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WattEV

# Purpose for Every Home

2024 Corporate Responsibility Report

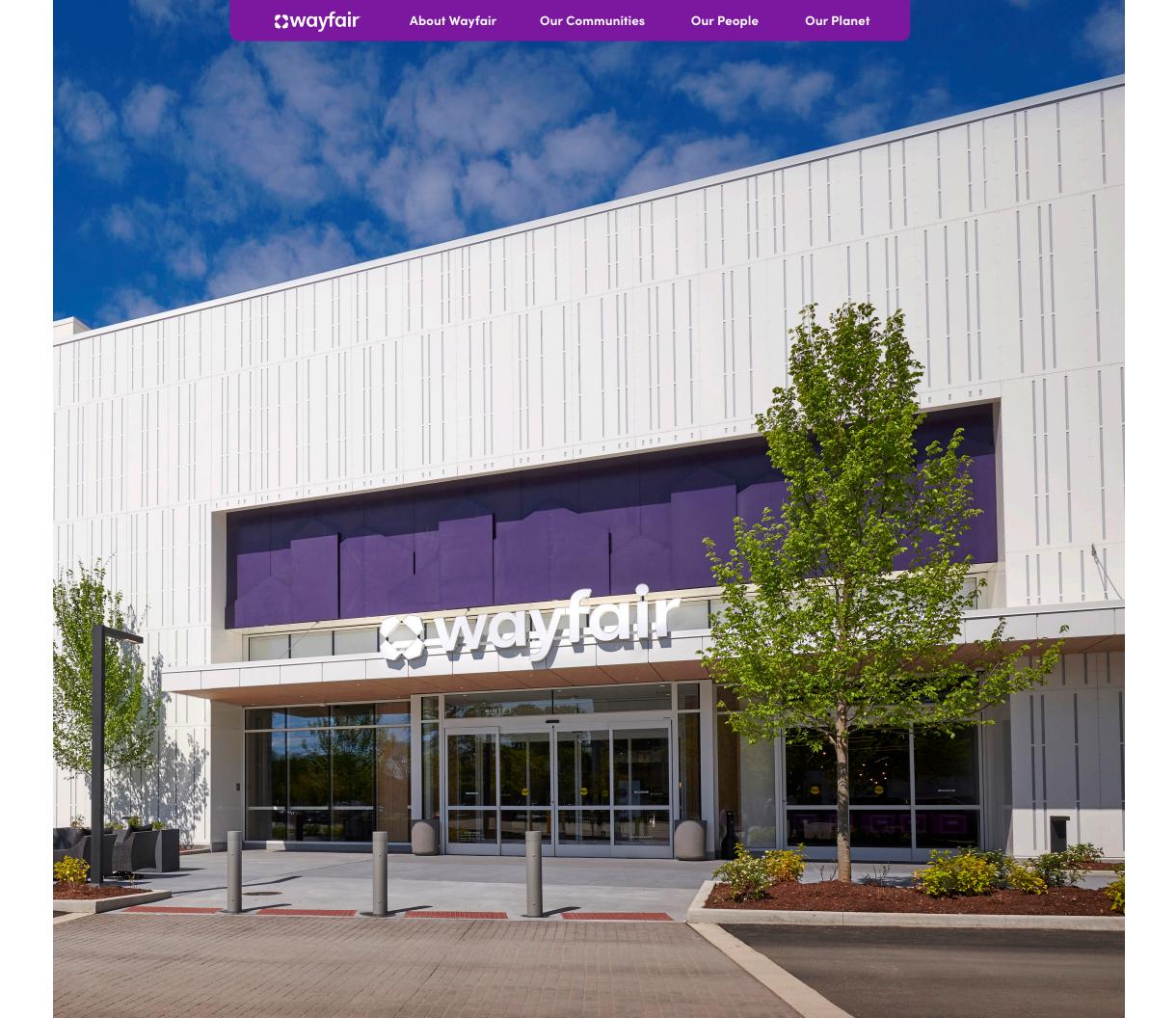
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# About This Report

Corporate Responsibility Reporting & Disclosure

Welcome to Wayfair's fourth annual Corporate Responsibility (CR) Report. This report highlights how we drive meaningful change by supporting our communities, empowering our people, and reducing our environmental impact.

**Cover photo highlights Wayfair's electric vehicle pilot.** Credit: Watt-EV



# Contents

- 6 About Wayfair
- **12** Our Communities
- **22** Our People
- **30** Our Planet

# A Message from Our **Chief Financial Officer** & Chief Administrative Officer

At Wayfair, we believe our business thrives when our people, communities, and planet do too. In 2024, we continued to make meaningful progress on the commitments that define us – from advancing sustainability and community partnerships to investing in our employees' wellbeing. These efforts are not separate from our business strategy; they are at the heart of it.

This past year showed what's possible when purpose and progress go hand in hand. We're proud to share highlights that reflect how we're building a stronger, more sustainable future.

• We opened our first Wayfair store in Wilmette, Illinois, and partnered with Connections for the Homeless as the presenting sponsor of their Block Party. With \$150,000 in donations, we reinforced our commitment to giving back as we grow our physical retail presence.

- We marked over a decade of partnership with Habitat for Humanity, contributing more than \$11 million to help reduce homelessness.
- One year into our Zero Waste by 2030 goal, we increased our waste diversion rate by 8% thanks to expanded recycling programs and the dedication of our facility teams. We also grew our outlet network to five stores – offering customers great value while reducing waste.
- We expanded employee benefits, including enhanced adoption support, a new backup care program, and global financial counseling - all part of our commitment to support our employees through every stage of life and help them thrive both personally and professionally.

