



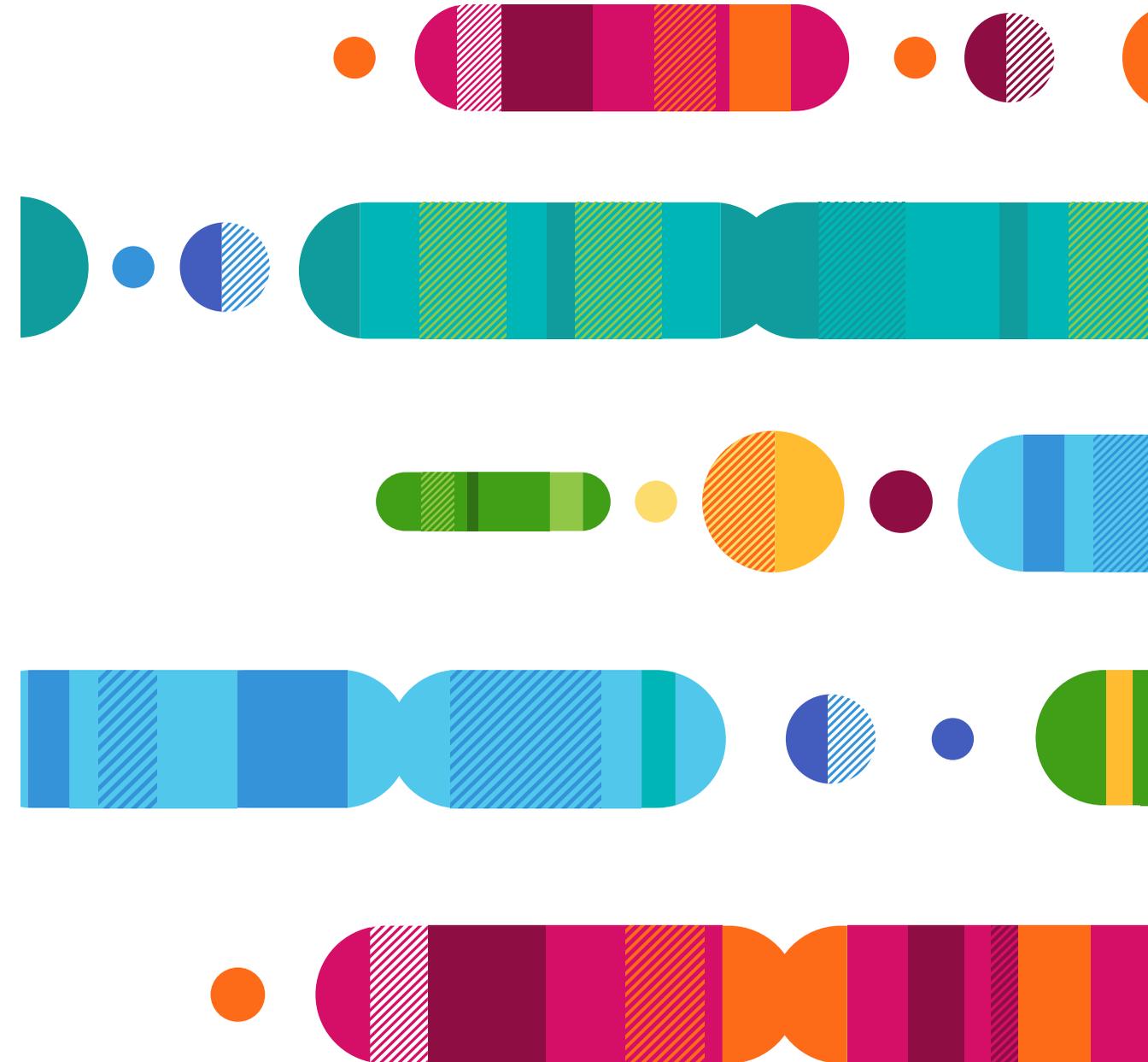
2022

ESG REPORT

23andMe is based on the foundation that all of us are linked by a shared thread, our DNA. As our planet and society face urgent challenges, we must unite to take collective action. This report shares how 23andMe is responding.

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Introduction

A Message from our CEO

23andMe is passionate about understanding the genetic code of life, translating that information for all, and using it to improve the health and wellbeing of the world. As each customer discovers their DNA, we believe we have an important role in fostering meaningful connections throughout the world. 23andMe is committed to making our product, our community, and our company diverse, equitable, and inclusive.



