

2018

Diversity & Inclusion Report



Almost two years ago, Affirm committed to making diversity and inclusion a central priority for our company. Since we made that pledge, we've hit a number of milestones: we've grown to nearly 500 employees, moved to a beautiful new office, expanded to two new sites in New York and Pittsburgh, and ensured that our diversity and inclusion initiatives expanded along with the company. In addition to these exciting milestones we also hired our first Diversity & Inclusion Program Lead to help build on the great work done by our Diversity & Inclusion Council and Vice President of Talent from 2017. To benchmark our progress, we have continued our annual diversity and inclusion survey.

The second annual Diversity & Inclusion (D&I) Report examines our progress against the goal we set in 2017 and uses the learnings from our 2018 survey to inform how we can continue to improve. I'm especially proud of the work done by the communities and teams featured in this report, which are outstanding examples of diversity and inclusion in its best form at Affirm.

One of the reasons Affirm has been successful in working towards our diversity objectives is the work of our Employee Resource Groups (ERGs), created and led by employees to bring together members and allies of underrepresented identities at the company. Our ERGs organize company-wide learning opportunities and cultural celebrations, convene conversations, and collect critical feedback. It's through these groups, with support from our D&I Council, that the company and our leadership team learn what our employees need and how we can build an ever more inclusive workplace where Affirmers feel they belong. Today, Affirm has 13 ERGs, up from five last year.

I want to thank every Affirmer who has helped shape our culture and continues to advance our mission each day. I'm confident that together, we can build a more diverse and inclusive workforce that continues to make sure people come first.

Onward,



Max Levchin
Chief Executive Officer

2019 Goals

Increase the diversity

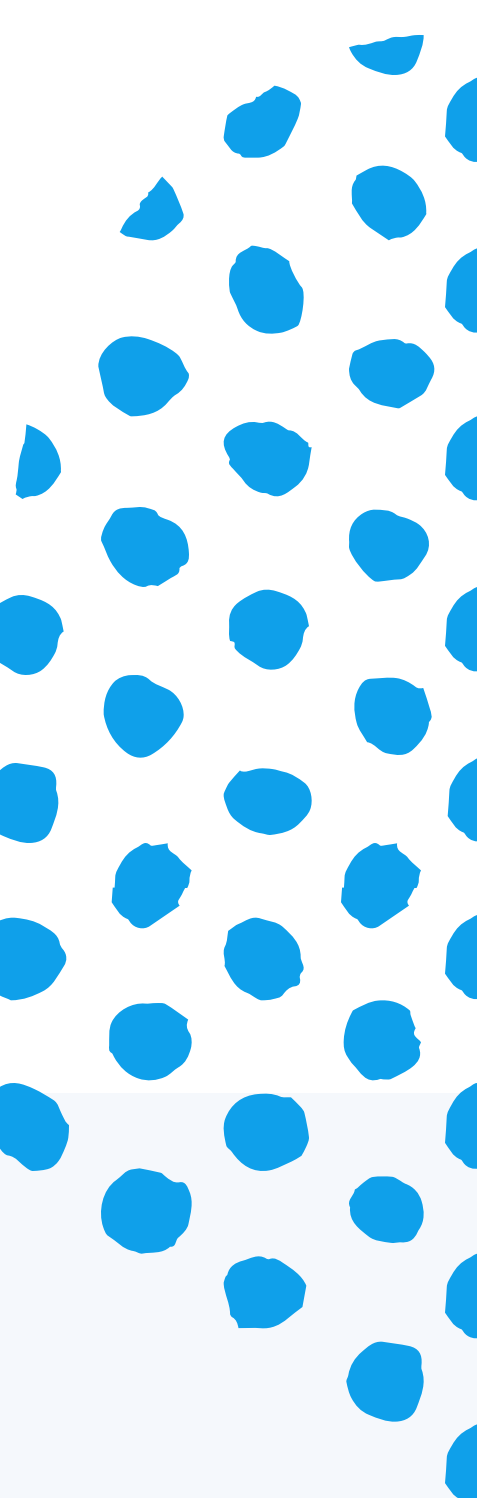
of our employee base by seeking to hire candidates with varied backgrounds and experiences, including members of underrepresented groups in tech.

Continue to improve

the experiences and sense of belonging for all employees, including members of our women, African American/ Black, Latinx, and LGBTQ+ communities.

Achieve gender equity

for leadership, including within the executive team and people managers, with a focus on intersectional representation.



What we learned

Diversity is central to our culture

Affirm has prioritized creating an inclusive culture, and the diversity and inclusion (D&I) survey is an important measurement of our progress. In the survey we asked employees directly if they “believe Affirm values diversity.” This year’s results made it clear that our employees believe Affirm is succeeding in creating a place where anyone can feel welcomed and that our company is comprised of a variety of voices and backgrounds.

While our company values diversity, we still have work to do when it comes to tackling the existing disparity in representation.

In 2019, we will double-down on building more diverse teams at Affirm, which means we will continue to focus on hiring diverse talent across every function.

Our 2019 goals are designed to keep us accountable to the feedback of our employees and move toward a truly diverse workforce and inclusive workplace. Throughout this report, we’ll take a closer look at what we learned from our annual survey, what we did well since our last report, and the teams and programs helping build culture and community at Affirm.

87%

of Affirmers believe
Affirm values diversity.

81%

of Affirmers feel like
they belong at Affirm.

52%

of Affirmers believe we
build diverse teams.

What we learned (continued)

We are working towards inclusive gender representation

Technology and finance have traditionally been male-dominated industries, and achieving representative parity for women continues to be one of our biggest goals as we grow. In building a product that is fair and transparent for our users, it is increasingly important that our workforce reflects the people we serve.

But representative parity isn't something that happens overnight, especially in highly-competitive markets. Through direct hiring and leadership efforts we made great progress and hired more than 50 women to the Affirm team, at the time of surveying.

In 2019 and beyond, we are committed to increasing this number and aligning it more proportionately with our future growth, with an eye on intersectionality.

44%

of new Affirmers
identified as female

36%

of Affirmers surveyed
identified as female

What we did well

Hired more women engineers

Creating a product that works for everyone means the product should be built by people who contribute a variety of perspectives. Like most technology startups, our engineering organization is the largest department at Affirm. To effectively increase gender diversity in the company overall, it was important to ensure that we increased the number of women in our technical roles as well.

In order to proportionally increase the number of women we brought into our hiring pipeline, we took a look at our current recruiting efforts and thought of ways we could infuse even more diversity, particularly when recruiting recent grads in engineering.

As part of our university recruiting efforts, we targeted schools with Computer Science programs that had high concentrations of women students, attending their career events, student group meetings, and tech talks. We asked several of our women engineers to attend these events and visit campuses to give women undergraduates a firsthand view of the opportunities available to them, shared by other women.

Through these and other efforts from our Talent team, engineering hiring managers, and our President of Technology, Libor Michalek, we expect to grow the number of women in technical roles across all levels even more in 2019.

“

We have a diverse customer base, so it's important that we have voices from many backgrounds in the room when making product and engineering decisions. As an Engineering Manager, I attend women-focused tech conferences to recruit teammates who can help us grow our product and company in an inclusive way.”

