ESG Report 2020

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April Kae, Buyer
Musician

A purpose driven marketplace

Fiverr was built with a purpose from day 1. Our mission is to change how the world works together. It is a mission deeply rooted in our belief that anyone in the world, regardless of race, gender, religion, socioeconomic status, and geography, should have equal access to opportunities.

As such, we pioneered the Service-as-a-Product model to allow freelancers to compete and be judged on the quality of their work, skills, and talent. We bring them clients and work so that they can focus on doing what they love, in their own time, from around the world. We are building an expanding suite of services and tools to enable our sellers' professional growth and support their lifestyles. We are more than just a place to buy and sell digital services. Over the past 11 years, we have built a vast and vibrant global community that shares our mission and values and feels like part of something bigger.

Customers today are longing to find meaning and purpose in things they purchase or the way they buy them – especially after the last two years with everything that's happening around the world. With the global climate crisis, COVID-19, and Black Lives Matter, we believe that brands cannot just put empty statements as their purpose and only make small gestures. The same goes with employees and shareholders who want to invest their time and money in a business whose mission they can resonate with. We believe businesses that will continue to be successful tomorrow must care not just about profit but also about people, communities, and the planet too.

As we move forward, we believe it's important to bring greater clarity to our ESG strategy to all our stakeholders, including our community, employees, and shareholders. We identified four core pillars of our ESG strategy that goes into everything we do at Fiverr:

- Creating fair economic and social opportunities
- Marketplace integrity and ethics
- Empowering our people
- Climate change

We are proud to publish this report to share with you the progress we've made so far. We believe that transparent and regular reporting is an essential step to holding ourselves accountable. We invite you to join us on our journey and have open dialogues with us on how we can continue driving a positive impact.
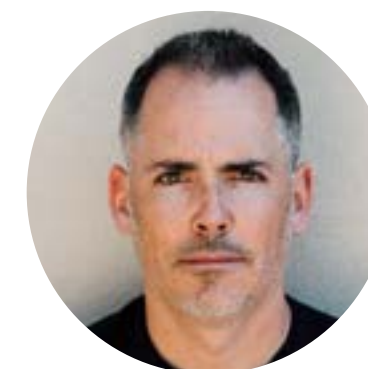
Micha Kaufman,
Founder and Chief Executive Officer

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Meet Fiverr

Fiverr's mission is to change the way the world works together. We pioneered a Service-as-a-Product (SaaP) model to enable freelancers and businesses to connect, transact and collaborate through an on-demand, e-commerce like experience.

Our approach significantly reduces friction and uncertainties for both freelancers and businesses. We provide freelancers across the world with customers and income opportunities, based on the quality of their work and regardless of their background and location.

At the same time, we enable businesses of all sizes, budgets and industries, an on-demand access to a world of high-quality talent for the digital services they need to help support and grow their businesses.

Unless otherwise noted all figures are as of December 31, 2020.

A global footprint
We serve buyers and sellers in over 160 countries in the world. In 2020, 70% of our GMV was generated from buyers located in English-speaking countries, including the United States, the United Kingdom, Canada, Australia and New Zealand. 89% of our GMV was generated from a cross-border transaction where a buyer and a seller are located in a different country.

The Fiverr marketplace
In 2020, our marketplace generated $699 million of Gross Merchandise Volume (GMV) from 3.4 million active buyers.

Categories we serve
As of December 31, 2020, there are over 500 digital service categories on Fiverr, across nine verticals including Graphics & Design, Digital Marketing, Writing & Translation, Video & Animation, Music & Audio, Programming & Tech, Data, Business and Lifestyle.

Our employees
As of December 31, 2020, there are 545 employees spanning global offices in NY, SF, Phoenix, London, Berlin, with headquarter in Tel Aviv.

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Our ESG strategy

We partnered with Deloitte, an independent consulting firm, to conduct an ESG materiality assessment based on Sustainable Accounting Standards Board (SASB) standards and Fiverr's core business strategy.

Through the process, we have identified four core pillars that outline the specific ways we are making positive change in the world and the key issues that are important to our business and stakeholders.

Each element of this strategy is embedded in our business strategy as we aim to revolutionize the future of work. Our marketplace grows when we help freelancers find more businesses from beyond their personal network; when on-demand digital services are made available to SMBs who are otherwise constrained by resources; when we foster a positive community with policy and standards that drives

high quality transaction experience; and when we enable remote work and reduces carbon emissions. Aligning our mission, business strategy and ESG strategy is critical to the long-term and sustainable growth of our company.

Our ESG strategy is incorporated throughout Fiverr from our everyday activities to our long-term strategy. The Board of Directors and Senior Management are highly committed to our ESG strategy and implementation.

The Nomination and Governance Committee was appointed to lead the oversight of ESG policy and implementation. Our EVP and General Counsel and VP of Strategic Finance lead the ongoing management of our ESG processes, including publication of the ESG Report. Throughout this report, unless noted otherwise all figures are as of December 31, 2020.

Creating fair economic and social opportunities

Fostering a level playing field and providing economic and business opportunities for talent across the world

Empowering our people

Building diverse and inclusive workforces and company culture

Marketplace integrity and ethics

Holding high standards for quality and integrity in our marketplace

Climate change

Reducing the carbon footprint by enabling remote work and driving responsible resource use

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Highlights of key ESG metrics

Creating fair economic and social opportunities

Empowering freelancers and businesses around the world:

$699M
GMV generated in 2020 for freelancers around the world

3.4M
active buyers in 2020

$2B+
earned by sellers since inception

89%
GMV from cross-border transactions

Marketplace integrity and ethics

Creating an open and transparent marketplace for our community of buyers and sellers to thrive:

67
buyer NPS score

79
seller NPS score:

78%
satisfaction rate on ticket resolutions from our 24/7 customer support

Empowering our people

Building diverse and inclusive workforces and company culture:

50%
of senior management are women

27%
of our R&D* team are women

Empowering women freelancers around the world:

Females earn on average
9%
more than males on Fiverr's marketplace

Climate change

Reducing the carbon footprint by enabling remote work:

85%**
of freelancers work from home, reducing the need for daily commuting

Committing to carbon neutrality by
2030
with continued efforts to reduce environmental impacts and foster responsible energy use across our offices in Tel Aviv and New York

*   Research and Development (R&D) includes employees in technical, engineering, IT and data roles
** Based on a survey conducted in February 2020

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Creating Fair Economic and Social Opportunities

Zach Mack, Buyer
Owner at ABC Beer Company

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Creating fair economic and social opportunities

The world is undergoing a massive digital transformation as more companies are evolving to a hybrid, dynamic, and more agile workforce model. Fiverr is impacting these shifts with the world's largest freelancer network, a comprehensive suite of tools, and a growing catalog offering over 500 digital categories.

Through Fiverr, millions of businesses are able to tap into global talent they wouldn't otherwise have access to; and are able to build their business and stay competitive even when they are lean in team and resources.