ANNE WOJCICKI
CEO and Co-Founder, 23andMe

Our Practices

Ethical and responsible management is woven through our culture and decision process. We strive to go beyond regulatory compliance to build a strong culture of integrity and transparency.

Our People

We believe an environment where all employees feel welcome, supported, and are able to reach their full potential leads to the best outcomes for the company.

Our Products

We empower people to explore their genetic information to be more proactive about their health, and learn about their ancestry. We see first-hand how powerful genetic information can be for our customers. This gives us a tremendous sense of responsibility that informs all aspects of product development in order to provide customers with safe, accurate, high quality services.

Our Planet

We are conscious not only of our impact on the communities where we work and live, but also globally, as we operate an international supply chain. Though we are in the early stages of our ESG journey, 23andMe is mindful of our environmental impact and seeks to make our business practices more sustainable.

We believe that our investment in these areas will help further advance our mission and ensure our long-term success, while operating ethically, sustainably and responsibly.

About 23andMe

AT A GLANCE

- Founded in 2006 to make DNA more accessible and meaningful for all
- Headquartered in South San Francisco and Silicon Valley area
- 13+ million genotyped customers
- 50+ therapeutics programs spanning immuno-oncology, cardiovascular, metabolic, immunology, and neurology therapeutic areas

23andMe (NASDAQ: ME) is a leading human genetics and biopharmaceutical company with a mission to help people access, understand, and benefit from the human genome. We are the only company with multiple FDA authorizations to bypass physician approval and directly provide consumers with genetic cancer risk and medication insights reports. Medication insights can predict how individuals may react to certain commonly prescribed medications based on their genetics. The FDA has also authorized 23andMe to release over-the-counter genetic health risk reports. 23andMe is the world's largest crowdsourced genetic research platform, which we use to pursue drug discovery programs rooted in human genetics across a spectrum of diseases.

Our Mission:

To help people access, understand, and benefit from the human genome.

Our Core Values:



THINK BIG.



WE HEART DNA.



LEAD WITH SCIENCE.



GET TO YES OR NO, QUICKLY.



BEHIND EVERY DATA POINT IS A HUMAN.



WE'RE IN THIS TOGETHER.

2022 BUSINESS HIGHLIGHTS

- Launched genetic report consultations with Lemonaid Health clinicians to help customers better understand the potential impact of their genetic risk profile and possible next steps
- Expanded availability of 23andMe+ membership service to customers in the UK and Canada
- Expanded our offering to more than 60 health and wellness reports. Reports use integrated machine learning data into reports to include estimates of a person's likelihood of developing a specific health condition using ethnicity, birth sex, and thousands of genetic markers
- Expanded customer database to approximately 13.4 million genotyped customers
- Enrolled patients in a Phase 1 study of the company's first wholly owned immuno-oncology antibody, 23ME-00610 (23ME'610)
- Expanded the executive team to include a new Chief Product Officer, a new Chief Marketing Officer and Vice President, Genomic Health

AWARDS AND RECOGNITION



- 2022 Best Places to Work



- 2022 Best Places to Work in the Bay Area
- 2021 Best Company for Work-Life Balance
- 2021 Best CEOs for Women



- 2021 Brands that Matter



- Best-Led Companies of 2021

About This Report

REPORTING PERIOD

Unless otherwise noted, all quantitative company data provided throughout this report covers our fiscal year **2022 (FY 2022)**, reflecting data from **April 1, 2021, through March 31, 2022**. We have also included specific subsequent initiatives that occurred after the end of FY 2022, which we have endeavored to note as such.

FOR MORE INFORMATION

Throughout the report, we guide readers to additional sources of information on our [corporate website](#) for convenience.

This report covers our progress related to our ESG strategy and goals. We have aligned our reporting with the SASB Standards related to the **Biotechnology and Pharmaceuticals** industry. We also have identified the United Nations Sustainable Development Goals (SDGs) that we believe our business activities support. Disclosures related to these frameworks are included in the Appendix.