Sarah Ericson
Engineering Manager

171%

YOY increase in women engineers

Goal Progression: 2017 v. 2018

8%



13%

women in engineering
(2017)

women in engineering
(2018)

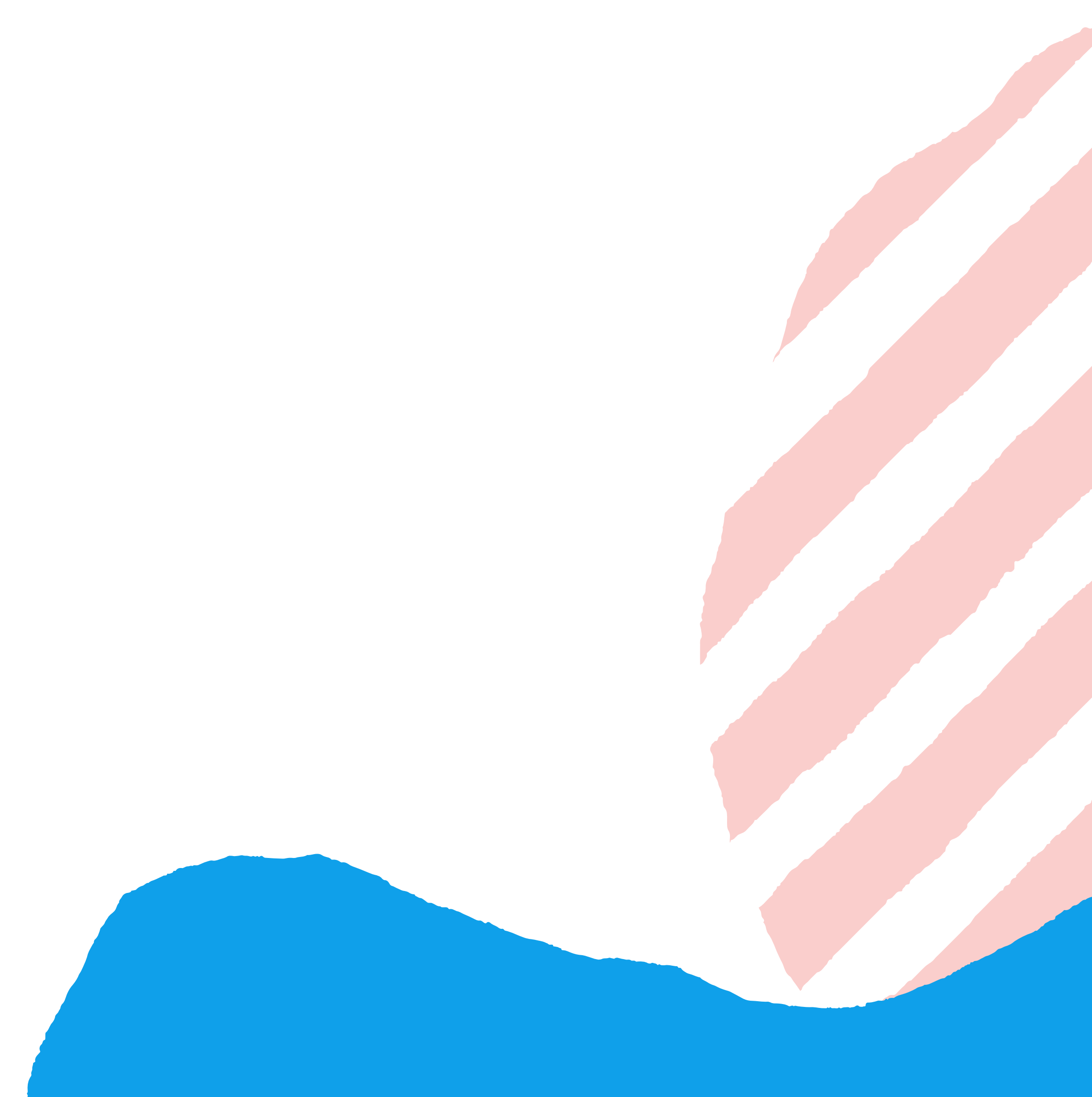
What we did well (continued)

Launched even more Employee Resource Groups (ERGs)

At Affirm, our ERGs are employee-led communities that unite Affirmers under a common purpose with respect to identity and inclusion. Our ERGs foster belonging for underrepresented groups and provide resources for employees to build relationships across different roles and teams through shared backgrounds and experiences. They also encourage allyship across the company by welcoming Affirmers who don't share the same identity as a particular group and engage them in conversations and cultural celebrations.

Affirm's ERGs offer forums for sharing experiences, asking questions, and seeking feedback from peers. 2018 saw significant expansion of employee-founded groups to create community, and we now have 13 ERGs (up from five at the beginning of the year), including groups focused on building our Latinx and African-American/Black communities.

ERGs have played an integral role in Affirm's growth and culture. This year, our ERGs were instrumental in continuing to grow and shape Affirm's culture by hosting inaugural events in our new office space, convening hard conversations in public forums about topics like the #MeToo movement, and offering opportunities to learn more about various cultures and celebrations such as Diwali and LGBTQ+ Pride. Our D&I Council also hosted *The Power and Value of Employee Resource Groups* - an event that brought together ERG leaders from Affirm and other tech companies to discuss the role ERGs play in shaping company culture and impacting business.



What we did well (continued)

Number of ERG events hosted this year

33 events held in **2018**

Number of Affirmers actively involved in ERGs

274 people / **58%** of Affirmers belong to an ERG

Number of Affirmers on the D&I Council and Dedicated Staff

40 people

Affirm's ERGs

new!

AMIGXS@

ASIAN PACIFIC ISLANDERS@

new!

BLACK@

new!

CHINESE LANGUAGE & CULTURE@

new!

IMMIGRANTS@

new!

JEWISH COMMUNITY@

new!

KOREAN CULTURE CLUB@

LGBTQ+@

new!

MENTAL WELLNESS@

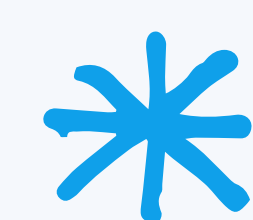
PARENTS@

new!

SOUTH ASIANS@

VETERANS@*

WOMEN@



Over the years, Affirm has also had a strong partnership with *Shift* - a Military Fellows Program that assists veterans beginning a career in tech. In 2018, our fellows worked in teams across our company and 75% of them converted their fellowships into full-time employment with us.

What we did well (continued)

A growing and engaged workforce

In an effort to better understand Affirm's people and culture, our D&I survey sought to better collect the demographics of all Affirmers. It is increasingly important to not only understand where we track on our diversity efforts but also ensure that all groups feel welcomed at Affirm and encouraged to share their opinions.

Our annual survey is completely voluntary and confidential. It asks questions about employees' self-identifying information and how they rate their sense of belonging in a variety of scenarios. As a fast-growing startup that is expanding across multiple offices, this data helps us better inform the programs we develop to build culture and encourage growth in our employees.

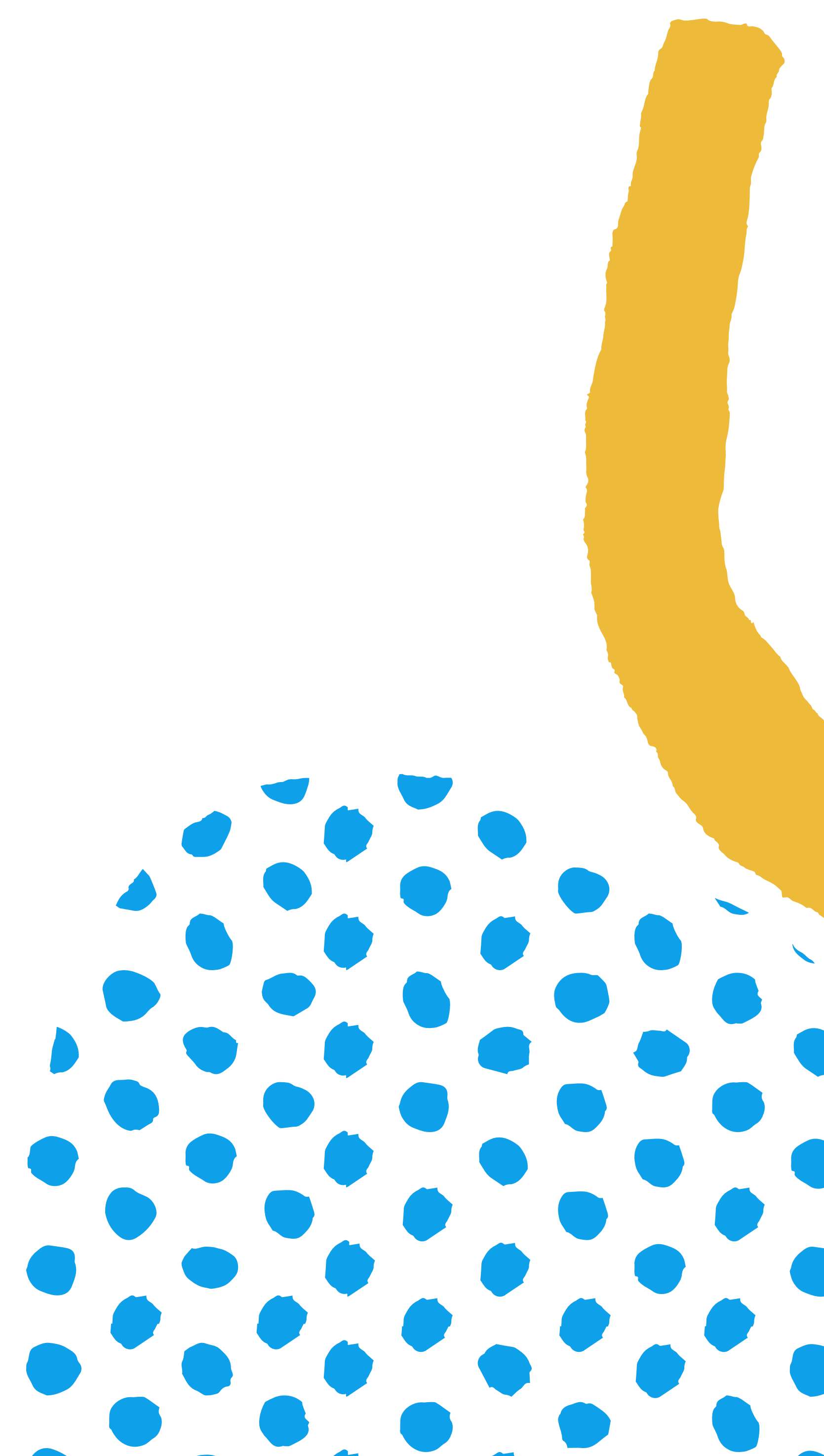
This year, we were excited to see a spike in participation and that a large majority of Affirmers were comfortable and willing to share their experience and opinions with us. This growth in participation is particularly important as we rapidly add new employees and shows that our culture is able to scale with each new hire. We're proud of the work that we do in setting the expectation early that participation, diversity and inclusion, and individual voices are all important at Affirm.

