Yelp Diversity Report

2021





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Inequality continues to cost the country in so many ways, socially and financially.

It is estimated that over the past 30 years, across employment, education and earnings, inequality has cost the U.S. economy nearly \$23 trillion.

Over the course of the pandemic, the U.S. has experienced a long overdue social awakening that has brought to the forefront the harmful impact the status quo has and continues to have on underserved communities across the world.

The past 18 months have demonstrated the value in discovering new ways of working and evolving what is deemed to be an engaged and productive workforce. With so many organizations looking ahead at the long-term framework of how their teams connect and work together, there is an opportunity to proactively reinforce sustainable inclusion.

As an organization, we at Yelp recognize the importance of transitioning away from a reactive approach that, like us, many companies implemented in response to the Covid-19 pandemic.
We retrofitted processes and policies to survive. We now have the opportunity to proactively reassess and establish a **new normal** designed to help employees thrive. Within this approach, we can drive a critical shift in how we attract, engage and develop employees across different workplace models.

At Yelp, as we transition to a **remote-first**, **distributed workforce**, the intentionality behind inclusion poses new opportunities to pull additional levers to improve access and equity. We are proud of our growth but understand there is more work ahead. In this report, we'll dive into which tools are working, what questions we are asking to drive progress, and where critical opportunities lie for sustainable inclusion and a more equitable experience for employees.



Accessing a Diverse Pool of Talent

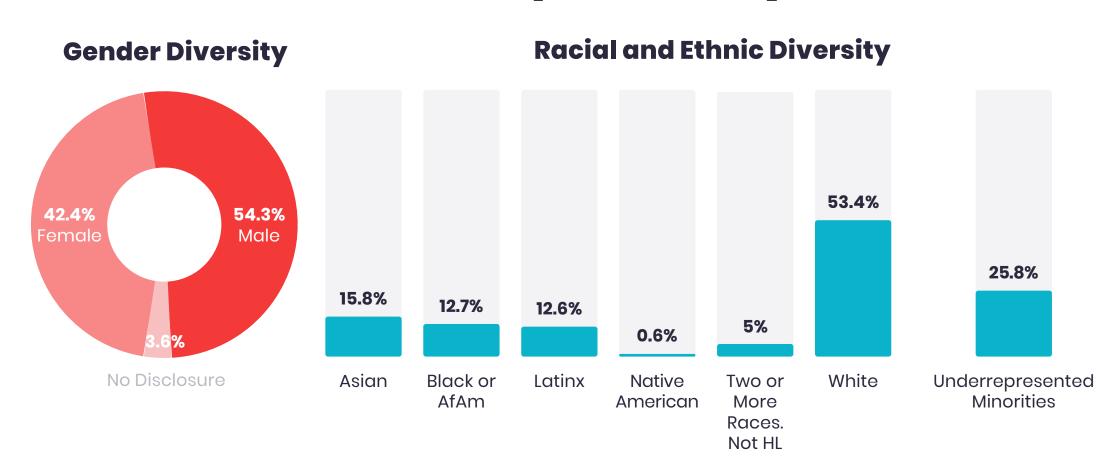
Operating as a distributed workforce allows us to evolve how we build diverse teams.

Attracting talent was previously limited to physical office space but we now have an opportunity to access talent in areas where we don't currently have offices and address inequalities, like the **urban-rural employment gap**. Such changes to employment access will allow organizations to continue to build on what diversity means for their teams with new, diversified sourcing channels to engage talent.