For freelancers, Fiverr provides instant access to business clients from around the world that are no longer limited by local demand in their physical surroundings. With the unique marketplace infrastructure and Service-as-a-Product model, Fiverr transformed how freelancers used to work. Rather than finding leads and chasing them everyday, on Fiverr they can focus on doing what they love and what they are really good at; rather than facing potential direct or indirect discrimination, on Fiverr they are judged only by their skills and talent, and on Fiverr, freelancers define when they work, how they work, and the prices of their services.

"Fiverr continues to be a reliable source for building my videogames, comics, and books. From Madrid, I can chat with my game developers in Russia and New Zealand to create products with a global reach."

Bjorn Beam, Buyer
Founder and CEO, Security Squad
Madrid, Spain

"Even living in a tiny mountain town in Colorado I've got clients in Dubai, in Hong Kong, Australia, New Zealand, and I don't have to go any further than my computer."

Laura Thomas, Seller
Editor, Writer and Creative
Colorado, United States

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Empowering Our Sellers

Creating a level playing field

Our e-commerce model by design puts the sellers' skills, their work and the quality of their work at the front and center of the buyer's purchase journey. We strive to provide equitable access to opportunities for talent across the world by improving the ability for our sellers to express themselves on our marketplace, and by giving our sellers control in their service offerings in terms of scope of service, duration and pricing.

Unconscious biases that may potentially affect freelancers in offline transactions such as race, gender, disability and religion are minimized on Fiverr. On Fiverr, buyers choose to purchase a Gig from a seller based on the quality of work, scope of the project and professionalism.

Fiverr offers digital services in over 500 categories, creating the opportunity for freelancers with a vast scope of skills to become sellers on Fiverr.

Many of the categories don't require special equipment and can be done from anywhere in the world.

Sellers are able to work whenever and wherever they want, as long as they have access to the internet and a computer. The flexibility of freelancing is amplified on Fiverr, with 3.4 million buyers from over 160 countries, time zones and physical parameters are no longer a restriction with 89% of GMV coming from cross-border transactions. The typical working day of 9-5 is no longer a requirement, making way for sellers to work on a schedule that suits their lifestyle.

Community

Oftentimes, freelancing can be lonely and lack the support and community that comes with being a full time employee. When freelancers join Fiverr, they are joining an active and global community of skilled freelancers. We aim to help create meaningful connections among our community through:

Danielle Ongo-Levi,
Fiverr Empower graduate, Tel Aviv, Israel

Danielle graduated from Shenkar College with a degree in Visual Communications. She became a Fiverr seller in 2020 after graduating from the Fiverr Empower program. Despite being visually impaired, Danielle provides outstanding design work for her clients on Fiverr.

"The Fiverr Empower program is absolutely amazing. It gives me the opportunity to show my talent and my professional skills regardless of my disability. My disability becomes irrelevant and nobody judges me because of that — they only see me as a professional seller who can provide them the best work. I feel that it's the first time that I am accepted as an equal when it comes to getting a job like anybody else."

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- Community events: In 2020, we hosted 340 community events that engaged over 75,000 community members around the world. While most of the events were virtual in 2020, we look forward to continuing these with a hybrid model hosting in person and virtual events when it is safe to do so. These events range from networking activities for freelancers, educational series on various topics and tips and tricks to optimize your freelance career on Fiverr.

- Fiverr Blog: Fiverr's internal content team regularly updates the Fiverr Blog to provide our sellers with latest industry trends and other practical tips. We also allow top sellers from our community and other industry experts to contribute to the Fiverr Blog as well.

- Fiverr Forum: The Fiverr Forum is a place for our community to share knowledge with each other and to share feedback with us. In 2020, over 60,000 community members actively engaged in threads and conversations.

- Customer Care team: We are available to our community 24/7 through our Customer Care team. Community members are able to talk to a team member and receive assistance on any issue or question on the platform.

We've also published a comprehensive set of Community Standards to maintain a respectful, inclusive, and safe environment for everyone. These standards help define what is acceptable in the Fiverr community and marketplace, both in face-to-face interactions and online communications. They aren't tied to any law, but are used to govern our platform policies. They reflect our attitudes, expectations, and social norms.

"Whether due to a lack of education, local opportunities, or access to other resources, the current playing field for freelance and independent work isn't a level one. At Fiverr, we are committed to seeing a truly global, inclusive, high-skilled freelance community where everyone can benefit from the ability to pursue a passion and turn it into a sustainable business."

Brent Messenger,
VP of Community & Policy

Diversity and inclusion

We have a number of initiatives that focus on driving diversity and inclusion:

- **Fiverr Empower** is a dedicated initiative to empower skilled talent with disabilities to kickstart their professional growth. The program has successfully completed 5 cycles with 9 university partners to help over 50 university students with disabilities to become successful sellers on Fiverr.

- **Fiverr for All, previously called DWDI** aims to extend access to independent work to marginalized communities. The program has extensively partnered with non-profit organizations around the world, including United Nations World Food Programme, Breaking the Impasse and YWCA.

- **Diversity, Equity & Inclusion (DEI) events**: We also host DEI community events to engage our buyers and sellers with relevant discussions.

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Tools and services

We offer a comprehensive set of tools for our sellers to create their work portfolio, develop their brand, establish a reputation and build their business on Fiverr. Sellers can manage their business from any browser or from our mobile apps.

- **Listing the service:** We enable talent across the world to list their digital services on Fiverr, free of charge. The open and free platform significantly reduces the barrier for talent to access opportunities. Products such as Milestones, Subscriptions and Fiverr Studio give sellers additional options to engage with their buyers more effectively.

- **Seller dashboard:** Our seller dashboard provides a unified work management interface that helps manage order flows, engage with buyers, and manage payments. These tools are designed to simplify the administrative work sellers have to do, so they can focus on doing what they love.

- **Analytics:** We provide sellers with detailed analytics including revenue and order pipeline as well as quality ratings such as timeliness of delivery, response rate, and completion rates. These metrics allow sellers to better understand their performance so they can improve and grow on our platform.

- **Advertising tools:** Promoted Gigs is an onsite advertising product on Fiverr that allows sellers to bid and win prime locations on our website in order to boost traffic and grow their business.

- **Seller Plus:** Seller Plus was launched in 2021 and is a subscription based loyalty program that provides freelancers with a suite of benefits including a dedicated success manager, faster payment clearance, priority access to growth program, priority support, advanced analytics, advanced CRM tools and access to exclusive events and educational content.

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Learning and development

We provide sellers access to a range of education resources to help them grow as a freelancer and become a more effective seller on Fiverr.

- <u>Fiverr Help and Education Center</u>**:** We offer tutorials, FAQs and how-to videos to teach our sellers on the use of Fiverr infrastructure tools, helping them to get the most out of their experience on our core platform.

- <u>Fiverr Learn</u>**:** We also partner with professional freelancers to produce high quality online courses to help our community improve their skills and grow professionally. Fiverr Learn has over 80 courses and over 290 hours of content.

- In October 2021, we acquired CreativeLive, an online learning platform with over 2000 classes across a variety of creative and business categories. With CreativeLive, we aim to further strengthen our learning offerings to our community.

- <u>Seller webinars</u>**:** We regularly host educational webinars for sellers designed to increase knowledge, ability and profit, and maximize sellers potential on Fiverr.