5% increase in response

During our phase of hyper-growth this percentage actually represents nearly 130 new survey takes

80% of Affirm

employees completed the survey



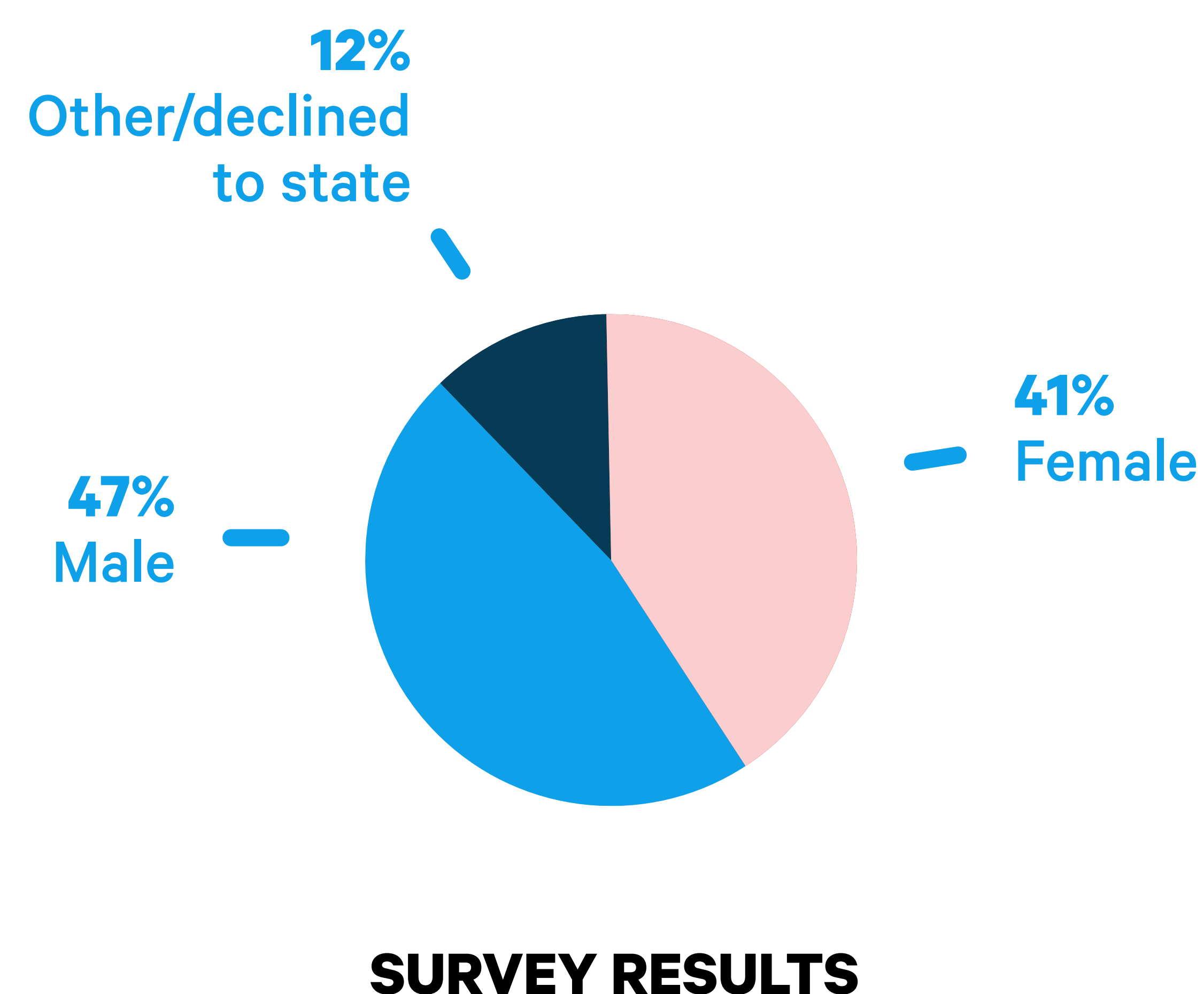
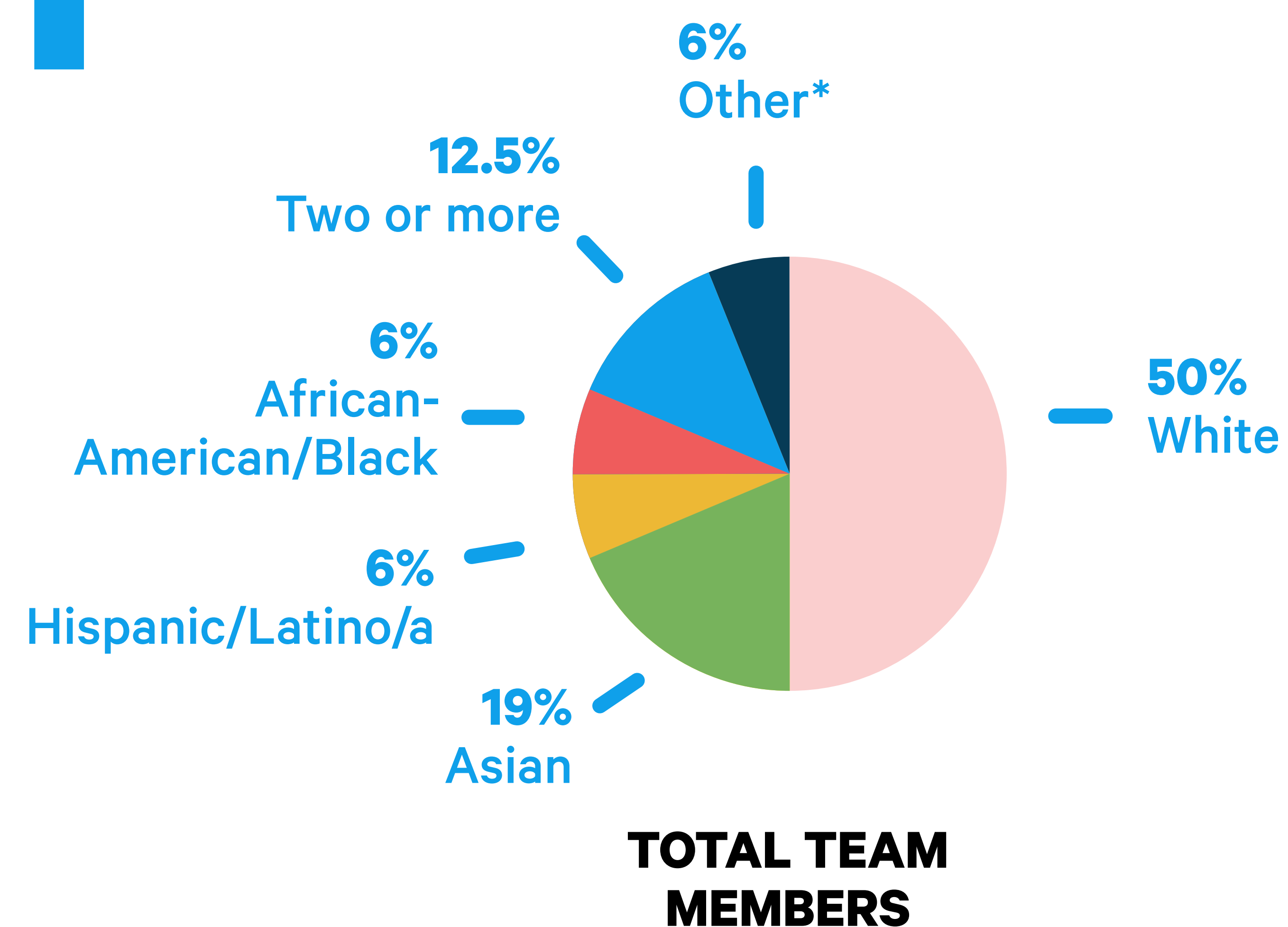
Spotlight