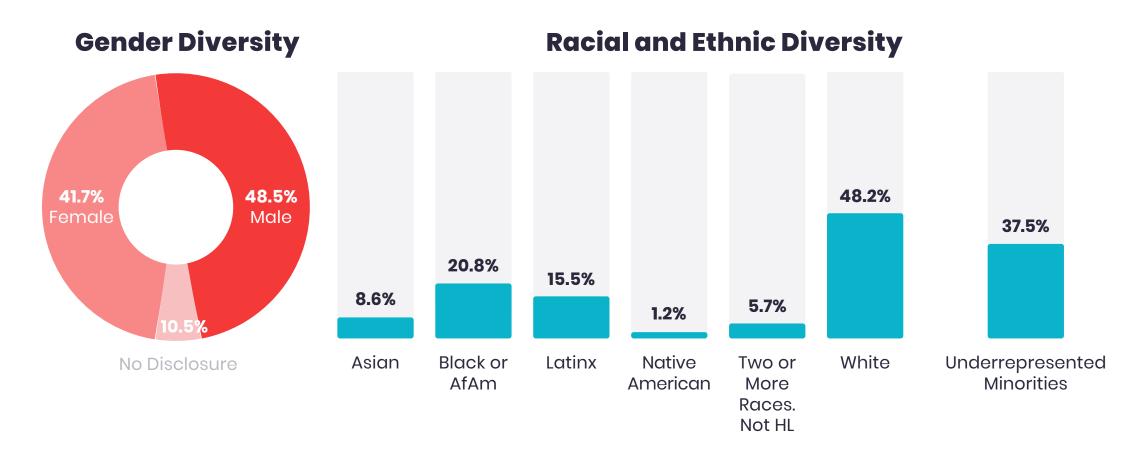
- This year, 25.8% of Yelp's employee population identifies as an underrepresented minority (URM). We acknowledge there is more work to do to consistently attract and retain URM talent. It takes both a diverse workforce and inclusive workplace to move the needle.
- Advancement is one key factor for representation at all levels. Overall, 12.4% of our leaders identify as an underrepresented minority, and we continue to hire more leaders of color. Additionally, over 17% of Yelp's managers identify as Asian, a group that is least likely to be promoted into management. This year opened up a long overdue conversation on the challenges members of the Asian American and Pacific Islander (AAPI) community navigate in the workplace and beyond. There is more work to do to better highlight the diversity of these communities. Looking at disaggregated data can uncover more actionable insights beyond the monolithic lens that is the current default.
- This year, we have added non-binary as a gender identity option for employees for self-identification purposes. We hope to share insights in next year's report on the impact of our DEIB programs that better capture the experience of non-binary employees and gender diversity across Yelp.