FORWARD-LOOKING STATEMENT

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the future performance of 23andMe's businesses in consumer genetics and therapeutics and the growth and potential of its proprietary research platform. All statements, other than statements of historical fact, included or incorporated in this report, including statements regarding 23andMe's strategy, financial position, funding for continued operations, cash reserves, projected costs, plans, and objectives of management, are forward-looking statements. The words "believes," "anticipates," "estimates," "plans," "expects," "intends," "may," "could," "should," "potential," "likely," "projects," "continue," "will," "schedule," and "would" or, in each case, their negative or other variations or comparable terminology, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are predictions based on 23andMe's current expectations and projections about future events and various assumptions. 23andMe cannot guarantee that it will actually achieve the plans, intentions, or expectations disclosed in its forward-looking statements and you should not place undue reliance on 23andMe's forward-looking statements. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the company's filings with the Securities and Exchange Commission, including under Item 1A, "Risk Factors" in the company's most recent Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, and as revised and updated by our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These forward-looking statements involve a number of risks, uncertainties (many of which are beyond the control of 23andMe), or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. Except as required by law, 23andMe does not undertake any obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Our ESG Approach

We are proud to share our 2022 ESG Report, which outlines our current environmental, social, and governance (ESG) initiatives, practices, and objectives and highlights our progress along our sustainability journey in the areas fundamental to our business:

Our Practices

We are committed to sound corporate governance and ethical practices to build trust with all stakeholders.

Our People

We strive to provide an environment where our employees are treated with respect and dignity. We support their growth and development as individuals and within teams.

Our Products

We continue to advance our products and technology to ensure all people can access, understand, and benefit from the human genome and make informed decisions about their healthcare.

Our Planet

We are committed to sustainable business operations and continue to work to reduce our environmental impact.

ESG OVERSIGHT

The Board of Directors (Board) as a whole has primary responsibility for ESG oversight and oversees ESG-related risks and opportunities. All Board members have risk management expertise, and four directors have specific experience in corporate social responsibility. The Audit Committee generally oversees financial and compliance matters, while the Compensation Committee generally oversees human capital management and compensation programs.

In March 2022, we formed an ESG Task Force composed of several cross-functional senior leaders that meet quarterly to create and operationalize our ESG initiatives under the Board’s supervision. In addition, the Chief Security Officer oversees cybersecurity and customer privacy programs and regularly provides updates to the Board.



Stakeholder Engagement

We believe it is essential to create value for all our stakeholders, including our employees, investors, and customers. The graphic below illustrates our channels to engage stakeholders to address our key ESG risks and opportunities.

STAKEHOLDERS	WAYS WE ENGAGE	KEY ESG TOPICS ADDRESSED
EMPLOYEES	<ul style="list-style-type: none"> • Annual engagement survey • Diversity, Equity, and Inclusion (DEI) surveys • Employee Affinity Groups • Regular all-hands meetings and town hall discussions 	<ul style="list-style-type: none"> • Employee engagement, training, and professional development • Product innovation • DEI – employee experience
INVESTORS	<ul style="list-style-type: none"> • Annual meeting of shareholders • Quarterly earnings calls 	<ul style="list-style-type: none"> • ESG Governance • Business continuity and risk management • DEI – company approach and oversight
CUSTOMERS	<ul style="list-style-type: none"> • Social media platforms • 23andMe Blog • Customer service interactions via our Customer Care center • Dedicated DEI website 	<ul style="list-style-type: none"> • Product quality and safety • Customer privacy and data security • Healthcare access and affordability • DEI – genetics research diversity
SUPPLIERS	<ul style="list-style-type: none"> • Regular meetings, site visits, and audits • Supplier Code of Conduct • Supplier DEI survey and scorecard 	<ul style="list-style-type: none"> • Product quality and safety • DEI – supplier diversity
SCIENTIFIC COMMUNITY AND MEDICAL PROFESSIONALS	<ul style="list-style-type: none"> • Research Innovation Collaborations and Publication Dataset Access Program • 23andMe for Healthcare Professionals website • Continuing Medical Education (CME) programs • Healthcare conferences • Internship and fellowship opportunities 	<ul style="list-style-type: none"> • Product innovation • DEI – genetics research diversity
GOVERNMENT AGENCIES AND POLICYMAKERS	<ul style="list-style-type: none"> • Political advocacy • State and national government conferences and forums • Industry trade organizations 	<ul style="list-style-type: none"> • Healthcare access and affordability • Customer privacy and data security

Our Practices

Ethical behavior and sound corporate governance underpin 23andMe's business strategy and operations. We strive to go beyond regulatory compliance to build a strong culture of integrity and transparency.

Corporate Governance and Business Ethics

At 23andMe, integrity is paramount, and we follow high ethical standards. We have adopted a Code of Business Conduct and Ethics (Code covering several topics, including corruption, antitrust violations, insider trading, gifts and entertainment, conflicts of interest, and the validity of financial information). We have also established a Global Anti-Corruption Policy for our employees, who are periodically asked to sign a policy compliance certificate. The Audit Committee provides board-level oversight of ethics and compliance matters.