Building a diverse legal team

Our General Counsel & Chief Compliance Officer, Manny Alvarez, is an excellent example of hiring and growing a team with an eye for diversity and inclusion.

Since joining Affirm in 2014, Manny has made a conscious effort to build out one of the most diverse teams we have at Affirm. This has been an effort years in the making as the Legal, Compliance, and Government Affairs teams face challenges in hiring across three industries – technology, finance, and law, which all have a well-documented lack of diversity.

Today, Manny’s team is made up of people who identify with a variety of underrepresented groups, all bringing a unique perspective to their daily work. Affirm benefits from the advice of a team critical to our growth that a more homogenous team might not provide.



Affirm’s legal, compliance, and government relations teams are so proud to champion and reflect the diversity of the broad customer base we serve. Affirm stakes out audacious goals, so, too, does our team seek to upend the conventional composition of in-house legal, compliance, and GR teams. I am proud of each team member's commitment to this goal.”

Manny Alvarez

General Counsel & Chief Compliance Officer

*Other in the context of racial/ethnic identities means any other race/ethnicity that someone selected that wasn't African American/Black, East Asian, Hispanic/Latino/a, South Asian, Southeast Asian, or White.

Spotlight

Amigxs@, BLACK@ and Women@ ERGs

Women and members of the African American/Black and Latinx communities have been historically underrepresented in tech and finance. Our D&I program has made building a community around these groups a top priority, ensuring they feel that Affirm is a place that welcomes them and where they can grow. Three Affirm ERGs play essential roles in the growth of these communities and the overall culture at Affirm.

Our Women@ ERG was founded in 2017 as a way for our colleagues who identify as female, and their allies, to come together and help strengthen gender representation across teams and the company. Since then, the group has convened conversations covering hard topics like the #MeToo movement, hosted influential speakers and held monthly lunch gatherings, creating a safe and communal space for every woman at Affirm while also building awareness among male allies. The group is the largest ERG at Affirm and continues to grow in both membership and engagement.

MEMBERS (INCLUDING ALLIES)

Amigxs@

30 members

BLACK@

24 members

Women@

150 members

“

With Affirm growing as quickly as it is, our Women@ events have been a lot bigger, which was great, but we also wanted to provide a more intimate and safe space to chat. To solve for this, we kicked off breakout lunches with smaller groups of women to enable safe spaces for candid conversations. I'm so proud to provide an outlet to discuss topics that can often leave people feeling alone and isolated.”

Laurie Sellick

*Corporate Counsel
Women@ Founder & Lead*

Spotlight

Amigxs@, BLACK@ and Women@ ERGs

In 2018, employees launched BLACK@ (Black Leaders of the Affirm Community Kinesphere) and Amigxs@ which have worked to build community for our African American/Black and Latinx employees and their allies. As historically underrepresented groups in tech and finance, supporting these groups is especially important, allowing members a channel to elevate ideas, flag concerns and suggest and implement positive changes across the company.

Since its founding in mid-2018, Amigxs@ has grown to include 30 employees and hosted a company-wide event in celebration of National Hispanic History Month, where our CEO, Max, served as DJ in support of the gathering. With a majority of the company and executive leadership team attending, it was an excellent opportunity for the group to share their diverse cultures with everyone at Affirm.



BLACK@ is proud to finally have a presence at Affirm. Early on, it was put to the group what they hoped to address in our meetings, and one member answered, “Honestly, we don’t always have to have an agenda. The fact that we can gather around a table, talk, and see people who look like us is enough.” We are creating a community of and for Black individuals and their allies and I’m excited to see us grow.”

Lia Ballard

*Lead, Executive Management
BLACK@ Founder & Lead*

The BLACK@ community has served as a safe place for our African American/Black employees to feel heard and supported by their colleagues. In addition to their monthly lunch meetings, BLACK@ coordinates regular afternoon outings, which further unites coworkers and friends. The group also educates Affirmers about significant, historical and current events in the African American community and our country more broadly, such as recognizing Juneteenth and celebrating Black History Month.

These ERGs will continue to grow in 2019, and offer even more ways to connect with and educate peers, collaborate, and shape Affirm’s culture and business.



As an underrepresented group in tech, it is increasingly important that we build a community and celebrate our wins both as a group and with the wider company. As a small but important contingent of Affirm, it is important for us to have company and executive team support, and in turn serve as business partners to help bring even more diversity to Affirm.”

Becca Maldonado

*Executive Assistant
Amigxs@ Founder & Lead*

A closing note on our continued work

In 2017, Affirmers came together and launched our Diversity & Inclusion Council with the mission of combatting discrimination and promoting respect, inclusion, opportunity, and community in our workplace. From this came our Diversity & Inclusion Council, comprised of four teams dedicated to advancing and championing D&I as a key element of our culture as well as our business.

The **Messaging & Metrics** team ensures inclusive messaging practices and publishes up-to-date employee demographic metrics. Our **Attraction & Recruitment** team helps source diverse candidates from varied backgrounds and ensures Affirm provides all candidates an equal opportunity to demonstrate their capacity and abilities. The **Inclusion & Retention** team raises awareness of identity in the workplace, cultivating an inclusive community at Affirm. Finally, the **Community Partnerships** team engages lower-income communities and underrepresented groups through financial education.

In 2018, we hired a fully dedicated D&I Program Lead to collaborate with the D&I Council, be a thought partner to the Executive, People and Talent teams, and coordinate with our Employee Resource Groups to continue to positively impact the business.