Yelp Diversity



Yelp Hiring Diversity



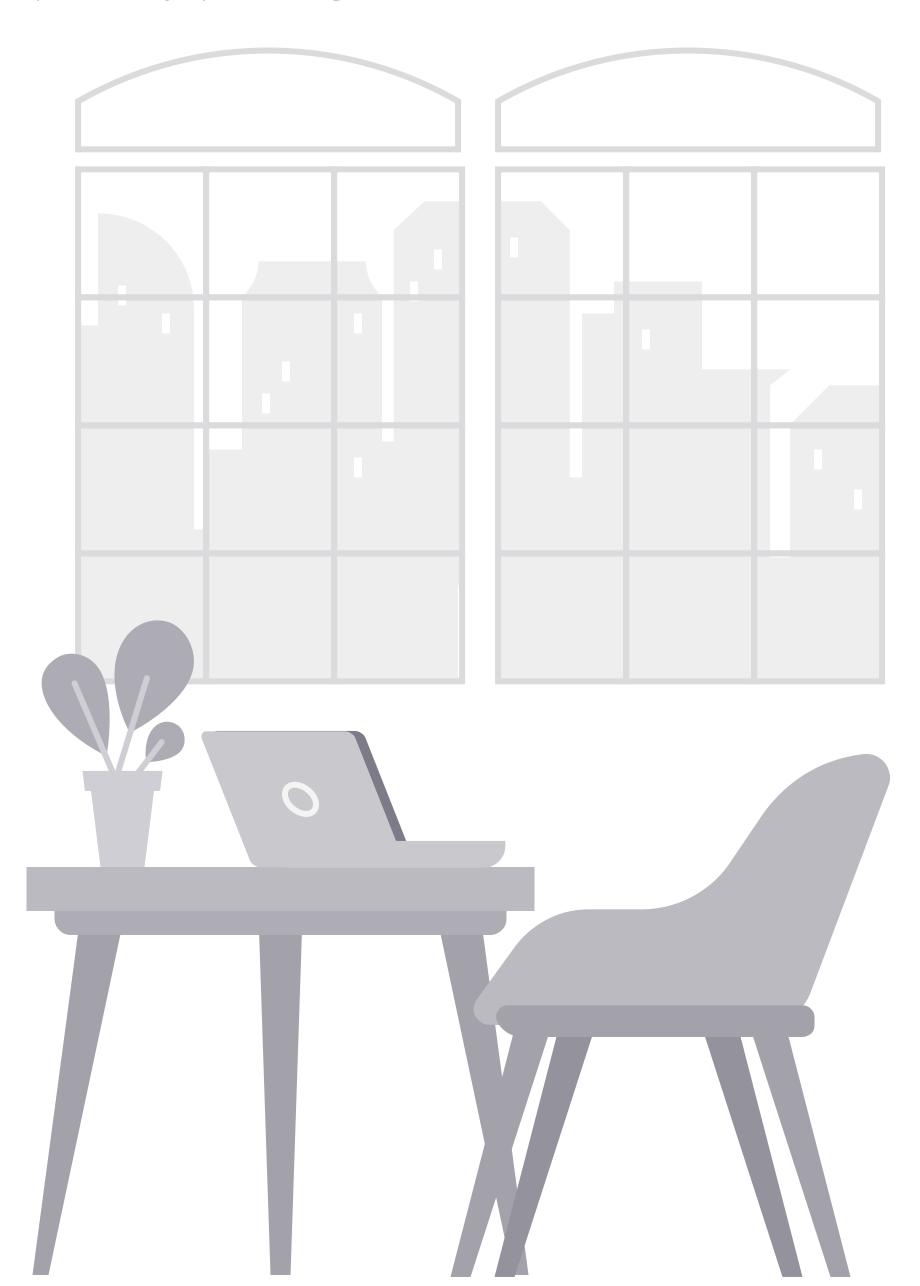
Native American grouping includes Native Americans, Alaska Natives, Native Hawaiian and other Pacific Islanders (per U.S. EEO-1 reporting requirements). Underrepresented Minority (URM) grouping includes Black, Latinx, and Native American employees. Yelp's URM definition is the UCSF definition at the granularity of race and ethnicity data available to us. All figures reflect Yelp diversity from September 8, 2020 through August 31, 2021.

After initially piloting our **diverse slate** program, an approach that ensured hiring managers consider underrepresented talent when interviewing for open positions, within our sales organization, we continued to see encouraging progress as we expanded this recruiting approach to other parts of the company. In the last year, we expanded diverse slate to our General & Administrative organization. Since then, we have seen an uptick in hiring employees who identify as Black, and we have increased representation at the leadership level for employees who identify as Asian as well as women.

Our Engineering team worked on **improving inclusive hiring** this past year. Within our technology organization, we increased hiring proportionally for Black employees by more than **3x** and for URM as a whole by more than **1.5x**. We continue to engage candidates throughout the process by screening in rather than screening out, ultimately continuing to assess candidates in terms of a culture add instead of a culture fit which oftentimes puts underrepresented talent at a disadvantage. This year we increased our leadership representation within the tech org for Black employees and Asian employees, as well as employees who identify as women. We continue to explore partnerships and conferences globally to attract underrepresented talent, including Latinas in Tech, Hispanotech, Black Professionals in Tech Network Summit, Black is Tech Conference, Women of Silicon Roundabout Conference, and Grace Hopper Celebration.

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The freedom to work from anywhere within the locations we hire in — including most of the U.K. and many parts of Canada — has allowed us to reach a wider pool of individuals from a broader variety of backgrounds. As Yelp's technical teams become increasingly distributed, we're being intentional about creating a culture where everyone can maintain a healthy work-life balance and have equal opportunities for impact, growth, and success. By increasing the locations people can choose to work from, we're able to create an even more diverse organization that brings new expertise to help us solve increasingly complex challenges. We're focused on proactively growing and cultivating an employee community based on a variety of backgrounds, talents, and perspectives. To achieve our goals, our technical talent team partners closely with our engineering and product teams to ensure we're **building thriving, diverse, and inclusive teams**, **hiring a diverse team by reducing bias**, and using structured **interviews** and **promotion practices** to improve equity.



