanding support of our employees, including:

- Bloomberg Gender Equality Index ([2020](#), [2021](#), and [2022](#))
- Human Rights Campaign Foundation - Corporate Equality Index ([2020](#), [2021](#), and [2022](#)) and [Best Places to Work for LGBTQ Equality](#) (2021)
- Fast Company - [Best Workplaces for Innovators](#) (2020) and [Brands That Matter](#) (2021)
- [Forbes JUST 100](#) (2021)
- JUST Capital 2021 - [Best Companies for Workers](#), [Companies Leading the Way for Women](#) and [Top 100 U.S. Companies Supporting Healthy Families and Communities](#)
- BuiltIn NYC 2021 - [100 Best Places to Work](#), [Best Large Places to Work](#), [Best Perks & Benefits](#).

## What We Do: Etsy Encourages Reporting of Harassment and Discrimination Allegations and Investigates and Remediate Complaints

Etsy encourages employees to speak up about concerns in the workplace, and they do. Etsy provides numerous avenues – both anonymous and non-anonymous – through which employees can raise concerns, including to managers, Human Resources Business Partners, our Diversity Equity and Inclusion (DEI) team, and the Employment Counsel team, as well as through an Anonymous Whistleblower Hotline, Engagement Surveys, and other Etsy forums. In our 2021 engagement survey conducted by an independent third party, Etsy employees reported a high level of satisfaction with Etsy's approach, and more than 90% of Etsy respondents agreed that Etsy is a place where they rarely experience or observe misconduct.

When Etsy receives allegations of harassment and/or discrimination, Etsy addresses such allegations promptly and in accordance with the law. We investigate matters thoroughly and initiate prompt remedial action where appropriate, up to and including the termination of employment of the bad actor. Etsy does not tolerate retaliation of any kind, and takes great efforts to protect existing employees who speak up about conduct they perceive to be unlawful from retaliation.

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These are sensitive and difficult matters. To encourage Etsy employees to report concerns and thereby promote Etsy's culture of transparency, Etsy must also take into account employees' legitimate concerns about personal privacy and minimize the risk of retaliation.

## Etsy's Limited Use of Concealment Clauses

Accordingly, at this time, Etsy makes very limited use of concealment clauses as follows:

- **Arbitration:** Etsy does not use arbitration clauses in any employment or contractor agreements.
- **Non-Disclosure:** The non-disclosure/confidentiality agreements that our employees and contractors sign on start do not prohibit Etsy employees or contractors from speaking openly about harassment, discrimination, or other unlawful conduct, should they encounter any at Etsy. Further, employees who resign from their Etsy jobs are not restricted from speaking up about conduct that they consider to have been unlawful, harassing, or discriminatory during their Etsy employment.

The only circumstances in which employees may be bound by a non-disclosure provision post-employment is if they are involuntarily separated from Etsy (e.g., as a result of their own performance, attendance issues, or misconduct) and agree to sign a separation agreement that contains a non-disclosure/confidentiality clause in exchange for a severance package. Etsy has robust procedures in place to investigate and, where appropriate, to remediate alleged workplace misconduct, and the results of internal investigations are reviewed by a team which includes our Chief Legal Officer, our most senior HR leaders, and our DEI leader, as appropriate, to minimize the risk that a severance package may operate to silence legitimate claims.

*Where a determination to involuntarily separate an employee (e.g., an employee who harassed or discriminated against others) is ultimately made, Etsy believes non-disclosure agreements serve to protect the reputation and careers of continuing employees who may have spoken up to Etsy regarding their concerns in the workplace, as well as those employees who may have been witness to or impacted by inappropriate workplace conduct. These clauses prevent terminated employees from harassing continuing employees who were witnesses that spoke up about their conduct, leading to their termination. In order for Etsy to maintain the transparent, inclusive, law-abiding workplace that it has, it needs to be able to assure victims and witnesses, i.e., our existing employees, that they will be protected from harassment or retaliation if they speak up about inappropriate workplace conduct.*

Further, even where an employee signs a separation agreement, the agreement explicitly states that the employee retains the right to raise any claims of harassment, discrimination, or unlawful behavior by Etsy through the relevant administrative agencies in charge of overseeing workplace issues (i.e., the EEOC and state and local partner agencies) and with OSHA or the SEC, as well as to continue to make use of our anonymous reporting hotline

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(participants are permitted to identify themselves but not required to do so), available to former as well as current employees to raise concerns.

- **Non-Disparagement:** Etsy does not use non-disparagement clauses in employment or consulting agreements, except that in the case of an involuntary separation, a terminated employee may voluntarily waive their rights to disparage Etsy in exchange for an internally published additional severance amount. Similar to the non-disclosure/confidentiality provisions, the non-disparagement provisions in our separation agreements do not prevent involuntarily exited employees from raising any claims of harassment, discrimination, or other unlawful behavior by Etsy through the relevant government agencies.