As we look ahead, we remain committed to integrating corporate responsibility into our business. From reducing our environmental footprint to strengthening our communities and supporting our employees, we are focused on making a lasting impact. We are proud of the work we've done in the past year and proud to be the destination for all things home.



Thank you for your interest in Wayfair.



**Kate Gulliver Chief Financial Officer & Chief Administrative Officer** 

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About Wayfair

# About Wayfair



# Our Business & Brands

Wayfair is the destination for all things home, and we make it easy to create a home that is just right for you. Whether you're looking for that perfect piece or redesigning your entire space, Wayfair offers quality finds for every style and budget, and a seamless experience from inspiration to installation.

### Wayfair's family of brands includes:



Every style. Every home.

JOSS & MAIN

The ultimate style edit for home.

**Swayfair** PROFESSIONAL

A one-stop Pro shop.

## PERIGOLD

The destination for luxury home.

# BIRCH LN

Classic style for joyful living.

### ALLMODERN

Modern made simple.

# Corporate Responsibility Strategy & Governance

We embed corporate responsibility into our business and continuously seek to improve.

### We organize our CR efforts into three areas:



### Our Communities: Supporting Housing & A Sense of Home for All

In 2024, we partnered with our frontline employees through the Wayfair Neighborhood Fund to direct resources to 12 nonprofit organizations within their local communities.



### Our People: A Sense of Belonging

In 2024, we strengthened our employee benefits to include enhanced U.S. adoption benefits, a new backup care service, and global access to financial counseling resources.



### Our Planet: Protecting Our Shared Home

In 2024, we increased global waste diversion by over 8%, making significant progress toward our Zero Waste by 2030 commitment.





2024 Wayfair Corporate Responsibility Report

# Corporate Responsibility Governance Structure

### **Nominating & Corporate Governance Committee**

The Nominating and Corporate Governance Committee of our Board of Directors periodically reviews Wayfair's Corporate Responsibility strategy, initiatives, and policies.

### **Enterprise Risk Management Team**

The Enterprise Risk Management team identifies potential business disruptions, analyzing data from all business units to provide insights for management and the Audit Committee. Their work also informs the Risk Factors in our 10-K and other Securities and Exchange Commission (SEC) filings, complementing company-wide risk management efforts.

### Audit Committee

The Audit Committee of our Board of Directors oversees enterprise risk management, including Corporate Responsibility-related risks.

### **Sustainability and Purpose & Inclusion Teams**

These teams lead sustainability and inclusivity at Wayfair, developing strategies, tools, and best practices, while supporting risk management.

### Leadership Engagement

Wayfair's cross-functional leaders drive Corporate Responsibility by embedding sustainability, purpose, and inclusion into our business. They set goals, guide execution, and track progress to turn commitments into meaningful action across our operations, products, and communities.



## Cybersecurity & **Customer Privacy**

Strong cybersecurity and data privacy are fundamental to our e-commerce operations. Our cross-functional privacy and security teams ensure a safe, seamless shopping experience, guided by our **Privacy Policy** and other internal security policies.

We adhere to industry best practices and global data protection and privacy laws while continuously investing in privacy tools that enhance visibility, efficiency, and data management across our systems.

Additional corporate governance details, including charters and policies, can be found on our Investor Relations webpage.



About Wavfa

Our Communitie

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# Our Communities supporting housing & a sense of home for all



Wayfair partnered with Homes For Our Troops to furnish and decorate this home. Read more ahead.

About Wavfair

### Our People

**Our Planet** 

# Our Purpose Strategy

Wayfair is committed to making a positive impact by strengthening communities and supporting those in need. Our Purpose strategy is rooted in partnerships with organizations tackling critical social challenges, including homelessness, food insecurity, natural disasters, and domestic abuse. We also invest in workforce development, training, and upskilling initiatives that equip individuals to achieve self-sufficiency and secure stable housing. Our goal is to support our people, customers, and communities when they need it most.

# Turning Houses into Homes

### In-Kind & Product Donations We support communities by Habitat



tangible impact. In 2024, we donated products to <u>Habitat</u> <u>for Humanity</u> ReStores in cities like Cincinnati, Ohio, and Jacksonville, Florida, helping fund Habitat's affordable housing programs. Since 2012, we've contributed more than \$11 million to Habitat for Humanity in the U.S.



### Homes For Our Troops

Since 2018, Wayfair has partnered with <u>Homes For</u> <u>Our Troops</u>, a Massachusetts nonprofit that builds and donates specially adapted custom homes for severely injured post-9/11 Veterans. We support their mission by donating adaptive home furnishings, facilitating customer donations through our donateat-checkout program, and encouraging employee volunteerism. To date, we've contributed over \$1.5 million in customer and in-kind donations. In 2024, we helped furnish and decorate a new home for **Marine LCPL Alberto Flores Jr**.



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# Supporting the Neighborhoods Where We Live & Work

# Wayfair Neighborhood Fund

In 2023, we launched the Wayfair Neighborhood **Fund**<sup>1</sup> with a \$1 million initial donation. Through the fund, we direct grants to organizations supporting people on their journey to home.