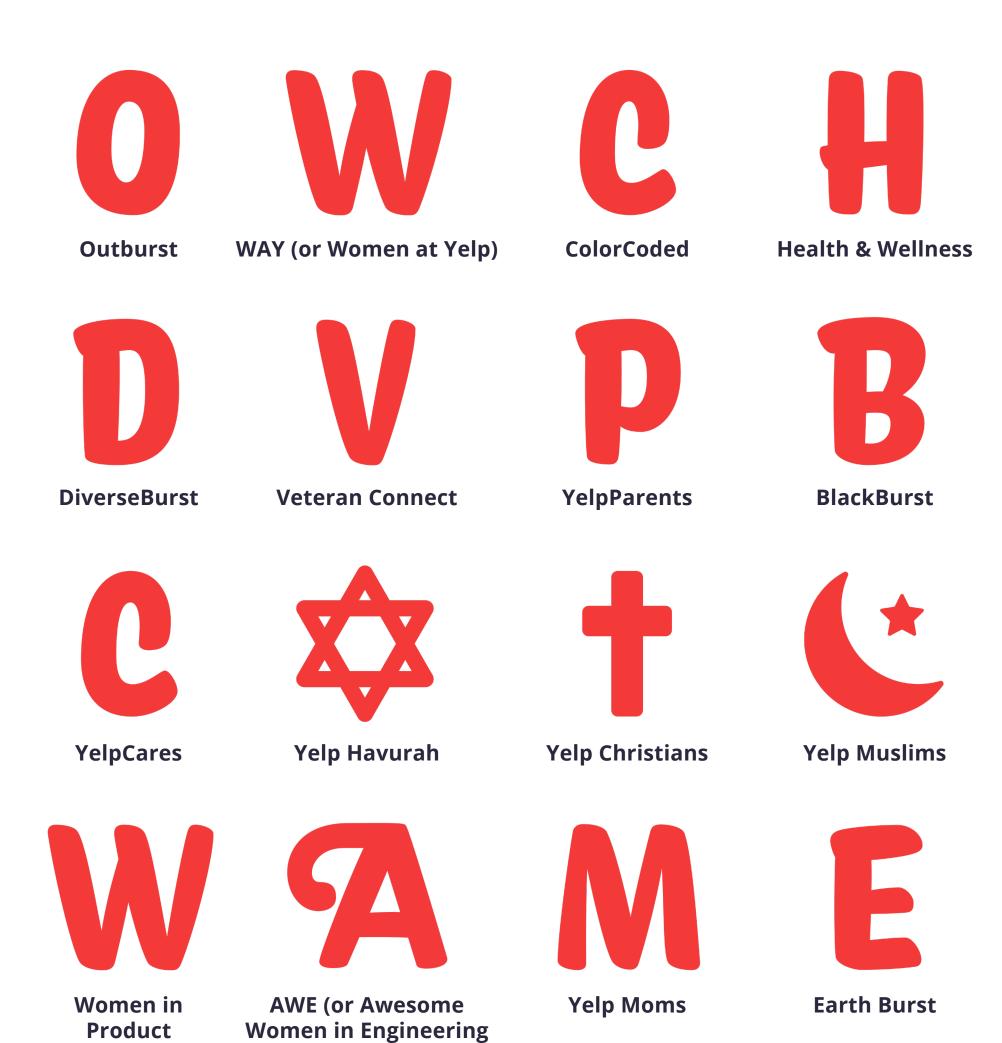
Engaging Our Workforce + Yelp Employee Resource Groups

As we start to adjust how we approach our office spaces to better support our remote-first model, fostering a culture of collaboration and creativity will always stay top of mind.