- <u>Fiverr Guides</u>: We publish educational content that provides resources on topics like digital marketing, video animation, writing and copywriting, programming and tech, graphics and design, and more.

- Corporate certification program: In 2021, we launched corporate partnerships to create dedicated training and certification programs for freelancers on Fiverr. These programs enable corporate partners and their clients to engage with freelancers that are specialized with a certain use case while at the same time benefiting from the convenience and efficiency from Fiverr's e-commerce experience.

"The program is perfectly designed for the purpose of giving us the skills and knowledge required to become certified salesforce administrators. The combination between the practical sessions and the professional mentors allowed us to both understand the administrator's work and expose us to the endless capabilities of the system."

Ori Mandelbaum, Participant in the Salesforce training program

Empowering our buyers

Supporting global SMBs

We are at the intersection of a new generation of workforce participants and the increasingly sophisticated needs of businesses to have a digital strategy. COVID-19 further accelerated this shift of accessing digital services via the freelance market and we believe this global and secular trend will continue to grow in the coming years. We support small and medium-sized businesses (SMBs) across the world with an expansive catalog of digital services and instant access to a global talent pool. Many small and medium sized businesses face constraints such as fewer in house resources and talent, tighter budget and certain geographic constraints. The breadth of service and talent on Fiverr and our unique e-commerce experience allow businesses to easily browse, compare and find services that fit into their needs and budgets.

Creating opportunities for under-served communities

Fiverr's purpose is to provide anyone, no matter their race, religion, background or beliefs, the opportunity to build their business, brand or dreams. Therefore it is incumbent upon us to use our platform and resources in pursuit of this purpose.

- Future Collective Fellowship Program: The program aims to support Black entrepreneurs to leverage resources on Fiverr's marketplace to start, build and grow their businesses. It was created alongside 1863 Ventures, an independent, Black-led nonprofit organization that delivers business development programs designed to bridge the gap between entrepreneurship and equality, and Maestra, a business strategy firm building a more socially conscious and equitable world.

Seanice and Sharina Clarke
Founders, Hey Girl Hey

Hey Girl Hey was founded by sisters Seanice and Sharina Clarke who created a social bonding game built to foster community connections among black women. The Clarke sisters turned to Fiverr when building Hey Girl Hey, using freelancers to create the product, brand, illustrations and merchandise design. The Clarke sisters were one of the five selected winners of this year's Future Collective fellowship program. They plan to use the fellowship to further propel their business by revamping their website and marketing and scaling their business by adding more games.

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- Supporting North Nashville: As part of "It Starts Here" brand campaign, Fiverr engaged with local business owners in North Nashville to help them leverage freelancer resource on Fiverr to grow their businesses. We also produced a short documentary film "Out North" to create awareness the awareness of the social challenge of the local communities and feature the initiatives and investments in rebuilding the community.

COVID-19 response

To support our community during COVID-19, we launched a microgrant program which awards three grants of $1,000 Fiverr credit a month to SMB applicants. The reaction among our community was overwhelming, with over 17,500 applications and 18 grants issued. In addition to receiving Fiverr credits, SMB's received consultation services from Fiverr's customer success team for seller recommendations and onboarding assistance. We also built an SMB Help Center with guides, tips, special offers and 1x1 support to help our buyers navigate

through the COVID-19 challenges and donated to the Freelancers Union.

Supporting NGOs

We are also building partnerships with Non-governmental organizations (NGOs) around the world to provide talent access to them and in turn support their causes. NGOs often have limited resources and budgets, so we provide a discount on their first order and help match them with sellers eager to work with NGOs. Fiverr enables them to get more tasks done and get more impact out of their limited budgets. We provide onboarding assistance for NGOs to open Fiverr Business accounts and get on-demand access to a global talent pool, collaboration tools and white-glove services. So far, as of September 30, 2021, we have over 1,900 NGOs that integrate freelance talent through Fiverr Business. Some notable NGOs such as, National Deaf Center, Unicef and Waterford leverage Fiverr for graphic designers to create banners, flyers and posters, and video editing services and website building and maintenance.

Rainforest Alliance

Rainforest Alliance started testing out Fiverr Business for voiceover services and quickly expanded to an additional team ordering translation and copy editing services. Since joining in November 2020, Rainforest Alliance has spent over $70k and have allocated $100k of budget for Fiverr Business. By tapping into freelance services, the organization is able to complete more projects in a more cost effective and efficient manner. They are also able to collaborate seamlessly with people from all over the world who can fulfil needs that are very specific to the organization.

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Marketplace Integrity

Moon Lee, Seller
Marketing Expert

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Building a trusted marketplace

At Fiverr, it is important for us to have an open platform and to set the right policies and enforcement mechanism in order to deliver high quality, trusted experience to both buyers and sellers. Our Terms of Services outlines the legal rights and obligations for users on our platform. We published additional guidelines through Community Standards to define what's acceptable in our community and marketplace in order to help maintain a respectful, inclusive, and safe environment for everyone.

We regularly track Net Promoter Score (NPS) to measure the satisfaction among our buyers and seller's and the integrity of our marketplace. NPS measures the buyer and sellers overall satisfaction with their experience on the platform and Fiverr has a strong NPS for both buyers and sellers of 79 and 67 as of December 31, 2020, improving from 76 and 64, as of December 31, 2019.