<sup>1</sup> The Wayfair Neighborhood Fund is a donor-advised fund sponsored by a national donor-advised fund program.



### Local Grant **Partnerships**

In 2024, through the Wayfair Neighborhood Fund, we proudly awarded 12 grants to our warehouse locations, totaling \$120,000 to support local organizations. These grants helped our employees engage with their community, strengthen local partnerships, and support initiatives that create lasting impact where our employees and customers live and work.

As part of our commitment to supporting the communities where we operate, Wayfair proudly served as the presenting sponsor of the third annual Connections for the Homeless Block Party in Evanston, Illinois – just 10 minutes from our first-ever Wayfair store in Wilmette. With a \$50,000 donation, we helped bring together nearly 1,000 community members for an afternoon of food, entertainment, and familyfriendly activities. Local organizations, including



### Connections for the Homeless

the NAACP, YMCA, and Evanston Public Library, provided resources and support to attendees.

This event builds on Wayfair's ongoing partnership with **Connections for the Homeless**, following a \$100,000 contribution at our Wilmette store's ribbon-cutting ceremony in May. Through initiatives like these, we continue investing in local communities and advancing our mission to make home accessible for all.

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# Involving Our People

# Habitat for Humanity International Builds

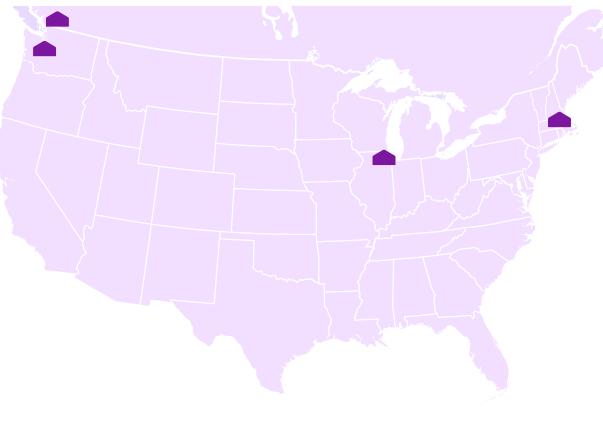
For over a decade, Wayfair has partnered with Habitat for Humanity International, a nonprofit organization focused on providing affordable housing worldwide. In 2024, more than 120 Wayfairians contributed to eight Habitat for Humanity builds across North America. We remain committed to supporting new families while providing long-term support to those families we've helped in the past.



### Wayfair-Supported **Habitat Build Locations**

- Mission, BC, Canada 1 build
- Portland, OR 1 build
- Malden, MA 2 builds
- Joliet, IL 4 builds





# Skills-Based Volunteer Day with Housing Families and Fenway Community Development Corporation

In 2024, Wayfair's Purpose team hosted a volunteer "pitch" event connecting employees with two local nonprofits: Housing Families and Fenway Community **Development Corporation**. This initiative leveraged employee expertise and creativity to address realworld challenges in housing stability and community well-beina.

These organizations were selected for their alignment with Wayfair's commitment to fostering safe, stable homes for all. Employees from various teams, including customer service and software engineering, collaborated directly with nonprofit leaders to understand challenges and deliver actionable solutions. This event showcased how strategic partnerships drive lasting community impact.

Read more about the event on our website.

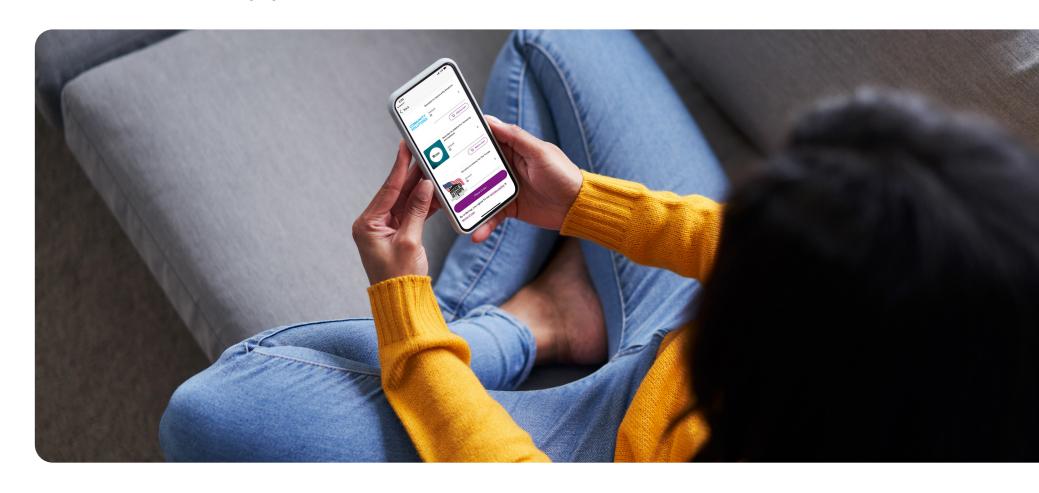


# Snack Bag Assembly

To celebrate Way Day, our largest promotional event, employees packed snack bags for local housing partners Heading Home and Pine Street Inn, supporting individuals and families transitioning out of homelessness.







**Employee Programs** 

### **Employee Match Program**

Wayfair's Employee Match Program<sup>2</sup> amplifies giving by matching employee donations of up to \$500 per year to eligible nonprofits. In 2024, more than 360 employees donated to over 300 nonprofits through this program, benefiting causes such as the Boston Medical Center, Children's Hospital, American Red Cross, and Pine Street Inn.