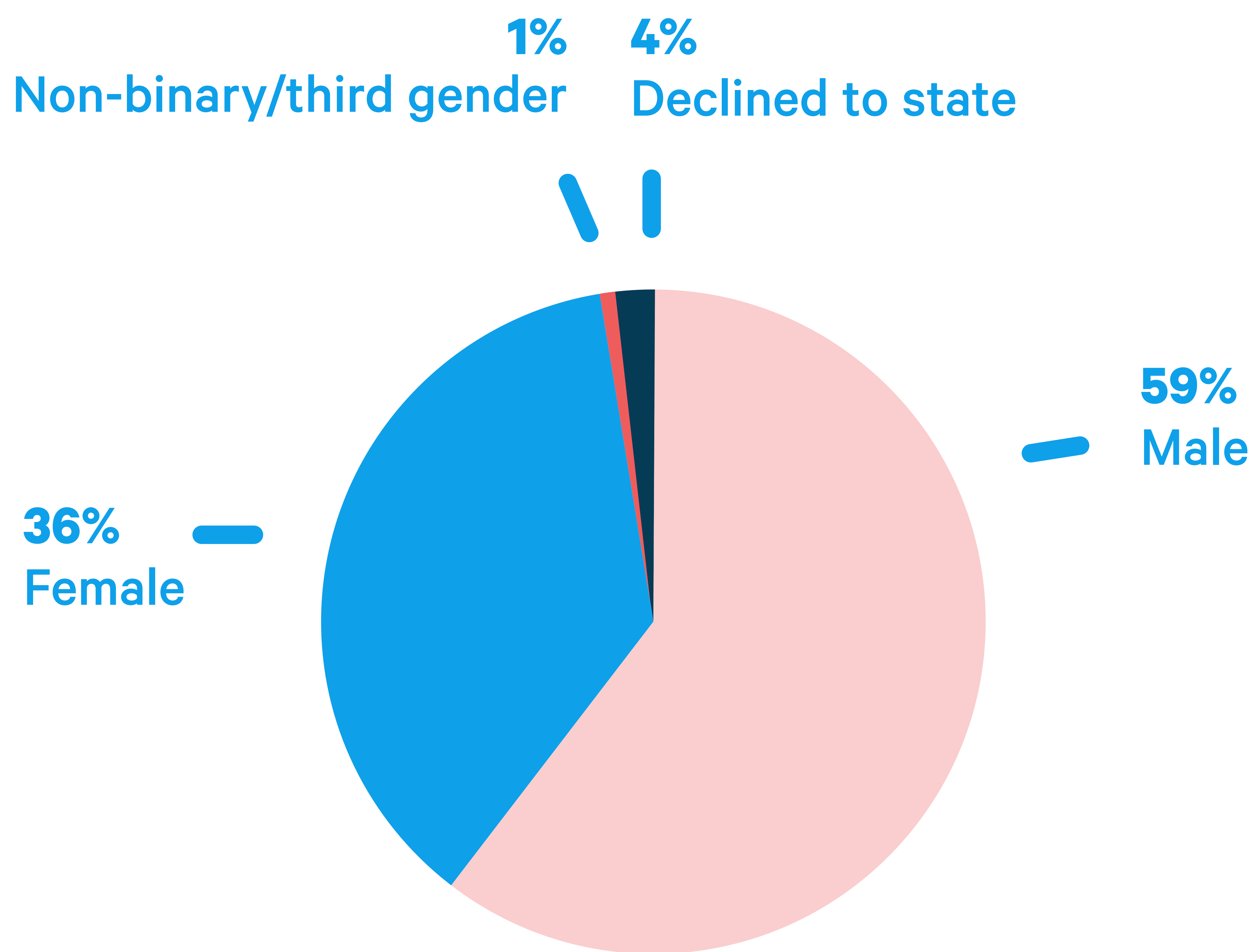
While there is still work to be done, our D&I Council, executive leadership, ERGs, and Talent and People teams are being proactive about creating a culture that is both diverse and inclusive. In 2019, our goal is to build on the gains and challenges we've had in 2018 and keep improving from there.

This report and the related findings and figures are from data collected through our annual D&I survey, which polled nearly 400 Affirm employees. It was conducted in July 2018 with 80% participation of our then-386 employees. The survey was offered on a voluntary basis to all 386 employees working at Affirm at the time. Because employees self-identify and the survey is voluntary, the results may not precisely indicate the statistical representation of different gender identity, ethnic or underrepresented groups at Affirm.

Appendix

Data collected in July 2018 with 80% participation of 386 Affirm employees.