Buyer and Seller NPS

	Buyer	Seller
2019	64	76
2020	67	79
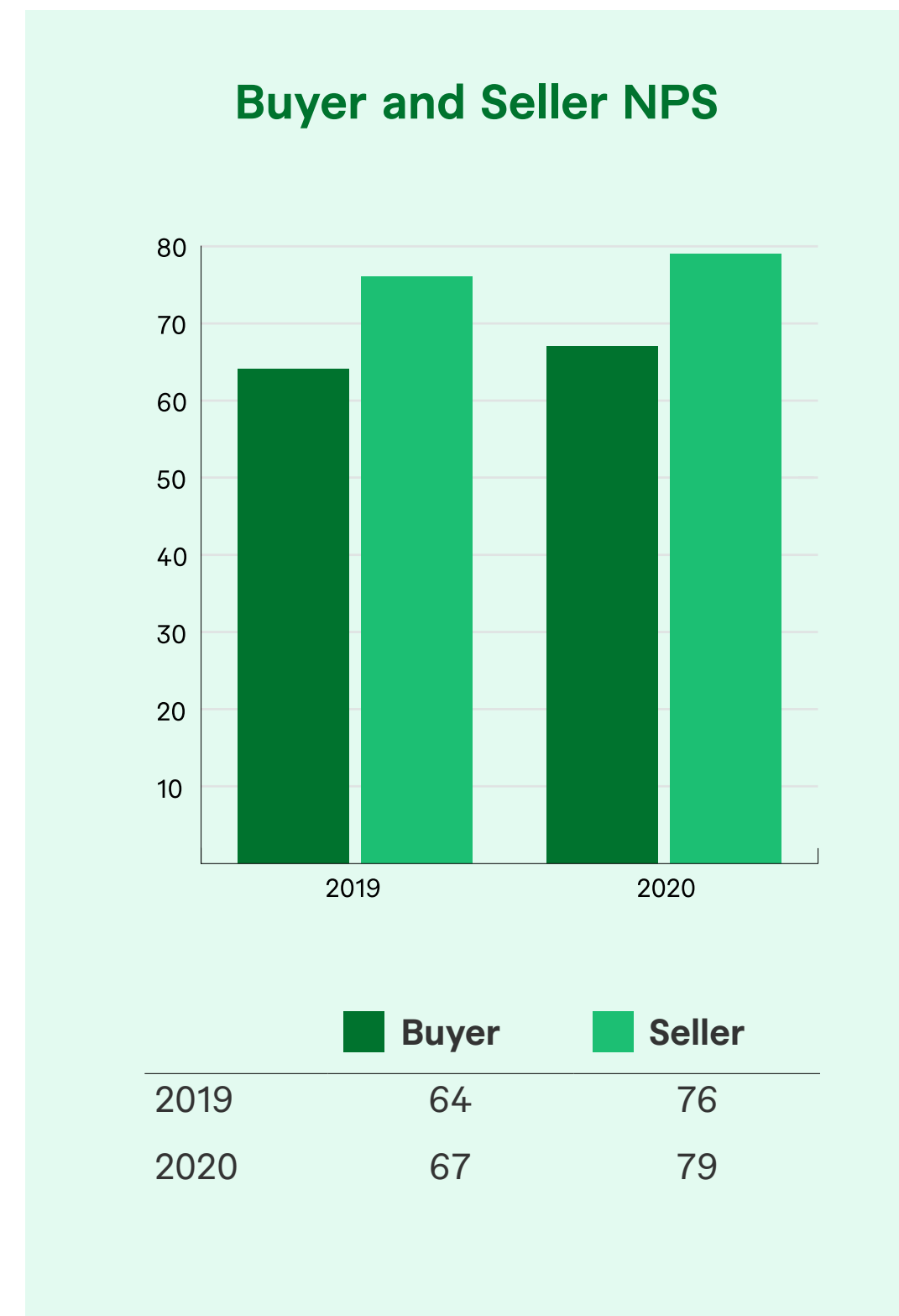
Policy enforcement

Our Trust and Safety team is dedicated to protecting our community by defining policies and enforcing them. Within the Trust and Safety team are sub groups, like the Marketplace Integrity (MI) team and the Policies and Risk team, that support defining policy, monitoring the marketplace, and supporting community members.

The Trust and Safety team employs a combination of automatic tools that are mostly based on machine learning technologies and structured processes. These tools and processes are implemented to monitor the platform to flag potential community violations, including inappropriate interactions, content, as well as taking any necessary enforcement actions against Gigs and community members that violate our Terms of Services and Community Standards.

In 2020, 80% of all flagged items are reported through Fiverr, with the remaining 20% reported by our community.

Intellectual property

Fiverr is committed to protect the intellectual property of our community. Our Intellectual Property Policy is based on industry best practices, and region specific regulations like the Digital Millennium Copyright Act (DMCA). Under our policy, rights holders or authorized representatives can alert us of a potential violation of copyright or infringement of related rights. Violations may occur both in content uploaded to the platform from sellers such as photos or work samples in their profiles and in sellers failing to deliver work that is not original to the seller. This process is clearly communicated on our platform.

Our legal and MI team reviews allegations and notices of infringement under our policies and if a report is complete and valid, we will remove or restrict any content that is proven to be copyright or trademark infringements. To guard against false claims, this process includes the option for counterclaims to allow the allegedly

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infringing user to prove the legitimacy of their use of the content. In 2020, there were 1,196 intellectual property claims (DMCA tickets) submitted via our platform. We removed 1,700 Gig listings and blocked 352 sellers from the platform due to intellectual property violations.

Fraud protection

We have policies in place to help protect the Fiverr community from fraudulent or misleading behaviors that are outlined in the Community Standards and Terms of Service. We utilize account verification tools such as two-factor authentication to verify and secure accounts and protect against potential misuse.

We have employed sophisticated quality algorithms to detect potential abuse of the platform, including bot traffic, fake reviews and blank deliveries. We also ask our buyers to provide both public and private reviews for their past transactions. The public reviews are important for

any future buyers to make informed and trusted decisions, and the private reviews provide additional data points for Fiverr to incorporate into its quality and matching engine, which further optimizes buyer experience. Any community members found to be engaging in fraudulent activities on the platform, or abusing the platform or other community members will be permanently blocked from using Fiverr.

Resolving disputes

We expect transactions on Fiverr to be professional and respectful. Should the buyer and seller not come to a resolution, they may reach out to our 24/7 Customer Care team to assist in resolving the dispute. Customer Care will assess the dispute and work to resolve it according to our Terms of Service.

In some cases, a dispute may arise that is not a violation of our Terms of Service, for example if a buyer isn't satisfied with the service they received. Although

there is no clear violation of the Terms of Service this would mean that our Customer Care team would work to satisfy both buyer and seller using their best judgement and guiding principles to resolve the dispute. Our Customer Care team takes a variety of enforcement actions, depending on the nature of the policy violation. We may temporarily suspend the account, remove the seller from the marketplace, or permanently remove the Gig.

Inappropriate content

To uphold the integrity of the marketplace, Fiverr prohibits any illegal or harmful services on the platform that could threaten the safety of our buyers and sellers. Not only does this include services that are illegal in nature like forging documents or hacking but also include services that are questionable in integrity and authenticity, like paid reviews and false traffic metrics. Services are also banned due to their content, such as anything involving hate speech or adult content.

The list of barred services is regularly updated in line with current events and the changing environment. For example, preventing the spread of misinformation around the COVID-19 pandemic by actively monitoring the platform for potential signs and thoroughly investigating potential threats.

To ensure we stay abreast of these trends, we have a Content Policy Forum that meets on a monthly basis with the main goal to discuss ongoing and current trends that could impact the integrity of our marketplace and hear insights from relevant teams. This forum consist of members from our Trust and Safety team and include members from Communications, Community and Public Policy, Legal and Strategic Finance. Topics discussed in the forum may be escalated to management if needed.

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Security and compliance

Fiverr is committed to ensuring the security and safety of our customers and marketplace. The security controls that Fiverr uses to protect user data vary based on the sensitivity of the information that it collects, processes and stores, as well as the current state of technology advancements. In order to safeguard information in accordance with these principles, safeguards security controls, practises and procedures are implemented at all levels across our infrastructure and products. Platform security is led by a Chief Information Security Officer (CISO) and overseen by a Security Steering Committee. Data privacy is monitored by a Data Protection Officer (DPO) who is a member of our legal team and overseen by a Privacy Steering Committee. Both committees are led by our CTO.

Security GRC (governance, risk and compliance)

We run regular risk assessments and penetration tests and update our

policies and processes to address the risks identified. Our team includes dedicated security professionals that are specialized into handling security tasks and are constantly monitoring new industry threats. The security team is also responsible for promoting an internal culture of security related best practices throughout the company. In order to uphold a high standard of data security we host mandatory data security training for new employees and regular refresher training for all employees. We implement secure technology to ensure our IT systems are responsive to potential external threats and regularly monitor our systems and data.