### **Paid Day of Service**

We empower employees to give back through our Paid Day of Service, offering full-time employees eight volunteer hours and part-time employees four volunteer hours per year. In 2024, more than 430 employees contributed over 2,700 hours, supporting causes such as homeless shelters, company-wide volunteer events, election support, and more, with an estimated impact of over \$93,900, based on Independent Sector's \$34.79 per hour volunteer hour valuation.

### **Election Time Off**

We provide employees with time off each year to vote – four hours annually for full-time and two hours annually for part-time employees. We also offer a Paid Day of Service to employees volunteering as election poll workers.

### <sup>2</sup> Wayfair's Employee Match Program is funded by a donor-advised fund at a national sponsoring organization.

employees at our supply chain locations.

with Generus

In 2024, Wayfair employees volunteered over 1,200

volunteering company – through virtual, hybrid,

"on-demand" events, increasing accessibility for

hours with Generus – a Boston-based, woman-owned

and in-person opportunities, building or making over 2,600 items for donation to support 13 nonprofit causes. This year, we expanded the program to include shorter,

Volunteering

### Wayfair Emergency **Relief Fund**

The Wayfair Emergency Relief Fund provides financial assistance to eligible<sup>3</sup> employees facing disasters or personal hardship. Funded by donations from Wayfair, our co-founders, executive team, and employees, and managed by the **Emergency Assistance Foundation**, the relief fund supports employees when they need it most.

In 2024, over 150 employees received approximately \$188,700 in grants. Employees also contributed to the fund, with Wayfair matching their donations, reinforcing our shared commitment to supporting one another in challenging times.

# Involving Our Customers

Wayfair's donate-at-checkout program empowers customers to support nonprofit partners at the time of purchase. In 2024, customers donated \$260,000 to nonprofit partners such as Habitat for Humanity, Homes For Our Troops, and Community Solutions at checkout.

<sup>3</sup> Eligible employees must be employed by Wayfair LLC or its affiliates on the date of the application; must be a full or part-time employee or on approved medical leave or leave of absence.

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About Wayfair

Our Communities

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# Our People A SENSE OF BELONGING

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Wayfair's Boston headquarters

# Guiding Talent Principles

Wayfair's Talent organization drives success by enabling employees to do their best work every day. Wayfair's People Principles guide how we operate as individuals, teams, and a company.



## Employee Resource & Community Groups

Wayfair's Employee Resource Groups (ERGs) and Community Groups (CGs) are created by and open to all Wayfair employees. They provide spaces for advocacy, education, networking, and professional development, strengthening our workplace community.

# Fostering Community Among Employees

A strong sense of belonging enhances employee engagement, collaboration, and career growth. In 2024, we hosted events across our global offices to bring employees together, celebrate diverse cultures, and strengthen our workplace community.

- Supporting Women's Sports: 100 ERG members attended Wayfair's first-ever WNBA event at TD Garden, celebrating the arena's inaugural WNBA game and promoting visibility for women in sports.
- **Hispanic Heritage Month:** Employees worldwide participated in salsa dancing lessons, a step challenge, discussions on the history of Latinx music, and enjoyed catering from Latinx-owned vendors.
- Honoring Cultural Traditions: Our Shalom ERG hosted a Rosh Hashanah celebration to mark the Jewish New Year.
- Global Diwali Festivities: Six global office locations participated in Diwali celebrations featuring food, performances, games, and crafts to foster community.



# Talent Development, Benefits, & Employee Well-Being

We equip Wayfairians with the training, development, and recognition needed to excel in their careers.

### Employee Recruitment, Engagement, & Growth

We build a strong workforce by supporting employees from their first interview through training and career development.

Wayfair strives to be a top career destination for global talent, measuring progress through key efficiency and effectiveness metrics. Our Certified Interviewer Program ensures an unbiased hiring process, while our Voice Survey gathers employee feedback on growth and satisfaction. To more holistically assess employee engagement, we introduced the Engagement Composite Score (ECS), which evaluates employee sentiment toward Wayfair, their team, and their role. In 2024, we saw an overall increase in Wayfair's average ECS, reflecting an improvement in employee satisfaction.

# **Employee Training** & Development

We prioritize internal mobility, providing employees with skills-based learning experiences that drive career growth and business success. We invest in department- and function-specific support, including software programs designed to upskill employees.

Our Chief People Officer oversees training and development, with Talent managers implementing programs within business functions. All employees complete mandatory annual compliance training, including Sexual Harassment Prevention, Security Awareness, and the Code of Business Conduct & Ethics. Certain employees also complete job-specific training, including warehouse safety, active shooter preparedness, and behavioral interview and bias training for Certified Interviewers.





We continued to observe no indicators of pay inequity across gender, race, or age at any employment level in the U.S., and beyond the U.S. we remain compliant with international pay equity regulations as well. Where applicable, we achieve our pay equity targets by analyzing trends and adhering to our core compensation philosophy, which results in formulaic outputs based on employee performance ratings.

### Benefits & Compensation

Wayfair's Director of Talent Operations and Analytics, supported by the Global Compensation and Benefits Team, manages day-to-day benefits and compensation oversight. Our Chief Executive Officer, Chief Financial Officer, and Chief People Officer regularly review these programs, while the Compensation Committee of our Board of Directors oversees executive and Board compensation and advises on broader employee compensation.