At Yelp, inclusion is just as important as diversity. Our Yelp Employee Resource Groups (YERGs) serve as a resource for employees with shared social identities, characteristics or life experiences and help foster employee engagement, professional development and a sense of belonging. We now have 20 YERGs – comprising nearly half (49%) of Yelp's employee population – providing key insights and support for employees, as Yelp continues to make strides in becoming a diverse and inclusive workplace where anyone can belong and thrive.

This year, we established four new employee resource groups – Yelp Asian Pacific Islanders (YAPI), Mental Health + Neurodiversity, SomosYelp and YelpAbility. We also hosted our first YERG Leaders Summit. The inaugural summit fostered learning and collaboration as our leaders heard from one another on how they've found success when leading their groups in a distributed workforce.







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Board Diversity

We strive for Yelp's workforce and leadership to be representative of the communities our offices occupy, and this includes our commitment to the diversity of our board.

Our directors' ages span from 44 to 76, with a range of gender and ethnic diversity, including three who identify as women, one as Black, one as Asian, and four as non-diverse. We believe the Board composition strikes the right balance between long-term understanding of our business and fresh external perspectives.

See our 2021 Proxy Statement for a full overview of Yelp's board oversight.



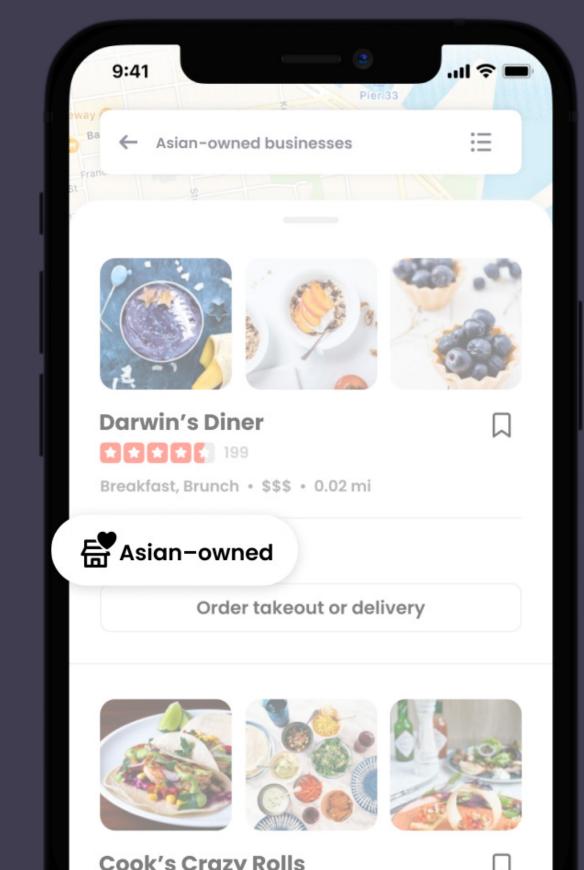


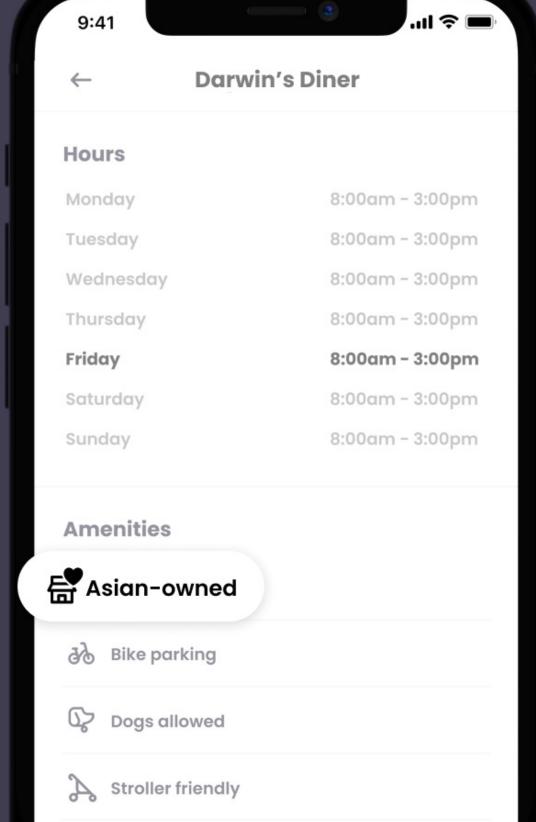
Using Our Platform For Good

In the spring, the nation dealt with the escalation of anti-Asian hate crimes and violence, and there was never a more important time to support the AAPI community.