One security incident occurred in 2020, in which an unauthorized party accessed accounts of several thousand users using valid login credentials of users. After extensive examination, we believe that the login details (emails and passwords) were compromised in other known data breaches that have occurred in the

past in other organizations unrelated to Fiverr. We have not identified and are not aware of any breach of our systems in connection with either of these incidents. We reported the incidents to the relevant privacy protection authorities, and the Israeli Privacy Protection Authority initiated two separate administrative supervision procedures. The Israeli Privacy Protection Authority informed us that it closed the administrative supervision procedures, without determining we committed any violation or breach. Additional details about this incident can be found in our 2020 20-F Pg. 11.

ISO/IEC 27001 certification

Fiverr is ISO/IEC 27001 certified since 2019. The voluntary standards provide requirements for an Information Security Management System (ISMS) and the certification manifests the higher security, higher quality and ultimately higher trust of Fiverr marketplace. The processes and

controls implemented by us:

- Enables Fiverr to better manage the security of its assets (such as financial information, intellectual property, customer data or information entrusted to Fiverr by third parties);

- Provides customers and stakeholders with higher confidence in the way Fiverr approaches risk management and safeguards sensitive information;

- Helps Fiverr comply with other standards and regulations

PCI-DSS certification

Payment card industry (PCI) compliance is mandated by credit card companies to help ensure the security of credit card transactions in the payments industry. PCI compliance refers to the technical and operational standards that businesses follow to secure and protect credit card data provided by cardholders and transmitted through card processing transactions. Fiverr maintains a PCI-DSS (version 3.2.1).

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Security development

Fiverr is an agile company. It utilizes a software development process that is adaptive to an ever-changing and competitive market environment. New staff across the company are trained in Secure Software Development LifeCycle (SSDLC) practices. System code is tested against known vulnerabilities (e.g. OWASP Top-10 and CVE databases). Existing core systems and infrastructure are tested for security vulnerabilities periodically. In some instances, testing is conducted by automatic scanners as well as manually by external independent parties. Fiverr also has a Security 'Bug Bounty' Program. Researchers who have found a vulnerability may contact support@fiverr.com and ask to join the program.

Encryption

Fiverr uses encryption to protect sensitive information which aids compliance with statutory, regulatory and contractual requirements. Fiverr uses cryptographic algorithms, key lengths and strength, which are approved first by the security team in accordance with industry best practices.

Access control

Access to the production environment is restricted to authorized personnel only. Authorized personnel are authenticated via a unique user account, password and two-factor authentication system before establishing a secure connection. Fiverr employees use a Single-Sign-On (SSO) service to enhance security across multitude core systems, as well as mandatory two-factor authentication.

Availability and continuity

We're committed to making Fiverr a highly available and reliable service. We build systems that tolerate the failure of individual components. We practice disaster-recovery measures and have on-call staff to quickly resolve unexpected incidents. Fiverr applies extensive monitoring of services and components by using advanced monitoring systems. Our monitoring methodology aims to predict issues that cause serving problems and resolve them before they occur.

Data privacy

Fiverr is committed to maintaining a globally compliant data protection and privacy program that aligns with international best practices and standards, including the EU's General Data Protection Regulations (GDPR) and the California Consumer Privacy Act (CCPA).

We also apply strict requirements on the collection and saving of sensitive data, such as Payment Card Industry (PCI) data. Fiverr's internal Data Protection Officer (DPO) assists the company in monitoring compliance with privacy laws and advises on privacy and data protection obligations. Our Privacy Policy describes how we approach data privacy and outlines how we collect, use and manage the data we collect.

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Empowering our People

Brighid Gannon, Buyer
Co-Founder, Lavender
Online Psychiatry

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Our values

At Fiverr, we believe that we play an important role in defining the platform for the future of work. We know that our employees, our values and the culture we foster are a crucial driver for the success of our business. Employee development and retention are important to us in building and retaining the best talent.

Think simple.
We strive to solve complex problems with simple to use products. We believe in reducing friction and increasing efficiency through the smart use of technology. We acknowledge that building simple-to-use products is often a difficult task, and we pride ourselves in having the type of talent that takes great joy in tackling these challenges.

Making impact.
Our team is comprised of passionate, mission-driven and talented individuals who share a common mission and eagerness to make an impact. We do not strive only to help businesses of all sizes grow and build their brand, but rather, we aspire to change how the world works together.

We are doers.
Talking is great, but doing is better. We empower our team to be productive in creative ways. We believe that the next big idea can come from anyone on the team, and we ensure everyone has space to voice and execute against great ideas. We believe in clarity and accountability. Initiate, own and execute.

Customer obsession.
Our customers are at the core of everything we do and their happiness is our business. We are committed to always do the right thing for them. Every day we look for new and creative solutions to serve the ever-evolving needs of freelancers everywhere looking to showcase their unique skills and our buyers seeking simple and efficient solutions to their needs.

Stay awesome.
We embrace our team members for who they are. We do not look to change people or conform them. Rather, we celebrate the diversity of their backgrounds as a point of strength. We encourage creative and alternative ideas and solutions to the long-standing issues presented by the traditional freelancer hiring and staffing model.

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Fostering innovation

At Fiverr, we believe that innovation can come from any individual in the company. We work hard to create an open and collaborative environment for our employees to innovate, execute and make an impact. Town hall meetings are held frequently to bring the entire company together to share the latest product developments, events, successes and learnings. It is important for every employee to not only be an expert in their domain, but also aware of other teams' work and the strategic direction of the entire organization.

Since 2013, we have been hosting the annual Fiverr Hackathon, with the exception of 2020. Through the three-day event, we see people from different parts of the organization team up as mini task forces to build and present their ideas. It's an exciting and inspiring event packed with light-bulb moments. For example, notable features such as, 'Out of office' mode and Fiverr's Collaboration tool, enabling the option to leave comments and notes in reference to a specific part of the delivery, were born out of Fiverr Hackathons.

"Fiverr's employees are our most valuable asset and their deep curiosity, creativity and ambition helps to create the innovative and driven culture that makes Fiverr what it is."

Sharon Steiner,
Chief HR Officer

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Employee engagement

New Fiverr employees begin their journey by completing various company wide training led by HR as well as team specific onboarding. These sessions provide the valuable opportunity to get to know fellow new employees, ask questions, gain context and make connections. To help attract and retain top talent globally, we prioritize benefits and perks that solve needs for Fiverr employees on a country-by-country basis. Our benefits and perks comply with local legislation and are offered to permanent employees at all of our offices. Our well-being team organizes local office events and educational workshops to increase engagement across the organization.

Professional development is central and imperative to Fiverr's culture. New hires work with their direct managers and HR to build a comprehensive short and long term development plan that outlines their professional and personal goals. Ongoing feedback is a key mechanism in this process. Individuals regularly meet with their managers to discuss progress against their goals and success of their intended outcomes and how this contributes to Fiverr's overall goals. By year end, employees will receive two formal reviews, one focusing on individual performance and another on career growth. By having constant conversations and collecting feedback, the individual, manager and HR are well aligned to inform promotion and compensation decisions.