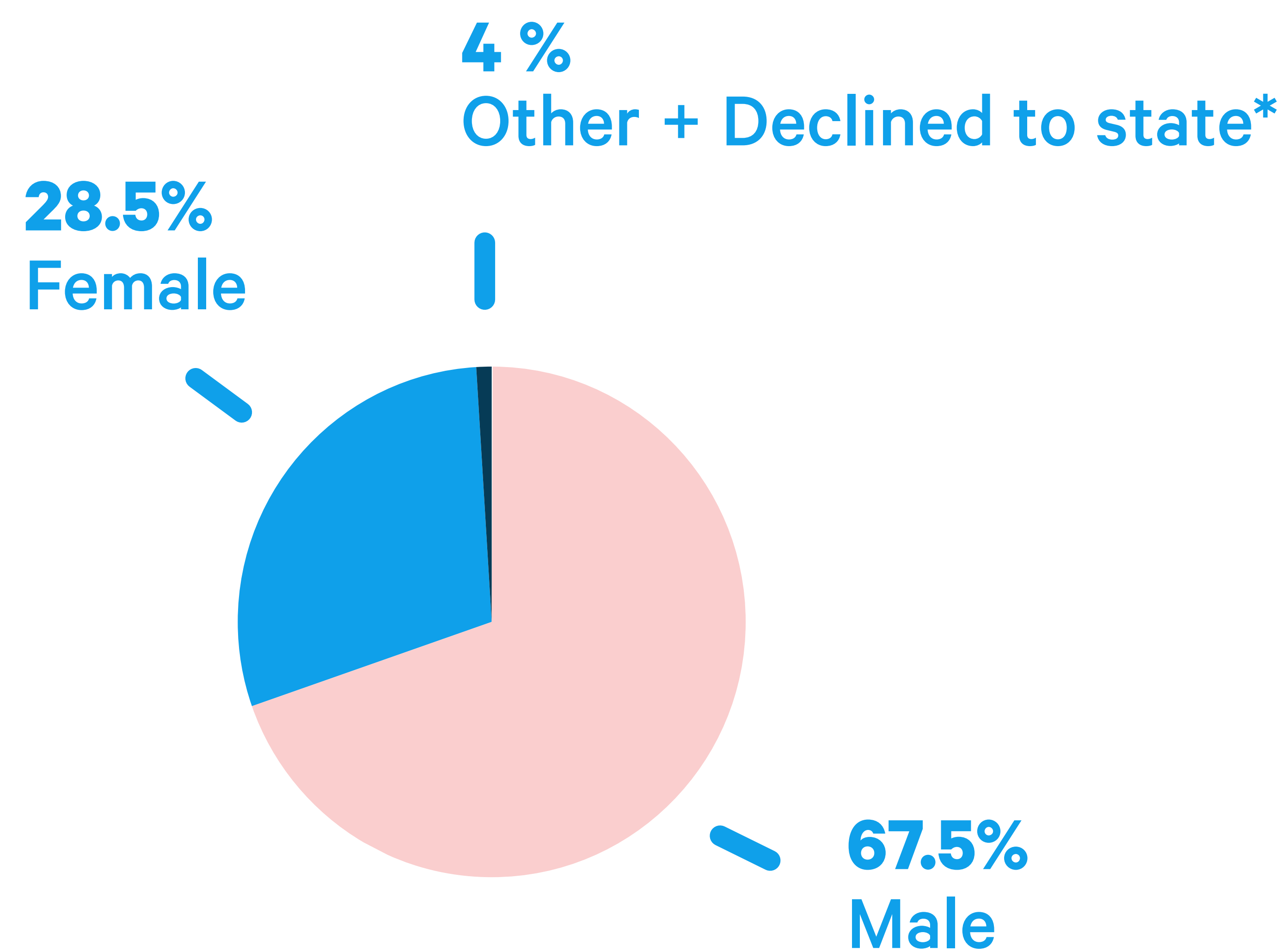
GENDER IDENTITY



COMPANY OVERALL

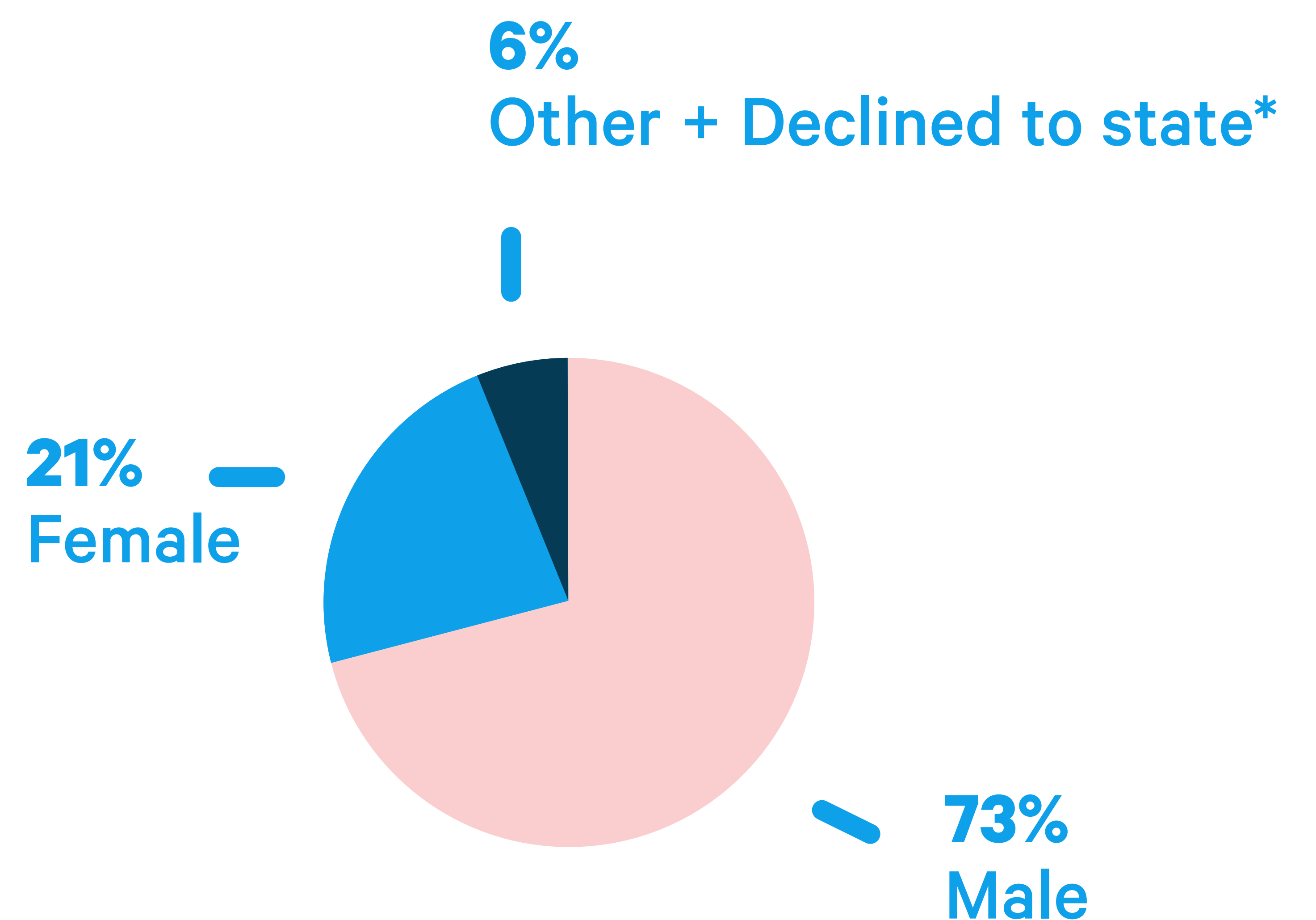
Appendix

GENDER IDENTITY



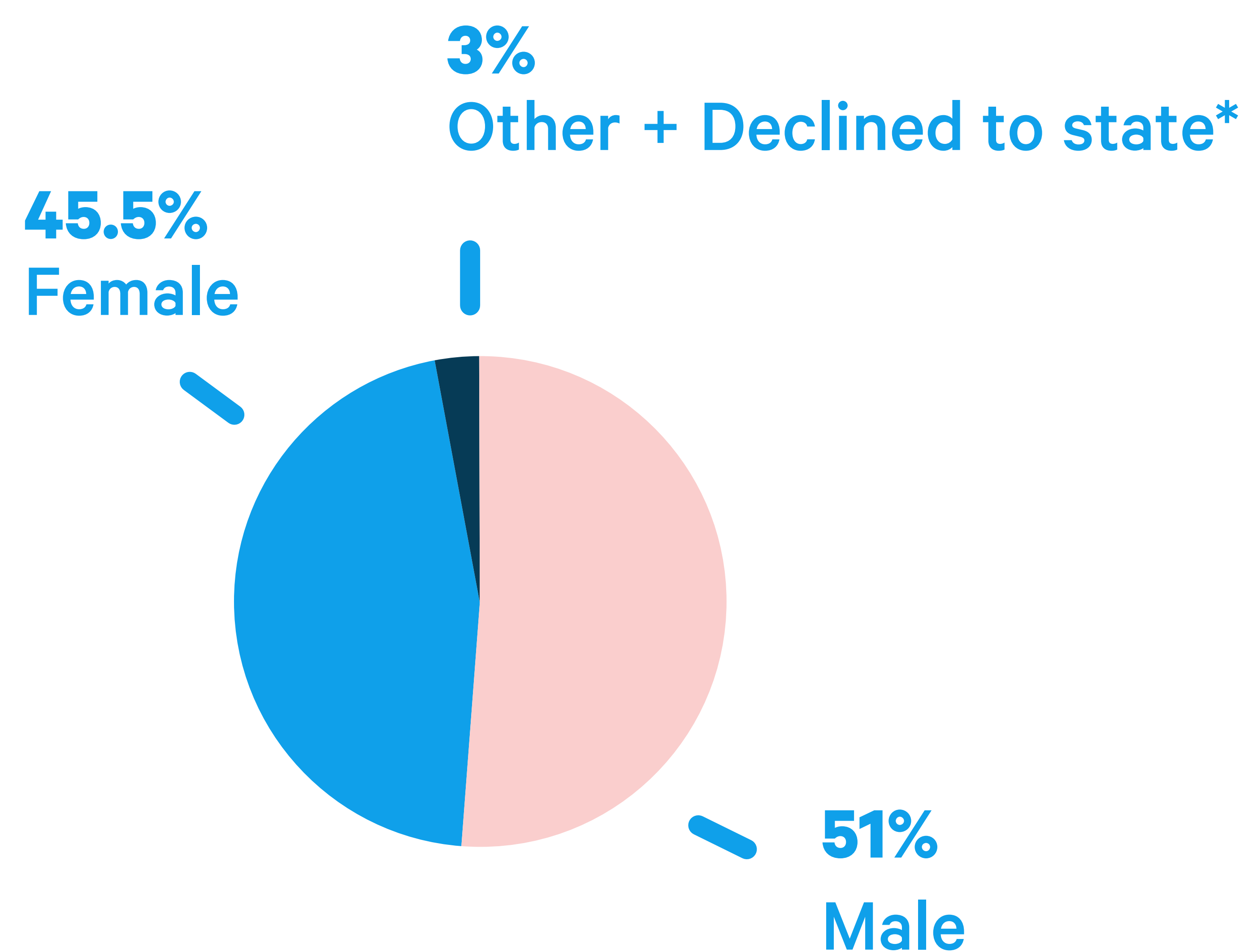
LEADERSHIP

(Executive Team & People Managers)



TECH

(Engineering, Product Management, Product Design)