In our **Economic Impact Report on diverse businesses**, we found that the rate of searches on Yelp for Asian-owned businesses in the U.S. increased by **3,404%** in February 2021 compared to the same period the year prior. To make it easier to find and support Asian-owned businesses, Yelp teamed up with **Gold House**, a nonprofit organization that forges the inclusive unity, representation, and success of Asians and Pacific Islanders, to introduce a new way for businesses to self-identify as **Asian-owned** if they choose to do so with a free business attribute. The new searchable attribute is opt-in only, as the decision to self-identify should rest solely with the business.

In June, to celebrate Pride Month, Yelp introduced another way for consumers to support businesses that align with their values, and find safe and welcoming places to enjoy Pride celebrations. Yelp introduced an **LGBTQ-owned business attribute** that



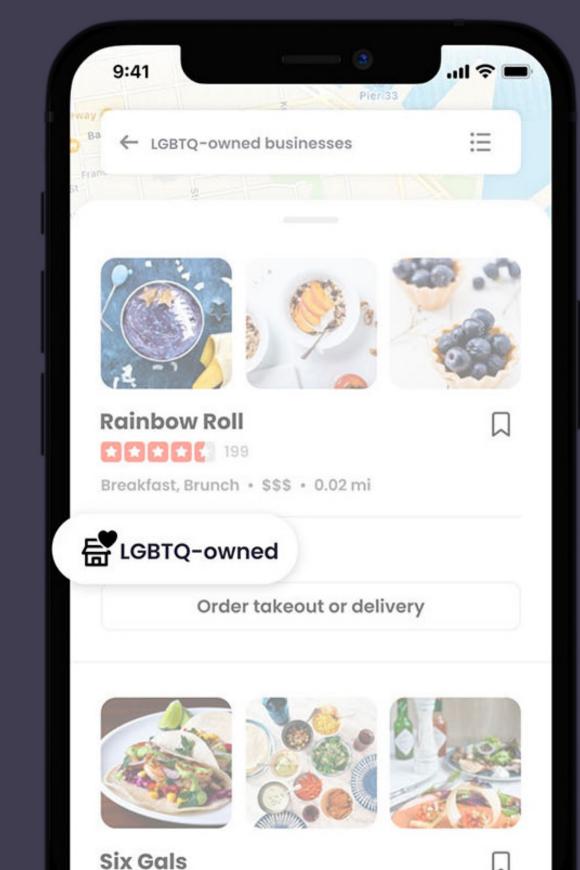


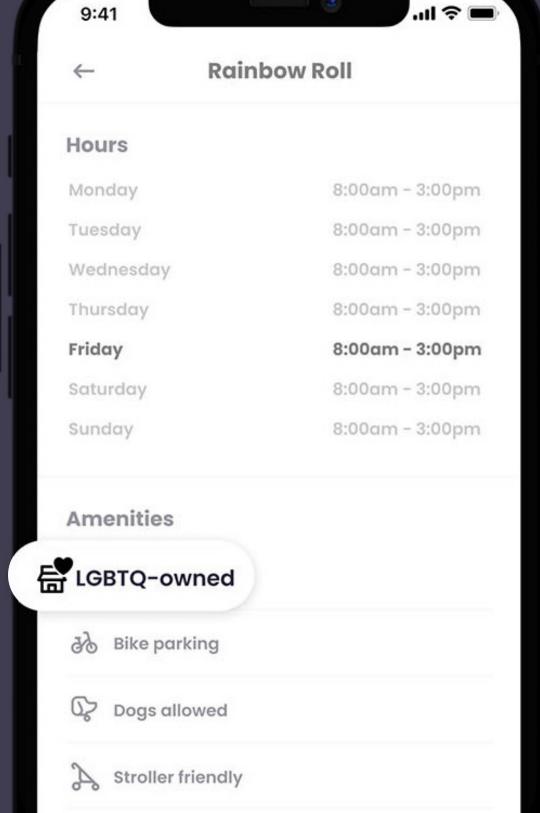


allows business owners to self identify as LGBTQ-owned. It's clear that consumers are increasingly looking for businesses that are part of the LGBTQ+ community, as the rate of searches on Yelp for LGBTQ-owned businesses in the U.S. increased by more than **14,000%** this year, compared to the same period the year prior.