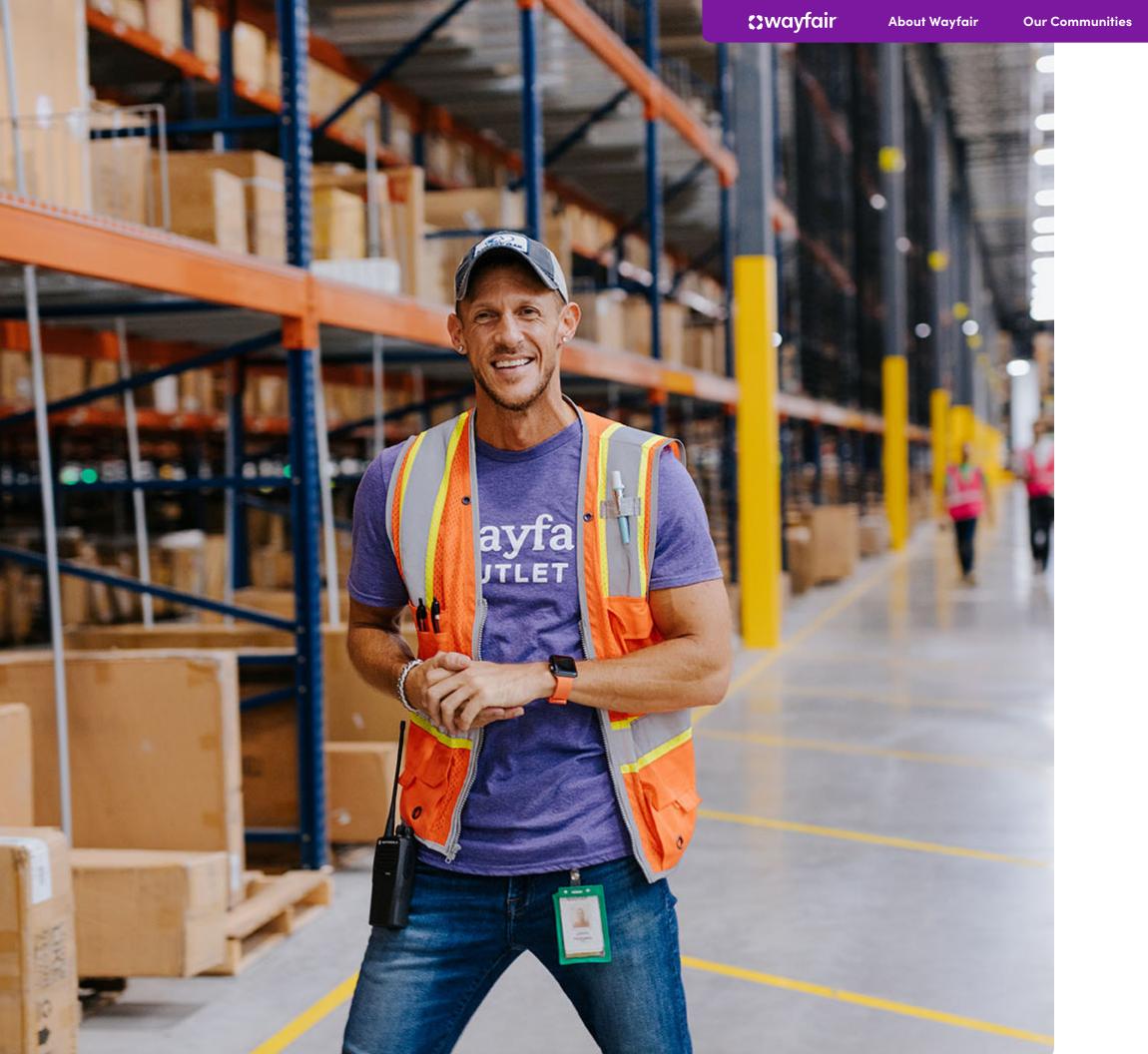
### In 2024, we enhanced employee benefits by:

• Expanding U.S. adoption support;

• Launching a backup care service to reach employees where they work and live; and

• Extending financial counseling services globally.

Wayfair's Boston headquarters



## **Employee Safety & Security**

### Safety and Security: A Shared Responsibility

Safety and security are shared responsibilities. In 2024, we strengthened our programs to create a safer, more resilient workplace.

The Global Safety and Security team remains committed to a best-in-class safety and security program aligned with global industry standards. Our approach integrates training, operational improvements, innovative technology, and datadriven insights to empower employees at all levels to maintain a safe work environment.

Building on our proactive culture, we introduced key initiatives in 2024 to mitigate risks and improve performance:

• Pristine Program Expansion: Expanded across the fulfillment network, combining classroom instruction with hands-on material handling and safe lifting training to reduce musculoskeletal injuries.

Behavior-Based Observations: Developed to reinforce safe behaviors and empower teams to identify and address risks in real time.

• Safety Metrics and Scorecard 2.0: A holistic tool incorporating leading and lagging indicators and compliance metrics that enables proactive trend monitoring and risk mitigation.

### Strengthening **Operational Resilience**

In 2024, we enhanced our ability to maintain safe, secure, and uninterrupted operations through investments in both preparedness and response. The Global Safety and Security Operations Center expanded its capabilities to provide real-time risk analysis, traveler safety guidance, and tailored emergency response plans.