COMPLIANCE TRAINING

All employees affirm their commitment annually to the Code. In addition, 100% of employees and contractors are required to complete annual ethics and compliance training.

WHISTLEBLOWER POLICY

We have established whistleblower procedures that enable employees to file a report using a secure, encrypted online form or via a 24/7 hotline provided by an independent third party. All reports can be filed confidentially and anonymously. 23andMe prohibits retaliation in any form against someone who has made a good faith report or is involved in an investigation of a potential violation of our Code, a 23andMe policy, or any law.

When a whistleblower report is made, it is reviewed by our General Counsel and Privacy Officer as well as Internal Audit team. Depending on the report's topic, the complaint is routed to and investigated by the appropriate department. The Audit Committee reviews all whistleblower reports at their quarterly meetings; however, a complaint is escalated immediately to the chair of the Audit Committee if it pertains to any audit or financial matters.



INTELLECTUAL PROPERTY

Our patent estate is extensive and spans our Consumer and Therapeutics businesses. To facilitate continued innovation and guard our intellectual property, we take several precautions to protect our patent estate, including:

- Confidentiality agreements with those who access our confidential information, including our employees, contractors, consultants, collaborators, partners, and advisors.
- Internally designated levels of sensitive information with specific groups within 23andMe.
- Physical and electronic security of our premises and information technology systems.

For more information on our patent estate, please refer to the most recent Annual Report on Form 10-K, which can be found on our [Investor Relations page](#).

GOVERNMENT AFFAIRS AND ADVOCACY

23andMe does not have a political action committee (PAC) and makes no political contributions. Our political advocacy is centered on promoting policies that protect the privacy and security of individuals' genetic data. 23andMe is a founding member of the Coalition for Genetic Data Protection, a partnership with other genetic testing companies to provide a unified voice promoting best practices on customer privacy and data security.

Responsible Marketing

We are committed to responsible interactions with consumers and the broader healthcare community. All marketing activities and scientific engagement must conform to the rigorous requirements detailed in our Code and Global Anti-Corruption Policy.

We have developed strict internal controls for all consumer-facing marketing materials. Our team collaborates with and receives final official approval, which for our FDA regulated health products is documented in our Quality Management System from the following departments before publishing consumer-facing materials:

- Legal (for all content)
- Regulatory Affairs (for FDA Authorized/Cleared content such as health report descriptions and claims)
- Medical Affairs (for content related to health information)

We require all marketing employees who create consumer-facing marketing, promotional or other labeling materials to complete annual training of our responsible marketing materials procedures.

These marketing procedures are internally audited every year. The Legal, Regulatory, and Medical Affairs departments conduct supplemental training on marketing, pricing, and healthcare compliance to all relevant employees upon hire and annually.

Data Security

Maintaining strict data security is key to protecting our technology and customer information. We integrate industry best practices to protect our networks and systems from cyber threats and unauthorized use.

OVERSIGHT

Our Chief Security Officer leads our cybersecurity program and provides reports and updates to the Board. The Board assigns specific oversight to the Audit Committee.

CERTIFICATIONS AND AUDITS

We meet the highest industry standards for data security and privacy. After an extensive security audit, our information security management system received its first certification under the globally recognized ISO/IEC 27001:2013 standard in 2019. In 2020, we received certification for two additional standards, ISO 27018 and 27701, which cover our privacy information management system and the security of personal information in cloud computing environments. To demonstrate ongoing compliance with these three ISO security and privacy standards, third-party experts conduct yearly security audits and assessments. We also perform third-party penetration testing, secure code review, public bug bounty, and vulnerability reporting programs.

EMPLOYEE TRAINING AND AWARENESS

We require 100% of our employees and contractors to complete information security compliance training annually. We also conduct training throughout the year on topics such as physical security awareness and email phishing simulations.

Risk Management and Business Continuity

As required by our ISO certifications, 23andMe has robust business continuity planning and risk management procedures. As part of the incident response policy, we regularly conduct tabletop exercises including, among other teams, our marketing, human resources, and legal departments to walk through different situations and develop preparedness plans. In addition, the data security team practices resolution procedures monthly in case of a security breach. We have also developed redundancies in our supply chain and kit fulfillment/genotyping services to continue providing services during a location-based disruption. For information on how we work with vendors and maintain traceability in our supply chain, please see the Supply Chain Management section.

Our People

We strive to put our people first and build an environment where our employees feel welcome, supported, and able to reach their personal and professional development goals. We are in this together, as enshrined in our company's core values.

The Compensation Committee provides board-level oversight of human capital management to keep us accountable. The Vice President, People provides executive-level oversight alongside the company's other senior leadership.