During the month of June, a long-term Open to All partner, **Ben & Jerry's** teamed up with Yelp and Open to All to have the rainbow map pins displayed for nearly all of their **Scoop Shops** in the U.S. throughout June. Today, over 581,000 businesses have indicated that they are Open to All on Yelp. We're continuing to build on our partnership by celebrating businesses that have taken the pledge to be a safe and welcoming place for everyone. Our aim is to also encourage more business owners to **take the pledge** and mark themselves "Open to All".

This year, we signed the Human Rights Campaign's (HRC) **Business Statement Opposing Anti-LGBTQ State Legislation**. We're proud to have earned a 100 on HRC's Corporate Equality Index for LGBTQ-inclusive workplace policies and practices for the 8th year in a row. This builds on the commitment we made in 2019 when we joined the HRC's **Business Coalition for the Equality Act**, a coalition of businesses that support legislation that provides consistent and explicit anti-discrimination protections for LGBTQ+ people across key areas of life, including employment, housing, credit, education, public spaces and services, and federally funded programs.



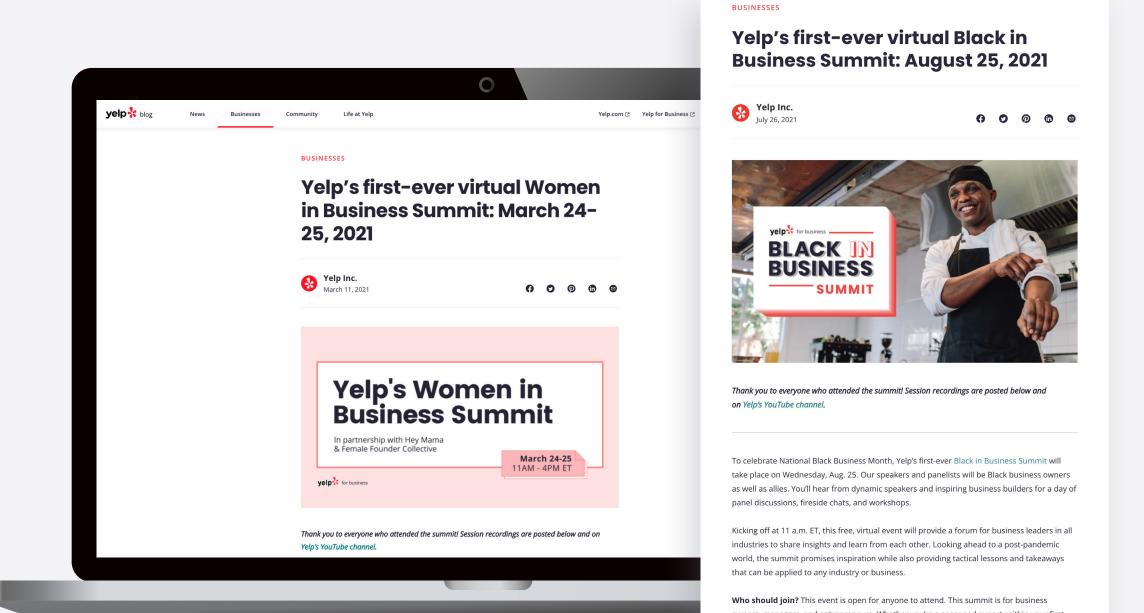




Supporting Diverse Business Owner Communities

Over the last year, we've seen continued interest in supporting diverse business owners on Yelp.