In parallel, our Readiness Assessment Program strengthened workplace safety by evaluating safety and security performance at our fulfillment centers. This program ensured a safe and secure environment through comprehensive inspection and training reviews.



# Our Planet

### **PROTECTING OUR SHARED HOME**

Aerial view of Wayfair's Liberty Solar VPPA project. Credit: Recurrent Energy. Wayfair is committed to reducing our environmental impact and building a more sustainable future. We partner with third-party experts and key stakeholders across our operations, supply chain, and customer networks to drive change.

Our public goals reflect this commitment. Three years ago, we announced our <u>first public</u> goal of reducing our Scope 1 and Scope 2 emissions by 63% by 2035 (compared to our 2020 baseline). Last year, we announced our <u>second public goal of achieving zero waste</u> (90%+ waste diversion) across Wayfair's global operations by 2030. These goals underscore our commitment to climate action and a more circular economy.

### Progress Toward Our Goals

Focus Area	2022 Status	2023 Status	2024 Status
Reduce Scope 1 & 2 emissions by 63% by 2035 (compared to 2020 baseline)⁴	7.6% increase	7.0% reduction	6.6% reduction
Achieve zero waste⁵ (90%+ waste diversion) across Wayfair operations globally by 2030	N/A <sup>6</sup>	46% waste diversion <sup>7</sup>	54% waste diversion
Increase recyclability of the packaging procured by Wayfair <sup>8</sup>	82% recyclability	90% recyclability	88% recyclability
Expand customer access to sustainable products by increasing certified SKUs through our Shop Sustainably initiative	over 15,000 SKUs	over 33,000 SKUs	over 46,000 SKUs

- <sup>4</sup> We recalculated historical emissions using our new environmental data platform's industry-standard methodology to ensure consistency across reporting years. This aligns with our recalculation policy to reflect improved data quality, emission factors, and assumptions.
- <sup>5</sup> "Zero waste" is defined as meeting or exceeding Zero Waste International Alliance (ZWIA) business recognition program requirements, which include adoption of the ZWIA definition of zero waste and achievement of 90% or more diversion of all discarded resources from landfills, incinerators, and the environment. Our zero waste goal and reporting scope includes waste materials and products generated in Wayfair-owned facilities and its operations (warehouses, offices, etc.).
- <sup>6</sup> The waste diversion percentage for 2022 is not available due to the high proportion of estimated figures within our operations. Tracking processes were established in 2023.
- <sup>7</sup> 2023 waste diversion values were updated in alignment with our industry-standard methodology and recalculation policy to reflect improved data quality and updated assumptions, ensuring accuracy and transparency.
- <sup>8</sup> Packaging recyclability signifies the proportion of Wayfair-added packaging materials that are capable of being collected, sorted, and processed through recycling channels to be transformed into new products or packaging materials. Data is self-reported by packaging suppliers.

# Climate Action

Wayfair is committed to contributing to the protection of our planet and communities by addressing the impacts of climate change. We conduct an annual GHG inventory for Scope 1, 2, and 3 emissions and report the data in our global climate disclosures. In 2024, we observed a 6.6% decrease in Scope 1 and 2 emissions compared to the 2020 baseline, primarily driven by the virtual power purchase agreement (VPPA) with the Liberty Solar project, which began operating this year.

To meet our 2035 emissions reduction goal, we continue to invest in long-term initiatives, including VPPAs and onsite solar. Read more in the **Energy** section of this report.

### Wayfair Greenhouse Gas Emissions

*Measured in metric tons carbon dioxide equivalent [CO <sub>2</sub> e] <sup>9</sup>	2020 <sup>10</sup> Baseline	<b>2022</b> <sup>10</sup>	<b>2023</b> <sup>10</sup>	2024
Scope 1	15,221	19,223	15,521	15,947
Scope 2	20,277	18,969	17,480	17,216
Scope 3 <sup>11</sup>	N/A	N/A	4,553,667	4,092,305
- Products & Services	N/A	N/A	4,047,437	3,213,557
- Transportation & Distribution	N/A	N/A	431,323	783,302
- Other	N/A	N/A	74,906	95,446
Total GHG Emissions	N/A	N/A	4,586,668	4,125,467

<sup>9</sup> Please find more information in the 2024 GHG Inventory Methodology. Please note that due to rounding, the sum of the results presented may not equal the total shown.

<sup>10</sup> We recalculated historical emissions using our new environmental data platform's industry-standard methodology to ensure consistency in methodology across reporting years. This aligns with our recalculation policy to reflect improved data quality, emission factors, and assumptions.

<sup>11</sup> "Products & Services" includes Purchased Goods & Services and End of Life Treatment of Sold Products. "Transportation & Distribution" includes both Upstream and Downstream Transportation & Distribution. "Other" includes Capital Goods, Fuel & Energy-Related Activities, Waste, Business Travel, Upstream Leased Assets, and Employee Commuting.



In 2024, we implemented a cloud-based environmental platform to improve the accuracy and transparency of our climate data. This included refining emission factors with updated regional data, improving utility estimates using U.S. government energy benchmarks, and updating refrigerant emissions calculations based on sources like the EPA and IPCC. We also revised emissions boundaries based on lease types, enhanced Scope 3 estimates with supplier-specific data, and

adjusted assumptions for customer waste by region and product type, all aligned with leading GHG Protocol practices. Scope 3 emissions for 2020, 2021, and 2022 are listed as "N/A" as they have not been recalculated using our new environmental data platform's industry-standard methodology. Historical recalculation efforts prioritized Scope 1 and 2 emissions in alignment with our public reduction goals and 2023 Scope 3 emissions to enable year-over-year trend analysis.