Diversity, Equity, and Inclusion (DEI)

Our DEI Strategy

At 23andMe, we know that diverse perspectives and an inclusive culture produce a highly energized work environment and a solutions-driven community. We are committed to maintaining this ideal in our workplace and created four key pillars to guide our leadership, employees, and collaborators:



HIRING

Hiring with diversity goals in mind.



EMPLOYEE EXPERIENCE

Building an inclusive culture so employees can bring their whole selves to work.



PRODUCT AND R&D

Creating a product experience that is more equitable and inclusive.



COMMUNITY IMPACT AND COLLABORATIONS

Expanding collaborator representation and impacting communities where we work and live.



OVERSIGHT AND TRANSPARENCY

23andMe views DEI as a strategic priority and has assigned oversight responsibilities and allocated the necessary leadership resources to execute our goals. In 2021, we hired a Director of Diversity, Equity, and Inclusion to advance our DEI strategy. Since then, we also added two more full-time program managers to support our DEI initiatives. Management provides regular updates to the full Board regarding 23andMe's DEI initiatives.

We are transparent in our DEI journey and progress toward our goals. Since 2021, we have shared our annual hiring and staff composition data on our [website](#) and highlighted areas where we can improve.

We also seek external insight into our efforts. In October 2021, 23andMe's CEO Anne Wojcicki joined other top CEOs in signing the Disability:IN [CEO Letter on Disability Inclusion](#), pledging to advance disability inclusion and urging other leaders to do so as well. As a part of this commitment, 23andMe participates in the Disability Equality Index, a benchmarking tool to gauge how inclusive a company's policies and practices are for disabled employees and customers.

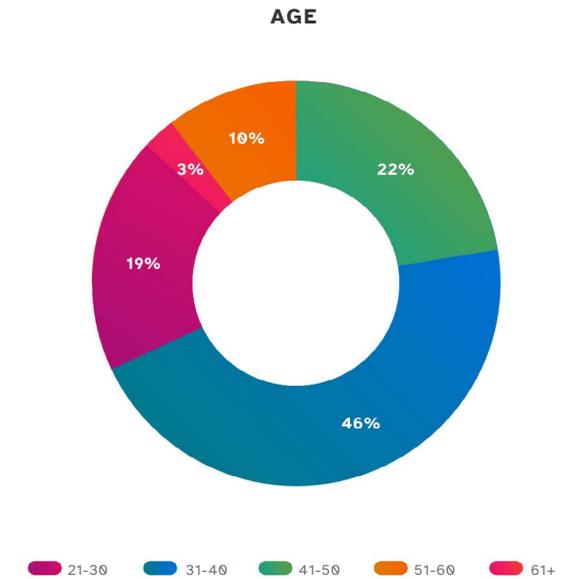
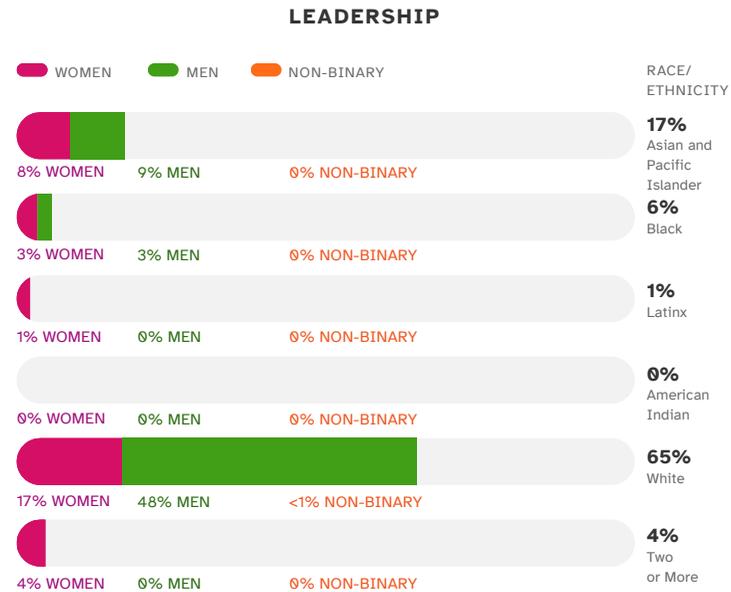
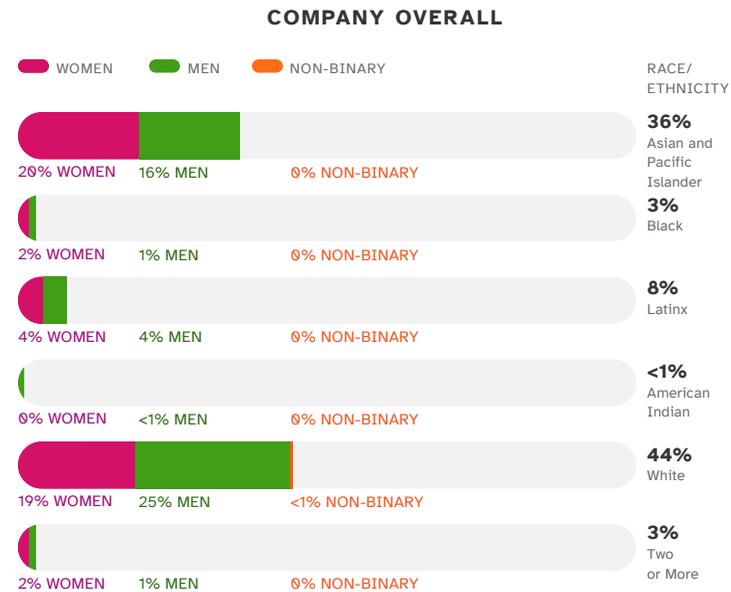
BOARD DIVERSITY POLICY