Managers and team leaders receive regular training and tools to help them become an effective leader. Leaders receive tailored mentorship and HR support to help build individuals managerial skills. In 2020, we launched a leadership development course for managers which covers all the aspects of management and provides individuals tools for communication and motivating your team. Every manager and team lead also receive regular diversity and inclusion training.

All of this contributes to a highly engaged and skilled workforce that drives our mission forward. To help us continue our engagement efforts and gain insight, we conduct annual employee surveys to help assess employee company engagement. This survey covers areas like confidence in management, communication with managers and peers, and employee working conditions. In 2020, Fiverr's employee engagement score is 92%.

"We strive to enable an agile, future ready workforce through a comprehensive and structured leadership and talent management plan. From Mentorship program, peer learning to formal trainings, onboarding and internal mobility programs, we provide a range of learning resources to help managers and employees to develop both quantitative and qualitative skills to meet the growth needs of our business."
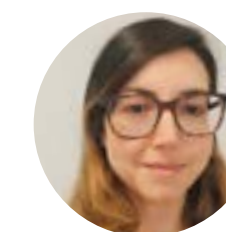
Liat Peles,
Head of Global HR

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Supporting our employees through the pandemic

The COVID-19 pandemic caused huge upheaval and forced everyone to adapt under unprecedented circumstances. As our employees transitioned to a new way of life in a remote environment, we focused on supporting the Fiverr team and our community.

We started by helping our team members create a comfortable working environment by giving our employees the option to borrow office equipment and furniture for home offices. We lent out the spare computers left in the office for Fiverr parents to use for their children's remote learning.

Mental health support was made available to any employees and flexible working hours were instated for all. This was a particularly difficult transition for parents. We provided resources for Fiverr parents like access to babysitting services, counseling, and virtual activities

such as art therapy for families. All employees were sent many packages throughout the year to help promote wellness, engagement and recreation.

We provided training on management techniques under the new circumstances which highlighted topics like empathy and management in times of distress. Beyond the formal training, managers got personal support so they could discuss any specific

difficulties or dilemmas as they work to navigate the new working environment.

A main focus for us during 2020 was maintaining the same high level of engagement without being in a physical office together. As a global company, we did not face the initial challenge of setting up remote communication channels between the company and the employees. Our challenge was to

adapt the usage of these channels. The key was communication and meaningful interactions even at a distance. Some examples of this included a 'weekly journal' email from our CEO with updates for the whole company, virtual town halls, periodic virtual check-ins with managers and management so that they remain in touch with the team and virtual team building events.
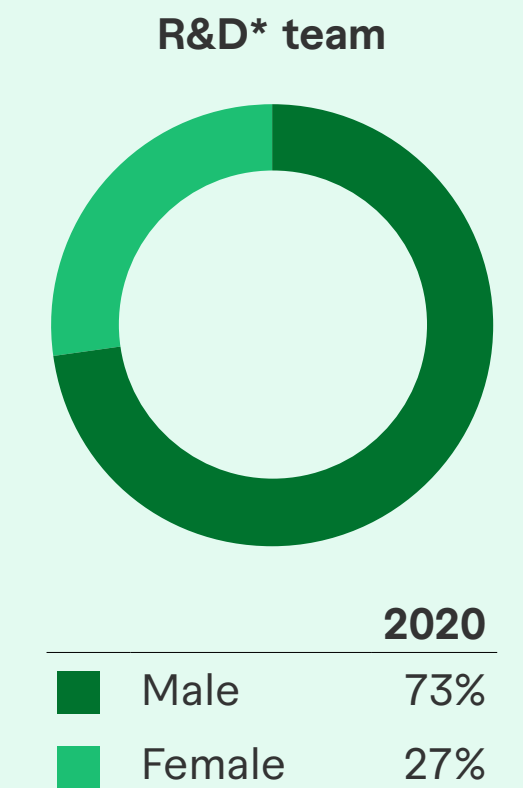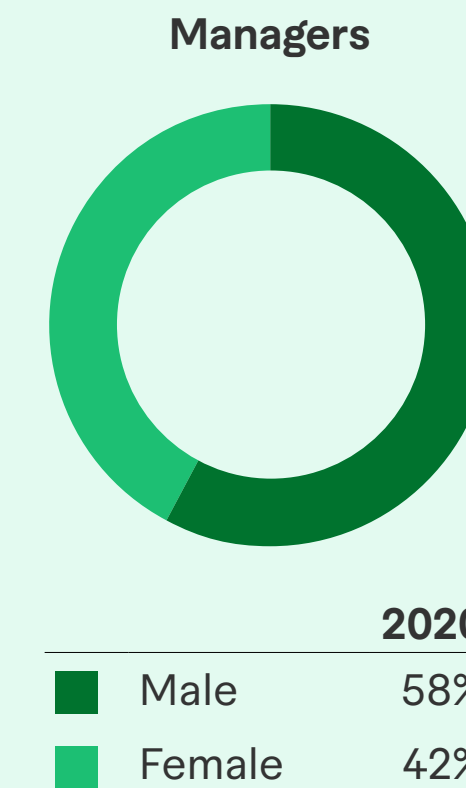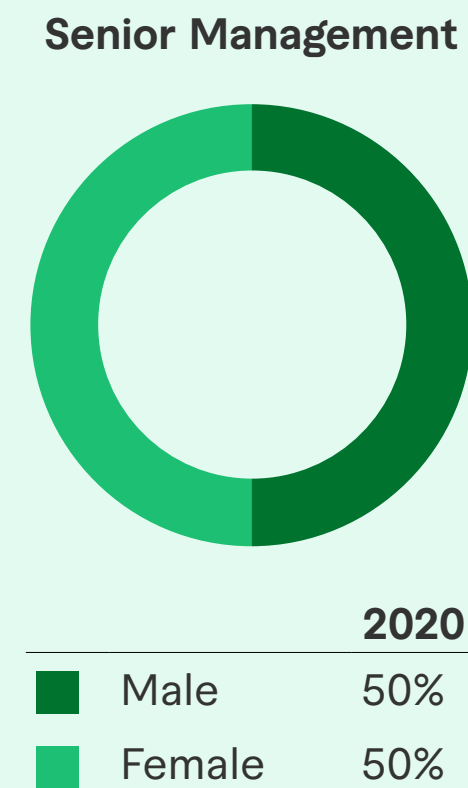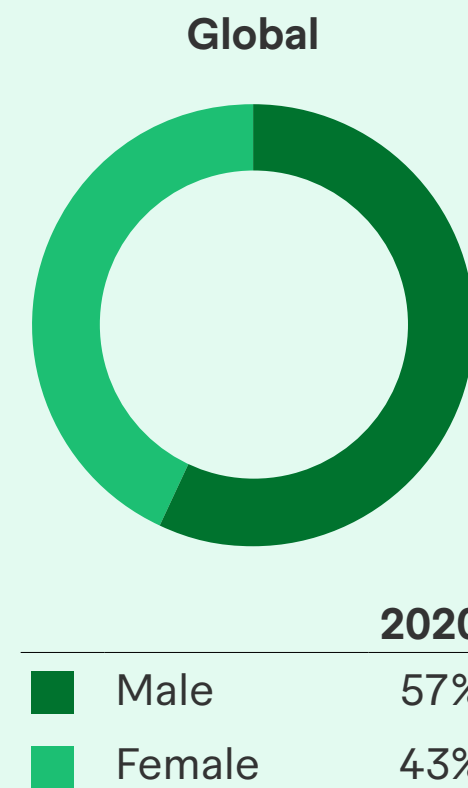
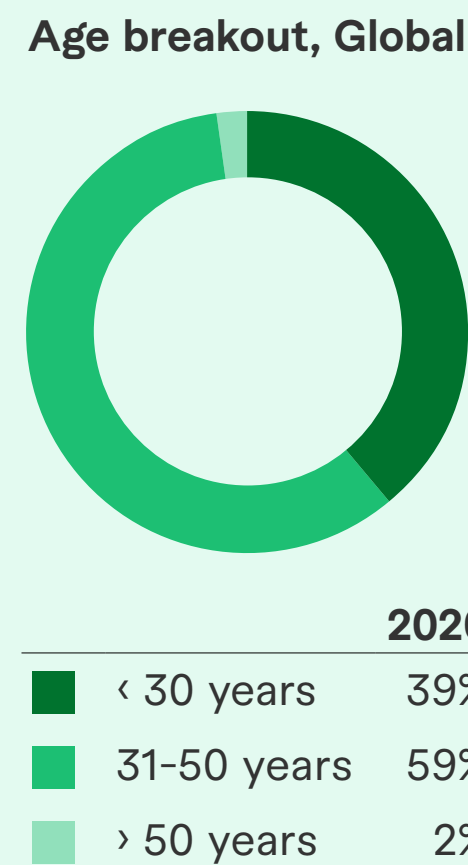**fiverr.**