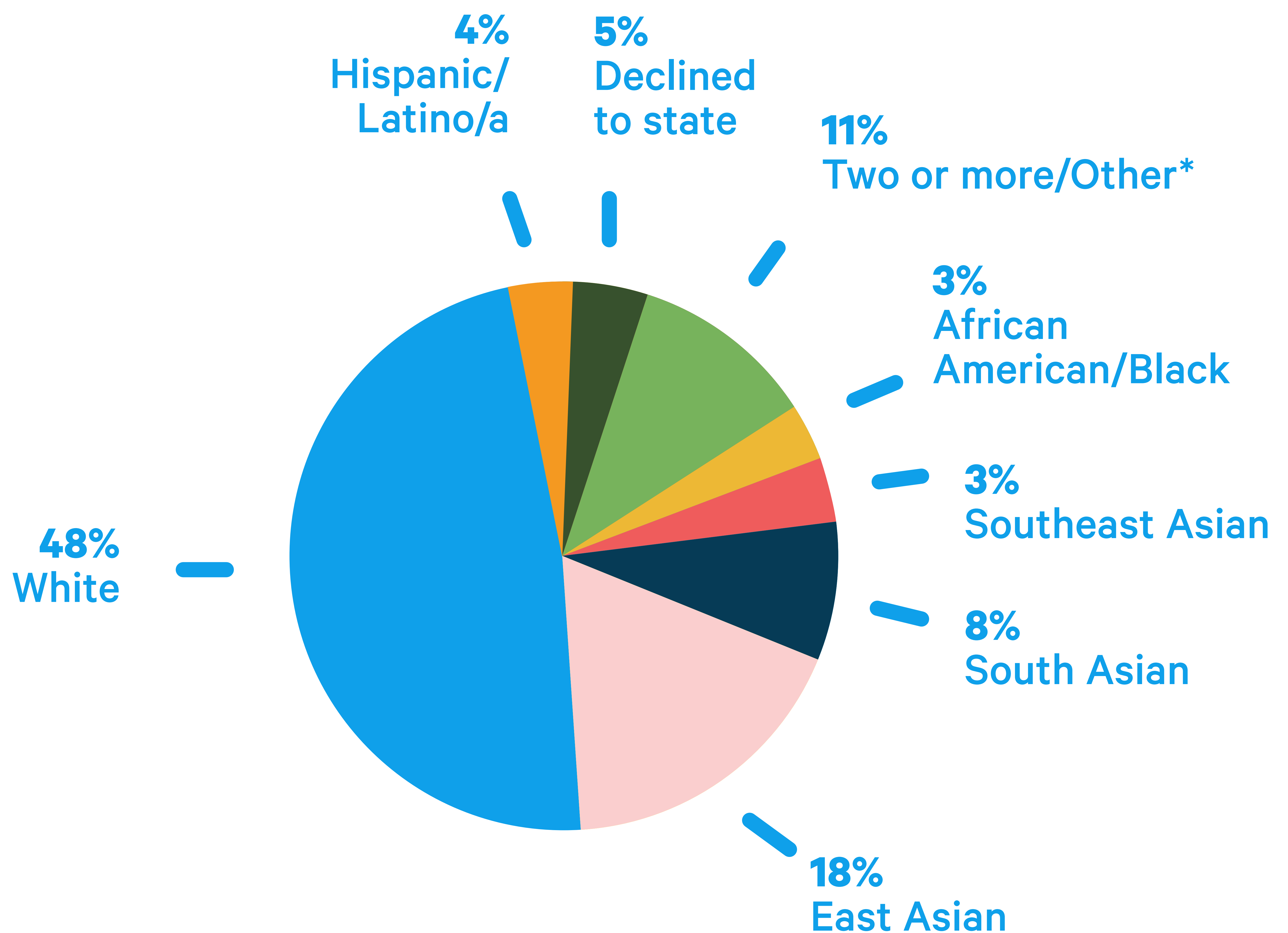
NON-TECH



While we are able to show the percentage breakdown for Non-Binary/third gender in the “Company Overall” graph, the population of this group in each of the sub-categories of Leadership, Tech, and Non-Tech was too small to break out individually. Thus, to respect anonymity and confidentiality, we have combined this group with “Declined to State” in each graph for these sub-categories.

Appendix

RACIAL/ETHNIC IDENTITY



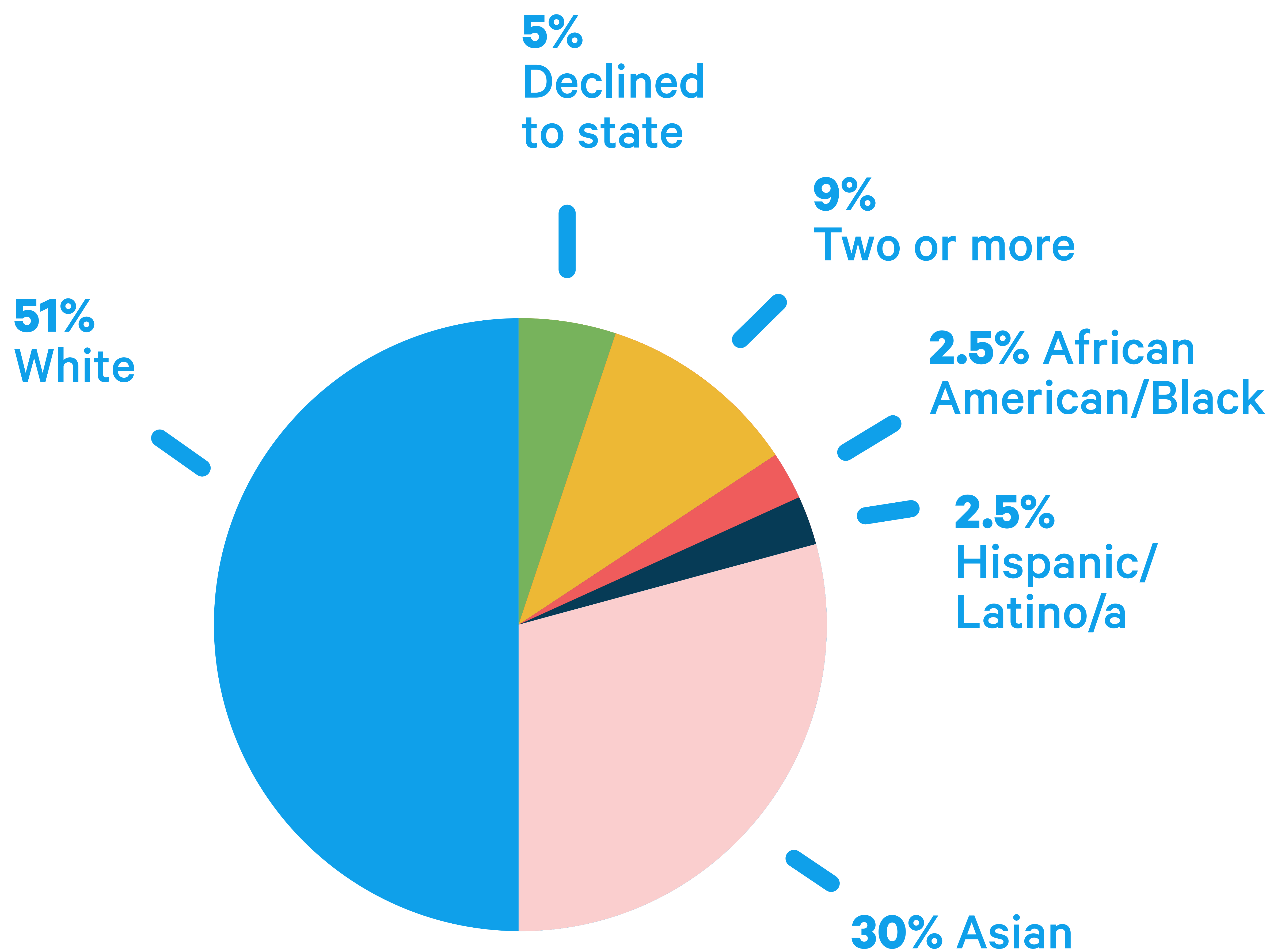
COMPANY OVERALL

* **12% Underrepresented Groups (URGs):** This percentage of URGs represents employees who selected African American/Black or Hispanic/Latino/a as their race/ethnicity. It also includes any employee who selected two or more racial/ethnic identities if one of those identities also included the aforementioned groups.

Appendix

RACIAL/ETHNIC IDENTITY

To respect anonymity and confidentiality, we have combined those who selected “Other” with “Declined to State” for this sub-category.