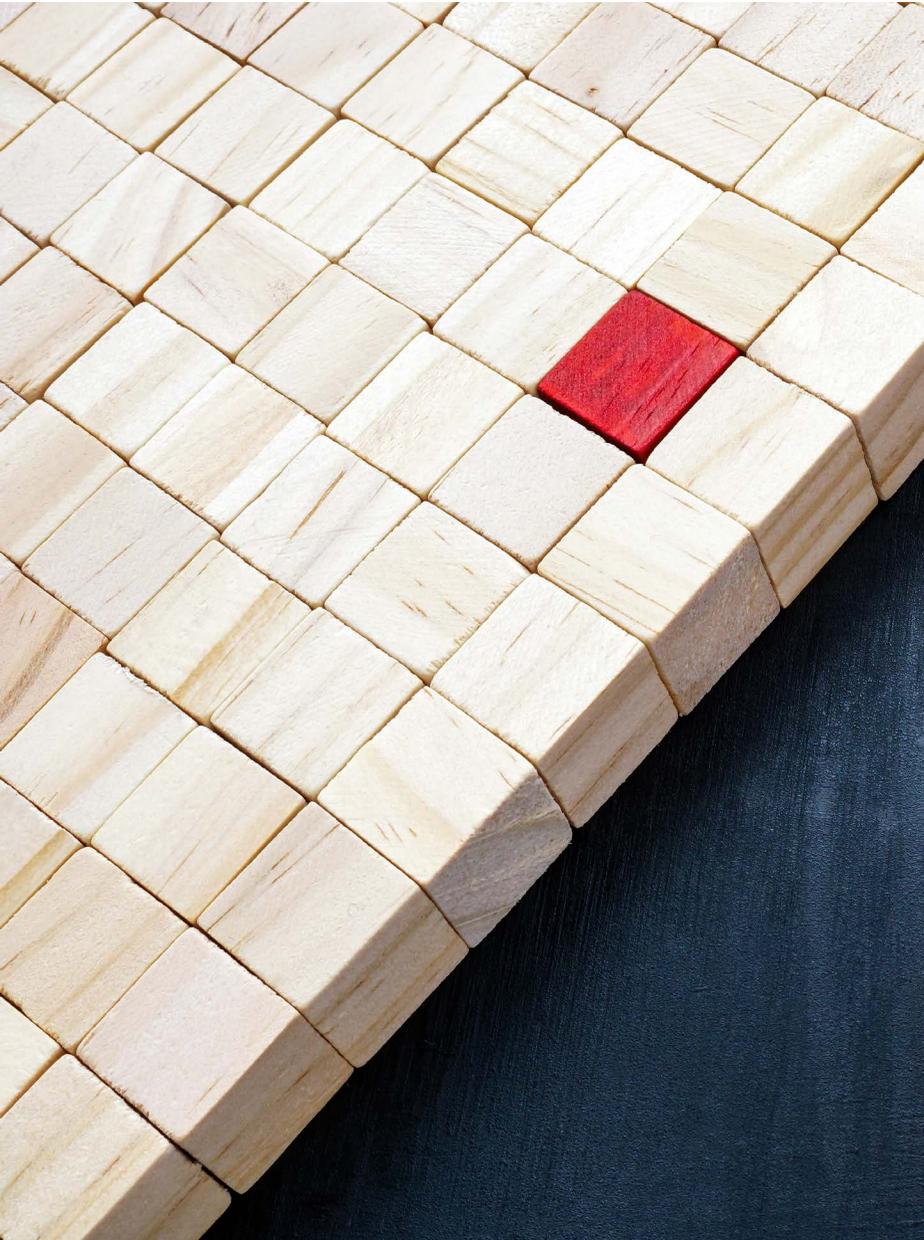
We know that progress starts at the top, and we are proud to be led by a board with diverse backgrounds, skills, experience, and perspectives. Our [Corporate Governance Guidelines](#) contain a formal board diversity policy that requires any search firm to assist with director recruitment to include women and minority candidates in the pool from which the independent directors select director candidates. For more information about our Board composition, please refer to our [2022 Proxy Statement](#).