Diversity and inclusion

Fiverr promotes and maintains an inclusive culture in every aspect of our company. We continuously focus on updating our hiring processes around how we source candidates, how we talk about our open roles, how we screen and interview, and how we hire. At Fiverr we have many formal and informal Employee Resource Groups (ERGs) that help our employees engage in our inclusive culture in a more formal and safe setting. Many of these ERGs are formed organically by employees with the organizational support from the company and some are developed out of surveys and dialogues that regularly occur between HR and employees. Our ERGs are highly active and include groups for LGBTQ+, and Parents at Fiverr, while others focus on wellbeing, mental health, gender and BIPOC. The purpose of these groups is to create a shared activity and experience to promote engagement, education, and support for anyone and everyone at Fiverr.

*R&D includes employees in technical, engineering, IT and data roles

Gender balance at Fiverr

Global

2020
■	Male	57%
■	Female	43%

Senior Management

2020
■	Male	50%
■	Female	50%

Managers

2020
■	Male	58%
■	Female	42%

R&D* team

2020
■	Male	73%
■	Female	27%

Age breakout at Fiverr

Age breakout, Global

2020
■	‹ 30 years	39%
■	31-50 years	59%
■	› 50 years	2%

Overall race & ethnicity at Fiverr (U.S. only)

Overall

2020
■	White	63%
■	Asian/Pacific Islander	11%
■	Black	4%
■	Hispanic/Latinx	9%
■	Multi	7%
■	Undisclosed	6%

Managers

2020
■	White	71%
■	Asian/Pacific Islander	10%
■	Black	5%
■	Hispanic/Latinx	-
■	Multi	14%
■	Undisclosed	-
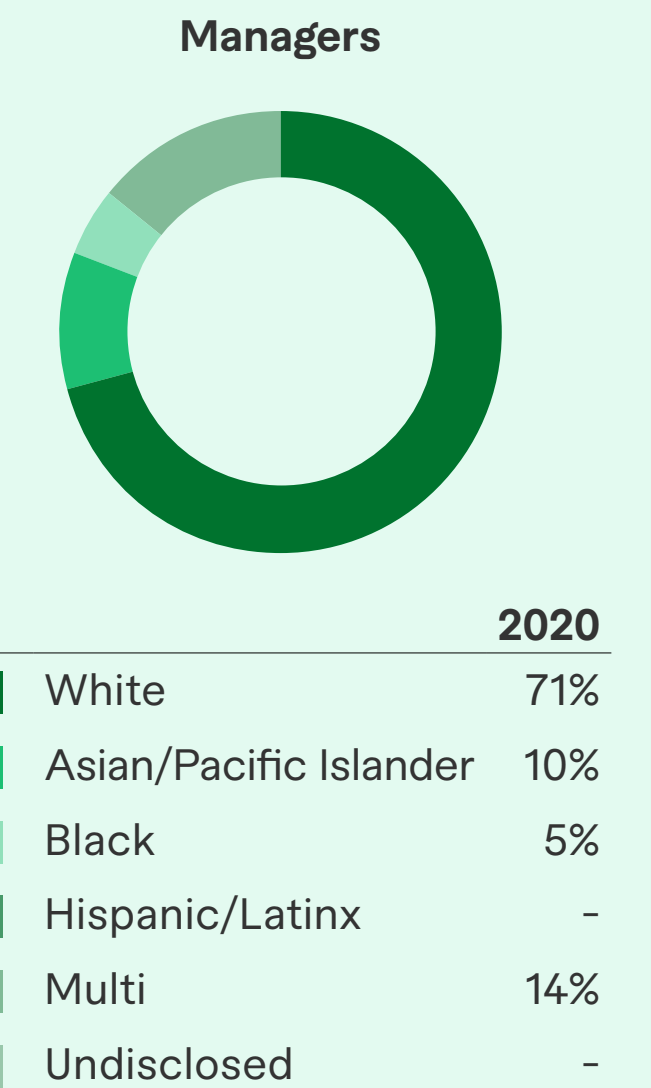
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Governance and ethics

Governance and ethics are extremely important at Fiverr. Strong governance starts with our Board of Directors and leadership team, but also goes into the day-to-day business decisions by every team and individual of our company. It is an essential to the long-term sustainable growth of Fiverr. Our key governance documents are included in the links below:

- Code of Ethics and Conduct

- Corporate Governance Guidelines

- Audit Committee Charter

- Compensation Committee Charter

- Nominating And Governance Committee Charter

- Whistleblower Policy

Board of Directors

Micha Kaufman, Chairman of the Board

Phillippe Botteri, Board of Directors

Adam Fischer, Board of Directors

Ron Gutler, Board of Directors, Lead Independent Director, Audit Committee Chair, Compensation Committee Chair, Nominating and Governance Committee Chair

Gili Iohan, Board of Directors, Audit Committee, Compensation Committee, Nominating and Governance Committee

Jonathan Kolber, Board of Directors

Nir Zohar, Board of Directors, Audit Committee, Compensation Committee, Nominating and Governance Committee

Senior Management

Micha Kaufman, Founder and CEO, leading Fiverr in its growth and strategic direction and execution

Ofer Katz, President and CFO, overseeing all financial and strategic operations

Hila Klein, COO, overseeing all marketplace integrity and operations

Gali Arnon, CMO, leading all marketing and branding operations

Gil Sheinfeld, CTO, oversees technology, product and innovation

Sharon Steiner, CHRO, oversees all internal people operations and programs

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Climate Change

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Andrea Pitter, Buyer
Fashion Designer

Contributing to a greener world

Sellers on Fiverr are free to work anywhere they want eliminating the need for work travel and daily commuting, significantly reducing emissions from everyday commuting. Based on a survey we conducted in February 2020 to Fiverr freelancers, 85% of Fiverr sellers work from home and do not need to commute daily. In 2020, we saw the world quickly adapt to the remote working model and forever change how companies work. As more companies navigate and adapt to a hybrid working model, Fiverr is empowering this change to incorporating more remote talent into the workforce.