# Energy

We continue expanding renewable energy adoption globally, prioritizing new and emerging renewable generation sources. In 2024, we advanced our efforts by installing four onsite solar systems at our North American warehouses – three dedicated to powering our facilities and one supporting the local grid through a community solar agreement.

In 2024, Wayfair announced our second aggregated virtual power purchase agreement (VPPA) with the Prairie Solar project in Champaign County, Illinois. Under the VPPA, Wayfair is contracted to offtake 20 MW of power, and the project will help reduce carbon emissions in the fossil fuel-dominated Midcontinent Independent System Operator (MISO) region of Illinois. Wayfair's first VPPA project, Liberty Solar, came online this year and Wayfair has begun to retire the renewable energy credits (RECs) produced.

Together, our two VPPA projects – Liberty Solar in Texas and Prairie Solar in Illinois – are projected to offset over 90% of our 2024 Scope 2 emissions, reinforcing our commitment to climate action.

### Wayfair Electricity Consumption and Renewable Usage<sup>12</sup>

	<b>2021</b> <sup>13</sup>	<b>2022</b> <sup>13</sup>	<b>2023</b> <sup>13</sup>	2024
Total Electricity Consumption (MWh)	65,924	67,463	57,976	62,051
Onsite Renewable Electricity Generation (MWh)	0	192	613	465
Procured Renewable Electricity through VPPAs and RECs (MWh)	10,922	9,522	6,317	11,909
Renewable Electricity Percentage of Total Consumption	16.6%	14.4%	12.0%	19.9%

We also invest in the energy efficiency of our buildings. In 2024, we completed LED lighting installations and worked to reduce energy use and improve energy efficiency across buildings in our North American supply chain.

- <sup>12</sup> Data has been adjusted from historical reports to focus on electricity consumption and the percentage of renewable electricity compared to total energy consumption.
- <sup>13</sup> We adjusted the historical electricity consumption values in alignment with our methodology and recalculation policy. This was done to ensure accuracy and transparency, as data quality improvements and updates to our assumptions have since been implemented.

### Our Communitie

In 2024, we launched a successful pilot program with WattEV, Inc., using heavy-duty electric vehicles (EVs) for middle-mile deliveries. This initiative included 20 shipments and resulted in a 3.3 metric ton (MT) reduction in our Scope 3 emissions.

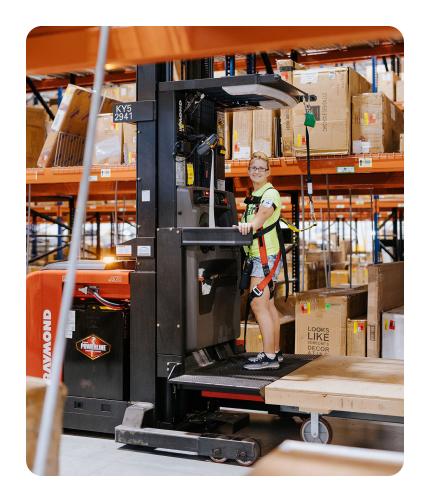


## Transportation

Wayfair continues to focus on sustainable transportation through transportation efficiency projects and collaborations with carrier partners.

Over the past three years, Wayfair also expanded intermodal transport for North American middlemile shipments, reducing diesel reliance and avoiding 21,104 MT of CO<sub>2</sub>e emissions in 2024.

Further integrating sustainability into our logistics strategy, we continue to incorporate environmental criteria into transportation requests for proposals, with 96% of our carriers **SmartWay** certified.







# Circular **Economy**

Wayfair continuously evolves our business practices to support a more circular economy, including integrating returns and damage prevention into our core operations, enhancing packaging sustainability, and refining waste management practices.

# Waste Prevention

In 2024, we advanced our waste reduction goals through key initiatives:

 Returns Management: Improved open-box resale economics, repair capabilities, and recovery rates for returned goods through improved grading and recovery strategies.

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- White Glove Delivery and Inspections: Prevented damage and reduced waste through tech-enabled inspection processes for high-incident products.
- Replacement Parts Program: Improved availability and visibility of replacement parts, increasing the number of products repaired rather than replaced.
- Outlets Expansion: Drove reuse of returned items through scaling of Wayfair's outlet network.
- Customer Waste Reduction: Provided responsible disposal and recycling options through our Old Mattress Pick-Up program and white glove delivery service.



Last year, we announced our public goal of achieving zero waste by 2030, striving to divert 90%+ of Wayfair's global waste from landfills and incineration. In the past year, we increased our global waste diversion rate by over 8%, driven by expanded recycling programs for cardboard, wood, and plastic waste. We are now working to scale these solutions across all North American facilities.

We have also strengthened our partnerships with waste management vendors, enabling us to implement new reverse logistics solutions for recycled materials and reduce both environmental impact and operational costs.

# Packaging

We continue to focus on the sustainability of our packaging materials, achieving a global recyclability rate of 88% in 2024 across boxes, wraps, fillers, and mailers. For example, over 97% of mailers in North America transitioned to paperbased materials, resulting in both cost savings and more sustainable packaging. The slight decrease from last year is primarily due to the increased use of plastic wrap to protect unboxed, inspected products during delivery. Our procurement team continues to embed recyclability and recycled content requirements into their sourcing process, keeping the percentage of recycled content in paper-based packaging at 34% globally in 2024.