We know that progress starts at the top, and we are proud to be led by a board with diverse backgrounds, skills, experience, and perspectives.

Employee Diversity Metrics

The data below reflects our workforce diversity metrics as of March 31, 2022. Race / ethnic categories based on the U.S. census.





Hiring

23andMe incorporates DEI into hiring through its corporate goal-setting and management and corporate bonus plan. We have established several measures to ensure we continue recruiting and hiring diverse candidates:

- We created onsite interview goals and processes to include at least one candidate who identifies as female and at least one who identifies as Black, Latinx, two or more races, Pacific Islander, or Indigenous American.
- We offer an enhanced employee referral program for candidates who identify as Black, Latinx, two or more races, Pacific Islander, or Indigenous American.
- All hiring teams are required to complete inclusive interview training.

To build diverse talent pipelines, we have recruiting partnerships with several organizations and events, including:

- Society for Advancement of Chicanos/Hispanics & Native Americans in Science (SACNAS)
- STEM Excellence through Equity and Diversity (SEED) Scholars Program
- Meyerhoff Scholars Program
- Black Professionals in STEM
- AfroTech

Employee Experience

Hiring diverse talent is just one part our mission to build an inclusive workplace; we are also committed to maintaining an environment where employees stay and thrive.

We offer numerous opportunities for employees to continue learning about diversity and inclusion. In 2021, we launched voluntary trainings on Unconscious Bias, Microaggressions, and Allyship. In FY 2022, 59% of employees participated in DEI-related trainings.

An employee training pod took an active role in shaping the next iteration of training by progressing the Allyship course to focus on how to better support underrepresented communities at 23andMe. In addition to offering trainings, we also build supportive communities by hosting DEI Lunch and Learn sessions, Speaker Series, and book clubs.

23andMe offers certain employee affinity group to provide a place for employees with shared interests, experiences, or characteristics to gather and create community.

Product and R&D

Our mission at 23andMe is to help all people access, understand, and benefit from the human genome. We continue to conduct research and development (R&D) and develop internal guidelines for products, content, and experiences to ensure the inclusivity of our customers' diverse identities and needs. For information about how we are addressing known disparities in the performance and value of our products to historically underserved populations in healthcare, please see the Product Innovation section of this report.

We look to support more partnerships and events in the future, so we have developed a comprehensive Community Organization Engagement Guide and rubric for evaluating opportunities.

Community Impact and Collaboration

As part of our mission to advance DEI, we aim to have a positive impact on the areas where we live and work by interacting with community organizations and supporting research collaborations for minority groups.

In the summer of 2022, 23andMe teamed up with StreetCode Academy to offer tailored exposureships to high school students in the Bay Area. StreetCode Academy is a tech empowerment program for underserved communities of color and provides free classes in coding, entrepreneurship, and makerspace design. Throughout the week-long exposureships, the students participated in professional development workshops and panels, worked closely with 23andMe mentors, attended company meetings, and received a closer look into what it is like to work at 23andMe. In FY 2022, we also donated over 200 laptops to StreetCode Academy.

We look to support more partnerships and events in the future, so we have developed a comprehensive Community Organization Engagement Guide and rubric for evaluating opportunities. This document ensures that our interactions with external organizations align with our mission, have a measurable impact, and build meaningful and sustained relationships.

Through our Research Innovation Collaborations Program, we received 40 applications during our most recent submission cycle. Of these submissions, 26 proposals included research related to Black, Latinx, two or more races, Pacific Islander, Asian, or Indigenous American groups.