Fiverr's carbon footprint

Our environmental impact stems from our corporate offices and data centers. We measure Fiverr's carbon footprint by tracking the total amount of greenhouse gasses emitted from actions of Fiverr in terms of 'Tons of CO2 equivalent emissions' (tCO2e). Fiverr's carbon footprint was calculated according to the World Resources Institute's Greenhouse Gas Protocol. This approach categorizes emissions into "Scopes"—Scope 1 is CO2 carbon emitted directly by Fiverr, Scope 2 are indirect emissions resulting from the grid electricity Fiverr consumes at our main offices in Israel and New York City. Scope 3 are all other emissions caused within the Fiverr value chain, but beyond our direct actions. Fiverr utilizes Amazon Web Services (AWS) for our data centers and these are included in Scope 3 emissions. Calculating Scope 3 emissions requires proprietary data from our suppliers, the number presented here is an estimation based on publicly available information, calculated according to our usage of data centers services. Leveraging the scale of AWS, we are able to achieve greater efficiency in server utilization, and in turn optimize our energy usage and reduce climate impact.

Greenhouse Gas Emissions (GHG Scope 1, 2, 3)
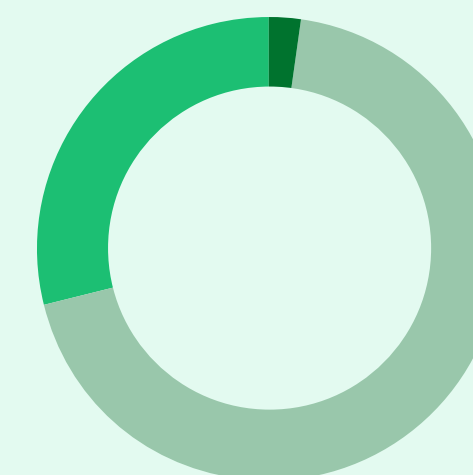
	2020
■ Scope 1	10.94 tCO2e
■ Scope 2	301.51 tCO2e
■ Scope 3	125.83 tCO2e
Total Emissions	438.28 tCO2e

Carbon intensity (CO2e tons)

	2020
Employees	0.8
Buyers	0.00013

Committing to become carbon neutral by 2030

Fiverr is committed to continue driving a meaningful impact on the fight against climate change. We will continue to work alongside our vendors and internal operation teams to address and reduce our environmental impacts. We will focus on our corporate offices in Tel Aviv and New York and how we can make our company a greener place. Our goal is to build long-term resilience by eliminating our carbon impacts and fostering responsible resource use. We are targeting carbon neutral operations by 2030. We readily acknowledge that we're not there yet, and we have a lot of work to do. But we will continue to be transparent in our efforts and keep you informed along the way.

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Appendix

Olivia Claparols, Buyer
E-Commerce Manager at Rooted

SASB Code	Accounting Metric	References
Environmental Footprint of Hardware Infrastructure		
TC-IM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Fiverr does not own data centers at this time. For an estimate of CO_2e Pg. 27.
C-IM-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Fiverr does not own data centers at this time, therefore data is not available for this measurement.
C-IM-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	We outsource our data centers to AWS which has an advanced policy for using renewable energy for its data centers. For Fiverr's carbon footprint, see Pg. 27. We are committing to become carbon neutral by 2030. In order to reach our target, we will work with management and vendors to integrate more sustainable practices and solutions into our operations and strategy.
Data Privacy, Advertising Standards & Freedom of Expression		
TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Security and Compliance. See Pg. 17-18.
TC-IM-220a.2	Number of users whose information is used for secondary purposes	Fiverr uses user data to improve its products and services. It does not sell or transfer information to third parties.

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SASB Code	Accounting Metric	References
TC-IM-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Zero cases occurred during the reporting period.
TC-IM-220a.4	(1) Number of law enforcement requests for user information (2) Number of users whose information was requested (3) Percentage resulting in disclosure	Fiverr does not publicly disclose this.
TC-IM-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Fiverr products are not subject to any government required monitoring in any of the countries in which it operates.
Data Security		
TC-IM-230a.1	(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of users affected by data breach	During 2020, Fiverr had one data security incident reported to the authorities. Following further investigation the relevant authorities have closed the case having concluded Fiverr was not at fault. We continue to monitor our data security protocols and update them to maintain their integrity and the security of our user's data. For additional details on the incident, please see our 2020 20-F Pg. 11.
TC-IM-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Security and Compliance, see Pg. 17.

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SASB Code	Accounting Metric	References
Employee Recruitment, Inclusion & Performance		
TC-IM-330a.1	Employee engagement as a percentage	Employment engagement for 2020 is 92%, based on perodic surveys conducted by an outside party. The survey measures engagement and other factors that are important to Fiverr and covers themes such as confidence in management, communication with managers and peers, the employee's ability to deal with events and working conditions. See Pg. 22.
TC-IM-330a.2	Percentage of employees that are foreign nationals	1 employee
TC-IM-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Diversity and inclusion. See Pg. 24.
Intellectual Property Protection & Competitive Behavior		
TC-IM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	None

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SASB Code	Activity Metric	References
TC-IM-000.A	Entity-defined measure of user activity	In 2020 Fiverr had 3.4M active buyers and generated $699M GMV. See Pg. 3.
TC-IM-000.B	(1) Data processing capacity, (2) percentage outsourced	According to units typically used for contracting: 100% is outsourced
TC-IM-000.C	(1) Amount of data storage, (2) percentage outsourced	Petabytes, Percentage (%): 100% is outsourced

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Forward looking statements

This Environmental, Social and Governance Report ("ESG Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this ESG Report that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our impact strategy, our diversity and inclusion initiatives, our 2030 climate change goals, our future business expectations and expectations about the digital services industry, our environmental, social and governance goals, planned activities and objectives, our strategic priorities and objectives, as well as statements that include the words "expect," "intend," "plan," "will," "believe," "estimate," "may," "should," "anticipate" and similar statements of a future or forward-looking nature. These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the important factors discussed under the caption "Risk Factors" in our filings with the U.S. Securities and Exchange Commission, as such factors may be updated from time to time. In addition, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements that we may make. You should not rely upon forward-looking statements as predictions of future events. In addition, the forward-looking statements made in this ESG Report relate only to events or information as of November 10, 2021, the date of this ESG Report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

In relation to this ESG Report, we are (wholly or in part) reliant on public sources of information and information provided by our own suppliers and business partners. Further, our ability to verify such information (whether now, in the past, or in the future) may be limited by the integrity of the underlying data available at the relevant point in time and the status and evolution of global, supranational and national laws, guidelines and regulations in relation to the tracking and provision of such data. Therefore, such information is provided on a reasonable efforts basis and is subject to change.

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