LEADERSHIP

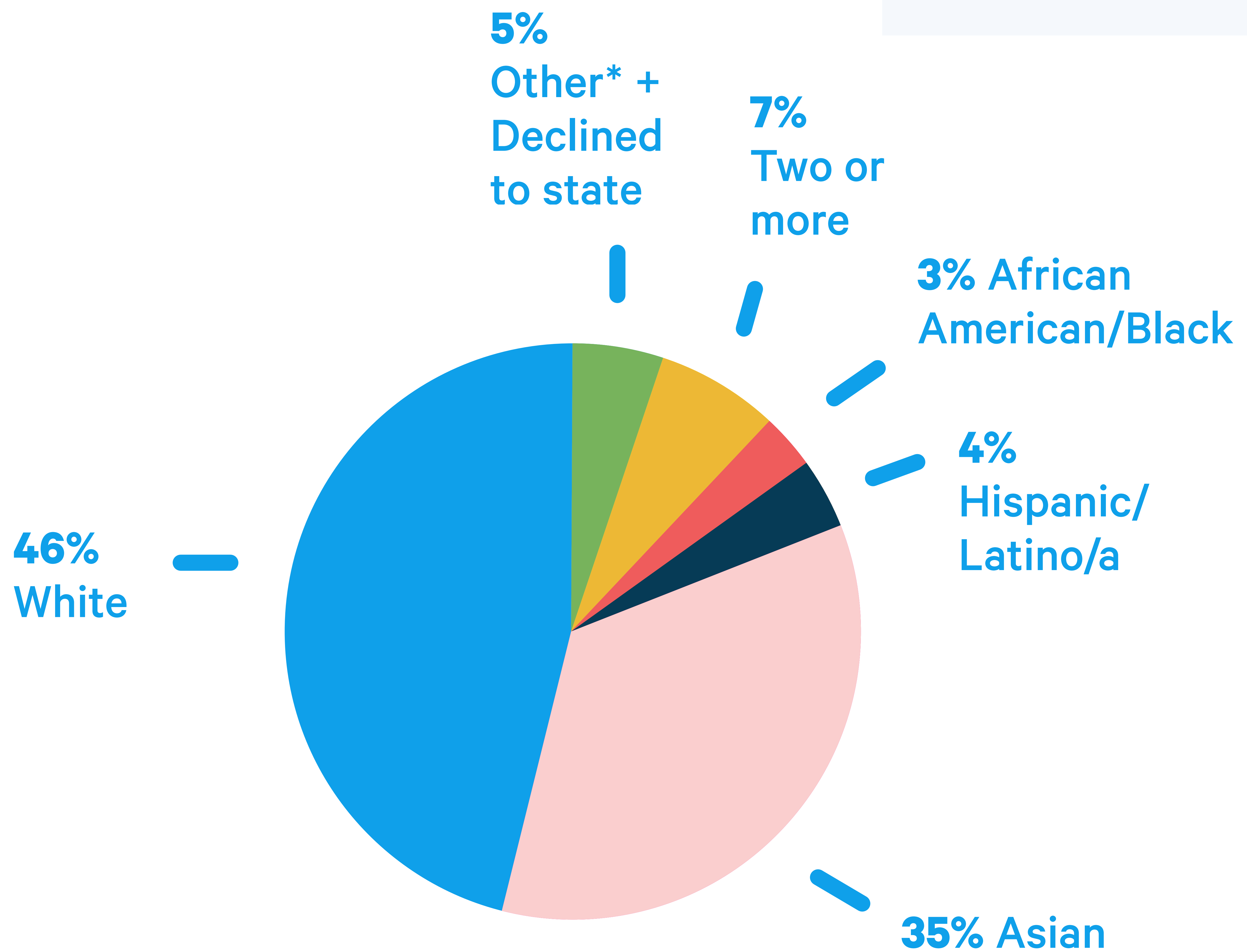
(Executive Team & People Managers)

*** 9% Underrepresented Groups (URGs):** This percentage of URGs represents employees who selected African American/Black or Hispanic/Latino/a as their race/ethnicity. It also includes any employee who selected two or more racial/ethnic identities if one of those identities also included the aforementioned groups.

Appendix

RACIAL/ETHNIC IDENTITY

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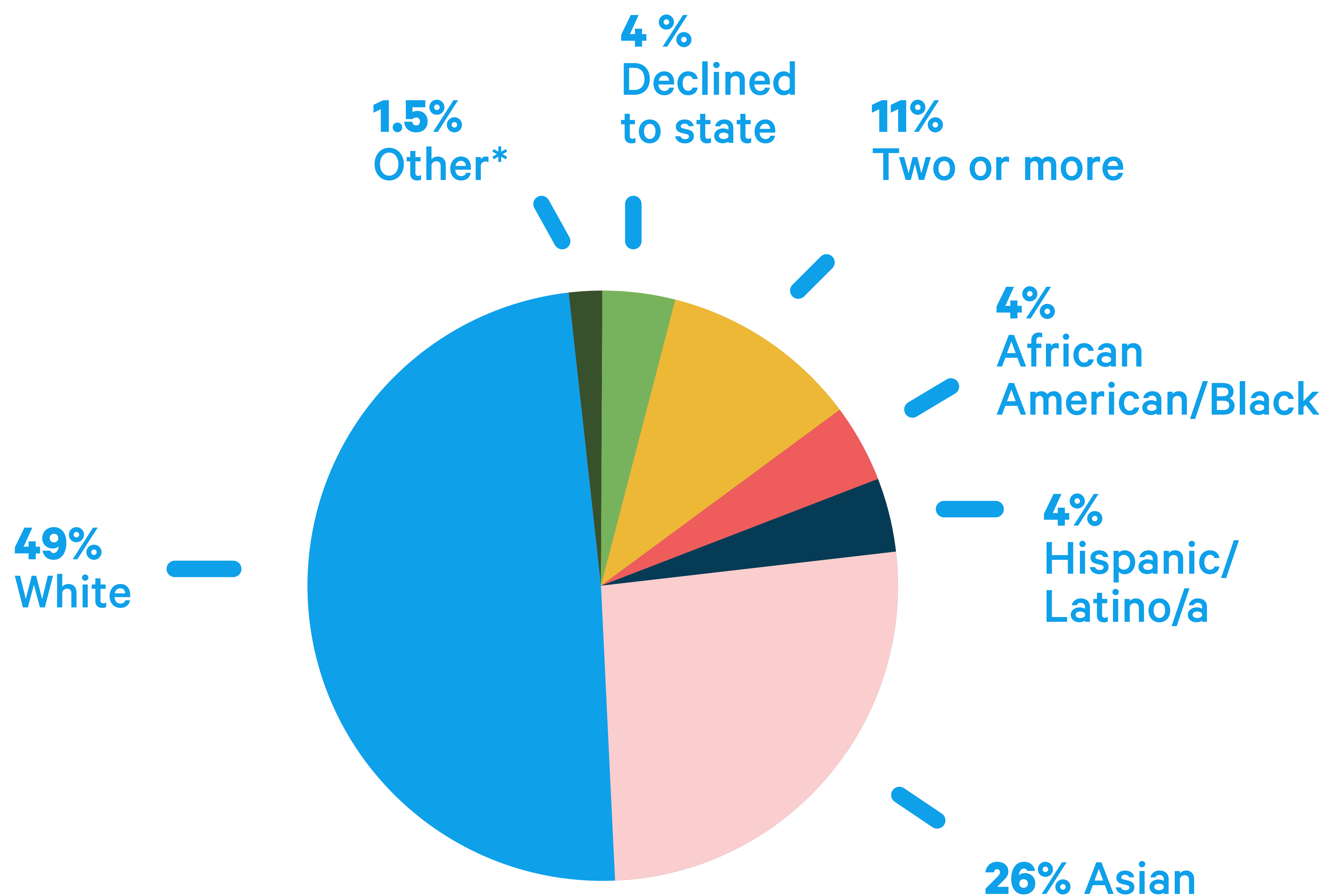
TECH

(Engineering, Product Management, Product Design)

* **9% Underrepresented Groups (URGs):** This percentage of URGs represents employees who selected African American/Black or Hispanic/Latino/a as their race/ethnicity. It also includes any employee who selected two or more racial/ethnic identities if one of those identities also included the aforementioned groups.

Appendix

RACIAL/ETHNIC IDENTITY



NON-TECH

* **13% Underrepresented Groups (URGs):** This percentage of URGs represents employees who selected African American/Black or Hispanic/Latino/a as their race/ethnicity. It also includes any employee who selected two or more racial/ethnic identities if one of those identities also included the aforementioned groups.

Appendix

December 26, 2018

SPECIAL NOTES ABOUT THE DATA

**Other* in the context of racial/ethnic identities means any other race/ethnicity that someone selected that wasn't African American/Black, East Asian, Hispanic/Latino/a, South Asian, Southeast Asian, or White.

**Some figures may not add up to 100% because of rounding.

***Please also note that these figures are solely based on the responses we received from our annual D&I Survey.

As reflected in this report, we view Diversity & Inclusion as a core area of success and will continue to share progress and updates on our initiatives. This is our second report and the continuation of a long journey ahead. At Affirm, people come first and we hope to create a work environment that is completely open, inclusive, and welcoming. If you are interested in joining Affirm, please check out our careers page for current openings: www.affirm.com/careers