In summary:

- Etsy employees are intentionally not bound by any concealment clauses during their employment with Etsy. Nothing would prevent them from speaking up about conduct that is or is perceived to be unlawful, discriminatory, or harassing, and in fact our employees overwhelmingly state that they would feel comfortable doing so. Etsy regularly reviews its employment agreements and existing harassment and discrimination policies, including to confirm that they encourage and facilitate employees in coming forward and expressing any concerns.
- The limited circumstances in which these clauses are used post-employment serve to protect Etsy's continuing employees – specifically those employees who may have reported, witnessed, or been impacted by the conduct resulting in a former employee's termination – from retaliation or exposure by that former employee, and therefore are critical to maintaining open reporting channels for existing employees.

## Our Risk Assessment

Etsy believes that the practical effect of eliminating the narrow instances where we use concealment clauses (e.g., to prevent involuntarily terminated employees – including those who were terminated because they harassed or discriminated against others – from harassing continuing employees who may have reported or witnessed the exiting employee's conduct that led to termination) would be to allow terminated employees (e.g., bad actors) to publicize very sensitive workplace issues or reveal previously private personal information about an individual (*doxxing*) on social media and other external channels – for example, targeting or harassing the continuing employees who they believe reported their conduct and cost them their job – which risks a substantial negative impact on Etsy's culture of equality, transparency, and inclusion.

We strongly believe that Etsy's transparent workplace is best served by the very limited use of concealment clauses to encourage reporting, as described in this report, and that altering our practices would increase rather than decrease risk. Restricting Etsy's further use of these provisions may negatively impact people's ability to feel comfortable raising concerns or speak freely about workplace topics that affect them. Accordingly, we believe the risk associated with

continued use of these provisions in limited instances appropriately balances protecting Etsy's culture of transparency and is intended to encourage employees to raise concerns through numerous forums without undue loss of privacy or fear of retaliation or disparagement by former employees.

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\*NOT ADMITTED TO THE NEW YORK BAR

March 2, 2022

VIA E-MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: Etsy, Inc.  
Stockholder Proposal of Ms. Kristin Hull**

Ladies and Gentlemen:

We refer to our letter, dated January 31, 2022, (the "No-Action Request"), pursuant to which we requested that the staff of the Division of Corporation Finance of the Securities and Exchange Commission concur with our view that Etsy, Inc. (the "Company") may exclude the stockholder proposal (the "Proposal") and supporting statement (the "Supporting Statement") submitted by Ms. Kristin Hull (the "Proponent") from the proxy materials to be distributed by the Company in connection with its 2022 annual meeting of stockholders.

The Proponent has agreed to withdraw its Proposal and Supporting Statement. Attached hereto as Exhibit A is a withdrawal communication dated February 28, 2022 (the "Withdrawal Communication") from the Proponent to the Company in which the



Proponent voluntarily agrees to withdraw the Proposal. In reliance on the Withdrawal Communication, we hereby withdraw the No-Action Request.

If you should have any questions or need additional information please do not hesitate to contact me at [fmi@paulweiss.com](mailto:fmi@paulweiss.com) or (212) 373-3185.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frances Mi', written in a cursive style.

Frances Mi

cc: Jill Simeone, Etsy, Inc.  
Lynn Horwitz, Etsy, Inc.  
Kristin Hull, Nia Impact Capital  
Kelly Hall, Nia Impact Capital

Attachments

**EXHIBIT A**

**Withdrawal Communication**

(See attached)

----- Forwarded message -----

From: **Kristin Hull** [REDACTED]

Date: Mon, Feb 28, 2022 at 2:37 PM

Subject: Fwd: Nia Impact Capital Stockholder Resolution - Confirming Receipt

To: Jennifer Card [REDACTED]

Cc: Kelly Hall [REDACTED], Meredith Benton [REDACTED], Jaylen Spann [REDACTED], Deb Wasser [REDACTED], Elizabeth Spector Louden [REDACTED], Lynn Horwitz [REDACTED], Toni Thompson [REDACTED], Andrea Dalton [REDACTED]

Hello Jennifer et al,

We hope this email finds you well, amidst all that is going on in our world.

We'll be curious to hear how the Ukrainian situation is affecting your sellers?

As a follow up to our last email, we want to acknowledge the report you placed online detailing [Etsy's use of concealment clauses](#). Given this publication, we formally withdraw our shareholder proposal submitted for inclusion on Etsy's 2022 proxy statement.

We hope to continue our conversations and dialogues around this practice. As you know, we believe the use of concealment clauses undermines the confidence that external stakeholders, such as investors and potential employees, can have in Etsy's workplace equity program.

With that in mind, we also wanted to share with you some developments related to these practices:

- Attached is a letter from eight state treasurers expressing to the SEC their discomfort with the use of concealment clauses.
- You have likely seen reports on the federal bill that [limits the use of forced arbitration in sexual harassment cases](#) that has passed Congress. While narrowed to sexual harassment and arbitration, we believe this shows a discomfort from legislators with silencing mechanisms.
- Finally, the Silenced No More copycat bill in Washington State has passed out of the House and it is reasonable to expect additional legislative action.

Our team remains at your disposal to share its research and expertise on these matters. We look forward to future collaborative conversations.

Warm regards,

Kristin