About Wavfai

# Sustainable **Products**

Through our Shop Sustainably Program, Wayfair empowers customers to select sustainable products and encourages suppliers to adopt third-party sustainability certifications and standards. Our sustainable product strategy includes industry collaborations, best practice sharing, and responsible sourcing expectations as outlined in our Supplier Code of Conduct.





### **Eco-Friendly** Suppliers Creating **Healthier Homes**

Our Shop Sustainably supplier partners make it easier for our customers to find products that meet their needs, such as those certified for improved air quality or responsibly sourced materials. One such partner is AllModern's Skyline Furniture, a fashion-forward, familyowned business with a 75-year history and a growing focus on sustainability. As part of Wayfair's Shop Sustainably program, Skyline offers products that are FSC, CertiPUR-US, and GREENGUARD certified, helping customers easily identify options that are safer for their families and better for the planet. Read more about Skyline Furniture here.



In 2024, our Shop Sustainably program grew to include over 46,000 products meeting one or more of **50+ third-party certifications**. These certifications highlight sustainable features such as energy or water efficiency, sustainably sourced wood, organic textile use, or Fair Trade Certified<sup>™</sup> production. By using a Shop Sustainably filter, customers can easily search for and identify products with verified third-party certifications from international nonprofits, independent laboratories, and global government agencies. These include CERTIFIED asthma & allergy friendly<sup>®</sup>, BIFMA LEVEL<sup>®</sup>, GREENGUARD by UL Solutions, MAS Certified Green<sup>®</sup>, and Indoor Advantage Gold by

SCS Global Services. Each certified product includes a logo that clearly identifies sustainable features and includes all third-party certifications. We continue expanding our certification partnerships and increasing the availability of certified products on our site.

To further enhance sustainable shopping, we launched a dedicated sustainability landing page for AllModern in 2024. This platform allows customers to explore the brand's sustainability commitment and discover sustainable products. Learn more by visiting our Eco Modern page.





**Ethics &** Human **Rights in** Supply Chain

We strive for the highest level of ethical conduct throughout our entire business, including in our relationships with our customers, suppliers, and shareholders.

## Code of Business Conduct & Ethics

Wayfair's Code of Business Conduct and Ethics (Code) describes our ethical and human rights standards across key areas, including insider trading, conflicts of interest, and reporting of illegal or unethical behavior. Approved by our Board of Directors, all employees must annually acknowledge the Code and complete ethics and compliance training based on the Code and our employee handbook. Select employees receive specialized training on anti-bribery and anticorruption policies.

Employees are responsible for reporting potential violations of the Code, company policies, or the law. Concerns can be reported anonymously through whistleblower channels, guarterly Voice surveys, and other organizational resources.

<u>Our Communiti</u>

## Supply Chain **Oversight & Responsible Sourcing**

It is our responsibility to engage with our value chain and our customers in an equitable, inclusive, honest, non-discriminatory, and professional manner. Our Supplier Code of Conduct (SCOC) sets clear expectations for our suppliers and our **Supply Chain** Transparency Statement details our approach to compliance through supply chain verifications, supplier audits, supplier certifications, internal accountability measures, and training programs.

Wayfair takes steps to ensure the safety and quality of our products. In 2024, we continued to strengthen our supplier diligence efforts by collaborating with suppliers and maintaining high standards for safety, compliance, and responsible sourcing. This year, we partnered with an advanced provider specializing in AI-powered solutions to enhance our screening processes identifying risks related to sanctions and forced labor, improving visibility across our value chain. We take a risk-based approach to auditing our supply chain, prioritizing certain product types and suppliers in certain geographies. If an audit reveals a violation of our SCOC, we may require the supplier to develop and implement a detailed corrective action plan or, in some cases, we may suspend or remove them from our platform. We may also conduct follow-up audits to confirm that violations are resolved. Additionally, our Partner Home portal provides suppliers with training and resources covering logistics, merchandising, product compliance, and advertising.

# Human Rights

Wayfair is committed to combating modern slavery and human trafficking. We have zero tolerance for forced labor and other violations of human rights. Read more about our commitment and approach in our Slavery and Human Trafficking Statement and our 2024 Fighting Against Forced Labour and Child Labour in Supply Chains Act report.

## Forward-Looking Statements

Caution Concerning Forward-Looking Statements: This report contains forwardlooking statements within the meaning of federal and state securities laws. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "continues," "could," "intends," "goals," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "continue," or the negative of these terms or other similar expressions.

All statements other than statements of historical fact contained in this report, including statements regarding our business strategy, plans, and objectives, our Corporate Responsibility initiatives, goals, commitments, and programs, our assumptions and expectations, and standards and expectations of third parties, are forward-looking statements. You are cautioned not to rely on these forward-looking statements, which are based on current expectations of future events and speak only as of the date they are made and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, or otherwise. We cannot guarantee that any forward-looking statement will be accurate, although we believe that we have been reasonable in our expectations and assumptions. For important information about the risks and uncertainties that could cause actual results to vary materially from the assumptions, expectations, and projections expressed in any forward-looking statements, please review our most recent Annual Report on Form 10-K and our subsequent filings with the Securities and Exchange Commission.

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