To further support these underserved business communities, Yelp hosted its inaugural **Women in Business** and **Black in Business** Summits to celebrate diverse business owners and provide a forum for them to share their stories and offer tactical advice for entrepreneurs. The events featured leaders from Combs Enterprises, IHOP and Luminary, who shared how they're driving meaningful change for diverse communities.





Putting Our Dollars to Work

One of the missions of the **Yelp Foundation** is to promote a culture of philanthropy among Yelp employees. This year we built on the Yelp Foundation's employee-matching program to double match Yelp employee donations made around issues that matter most to our employees.

From March through May 2021, the Yelp Foundation double matched Yelp employee donations to select AAPI-serving organizations that are fighting to stop Asian hate, including:

- > Asian Americans Advancing Justice-Atlanta
- Asian American Legal Defense and Education Fund (AALDEF)
- > Chinese for Affirmative Action (CAA)
- > National Asian Pacific American Women's Forum (NAPAWF)
- Stop AAPI Hate
- > National Queer Asian Pacific Islander Alliance (NQAPIA)
- > Asian & Pacific Islander American Health Forum (APIAHF)
- Asian Pacific Environmental Network (APEN)

As some of the horrific incidents against the Asian community were caused by gun violence, the Yelp Foundation also double matched employee donations to **Everytown for Gun Safety**, **Brady Campaign to Prevent Gun Violence**, and **Giffords Law Center to Prevent Gun Violence** during the same period.

As part of our overall commitment to gender equality for employees in Texas and across our workforce, the Yelp Foundation double matched employee donations in October to organizations that are fighting the legal battle against SB8 in Texas and similar legislation, as well as to organizations that provide reproductive health services and financial support to underserved women. Workplace equality is an issue that's long been important to Yelp and our employees. The list of organizations we selected include:

- > Center for Reproductive Rights
- > NARAL Pro Choice America
- Lilith Fund
- > Planned Parenthood
- > Planned Parenthood of Greater Texas



Looking Ahead

As we look ahead at ways to evolve how we promote and measure DEIB, there are opportunities to open up the conversation on how to better capture the experiences of employee groups that are often not central to these conversations, particularly as **Gen Z, the most racially and ethnically diverse generation,** enters the workforce. This includes how we measure and report diversity numbers for employees who identify as multiracial.

What we continue to observe year over year is the increase in employees who identify as two or more races. Organizations can help employees feel more seen and heard by providing more ways to capture the background of multiracial employees by allowing a multi-select option to self-identify. This moves away from the current default that treats multiracial employees as a monolith, which can impact employees' sense of belonging.

For the Latinx community, how institutions have historically provided identity options for race vs. ethnicity doesn't fully capture how some individuals self-identify. When we look at current diversity data for AAPI employees, we overlook the inequities that impact individual ethnic groups across East Asian, South Asian, Southeast Asian and Pacific Islander communities, who make up the most economically divided group in the U.S.

Detangling race and ethnicity can be a challenge and should be considered in how we frame questions to measure **race and ethnicity**. Institutions are figuring out new ways to provide more options for individuals to better self-identify. Organizations that proactively take part in these conversations sooner rather than later will better support and retain talent with diverse backgrounds.

How we collect data and measure progress can paint fuller pictures that allow organizations to have more nuanced approaches to drive DEIB and impact the rate at which employees choose to self-identify. When employees know that demographic data helps measure impact and holds organizations accountable, rather than virtue-signaling, they will be more willing to self-identify. Providing more options to help capture the diversity of the communities employees belong to will help build trust and reinforce this.

By critically assessing how we define diversity across our organizations, we can reinforce how we evolve our approaches to DEIB towards an intersectional lens. The current one-dimensional lens focuses on a single part of an employee's identity – race, ethnicity, gender identity, veteran status, sexual orientation, or disability status, among many, and how it impacts an employee's experience in the workplace. This needs to evolve to recognize how all aspects of how employees identify impact how they show up and navigate the workplace, and how employers can continue to strengthen the foundation for them to belong and thrive in an inclusive environment.