Employee Training, Development, and Engagement

Training and Development

As a company of lifelong learners, 23andMe has many resources for employees to continue to grow, advance, and develop as leaders. We provide department learning budgets, internal mentorship programs, and up to \$2,300 per employee annually in tuition reimbursement. Our flagship leadership development program is a four-month, cohort-based training. The program is designed for managers at all levels, including program, project, individual, and team leaders. During FY 2022, more than 16% of employees participated in this program.

Performance Reviews and Feedback

In 2022, we launched our company-wide BestYou@23andMe Framework, a performance management framework designed to support and foster career advancement.

BestYou@23andMe evaluates employees in three areas:

1. THE WHAT

including job responsibilities, Objectives, and Key Results (OKRs), projects, and goals

2. THE HOW

including our Core Values, Collaboration, and Team Behaviors

3. IMPACT

on the business, on the company, and for DEI and personal citizenship

We strive to provide regular feedback to all employees to support their professional growth. All employees receive an annual performance review and multiple one-on-one developmental check-ins with their manager throughout the year.

Engagement and Retention

We utilize an independent firm to conduct an annual employee engagement survey. In FY 2022, our engagement score was 85%, which was higher than the industry benchmark of 80%.

We pride ourselves on our responsiveness to employee feedback and have implemented various programs over the last year to improve the employee experience, including:

- To better recognize employee contributions toward DEI initiatives, we have incorporated a DEI component into our new performance management framework, BestYou@23andMe.

Benefits and Compensation

We firmly believe in investing in our employees' health, well-being, and wellness. All benefit-eligible employees working at least 20 hours per week receive a competitive package, which includes the following:

- Comprehensive insurance (health, vision, dental, and life/accidental death and dismemberment)
- 401(k) company matching
- Reimbursement of up to a lifetime maximum of \$20,000 each for fertility, adoption, and surrogacy expenses
- Employee assistance program for those experiencing unexpected life challenges or obstacles

EMPLOYEE STOCK PURCHASE PROGRAM (ESPP)

Our ESPP allows employees to purchase 23andMe stock at a discounted rate. All regular employees, including executive officers (except those holding 5% or more of total stock), may contribute up to 15% of their earnings to purchase Class A stock during specified periods. As of August 2022, 56% of our employees participated in the plan.

WORK-LIFE BALANCE AND SPECIAL LEAVE

We know the importance of taking breaks to recharge, give back, or even raise a family, so we offer flexible work and leave options to accommodate:

- Paid GENE-US Reset weeks in December and July, in addition to at least three weeks of vacation and two floating holidays
- 16 hours of time off to volunteer
- Work-from-home internet stipend plus a one-time reimbursement for home office equipment
- 16 weeks of fully paid parental leave for birthing parents and 8 weeks of fully paid parental leave for non-birthing parents.

MENTAL HEALTH BENEFITS

We have several offerings to support our employees' mental and physical wellness:

- Complimentary health and fitness classes at our onsite gym, including instructor-led yoga, Pilates, cardio, strength, and meditation classes
- Individual and team wellness challenges that incorporate mental, emotional, physical, and nutritional elements of a healthy lifestyle
- Online navigation and advocacy service to find the proper care and deal with medical bill questions
- Complimentary mental health consulting services for employees and their dependents.

PAY EQUITY

We conduct bi-annual pay parity analyses and compensation surveys to ensure equitable compensation for all employees. We use Syndio to review pay parity at the end of each compensation planning cycle and present the results with any recommended remedial actions to the CEO, Chief Financial Officer, and Chief Administrative Officer for approval.

Employee Health and Safety

As a healthcare company, we consider the health and safety of our employees to be a top priority. We have several employee trainings that include topics such as:

- Emergency response. Volunteer employees at each site are trained to react during emergencies while waiting for first responders to arrive. This training covers topics such as fire extinguisher use, first aid, and cardiopulmonary resuscitation (CPR).
- COVID-19 safety protocols
- Biosafety, decontamination, and unseen blood handling
- Dosimetry and Personal Protective Equipment (PPE) programs

Since many employees have transitioned to remote work, we focus on ensuring they have safe and productive home environments.

We provide a one-time home office equipment stipend for adjustable desks, ergonomic chairs, and other resources.

As a healthcare company, we consider the health and safety of our employees to be a top priority.

Our Products

We seek to empower people to explore their genetic information, so they can use that knowledge to pursue more personalized healthcare, understand their ancestry, connect with relatives, and help contribute to research discoveries if they choose to. We abide by strict product quality requirements and privacy standards to ensure our customers receive safe, highly accurate services they can understand and trust. But we are never done building, and we continue to make advancements to enhance the user experience and lead the healthcare industry forward.

Product Innovation

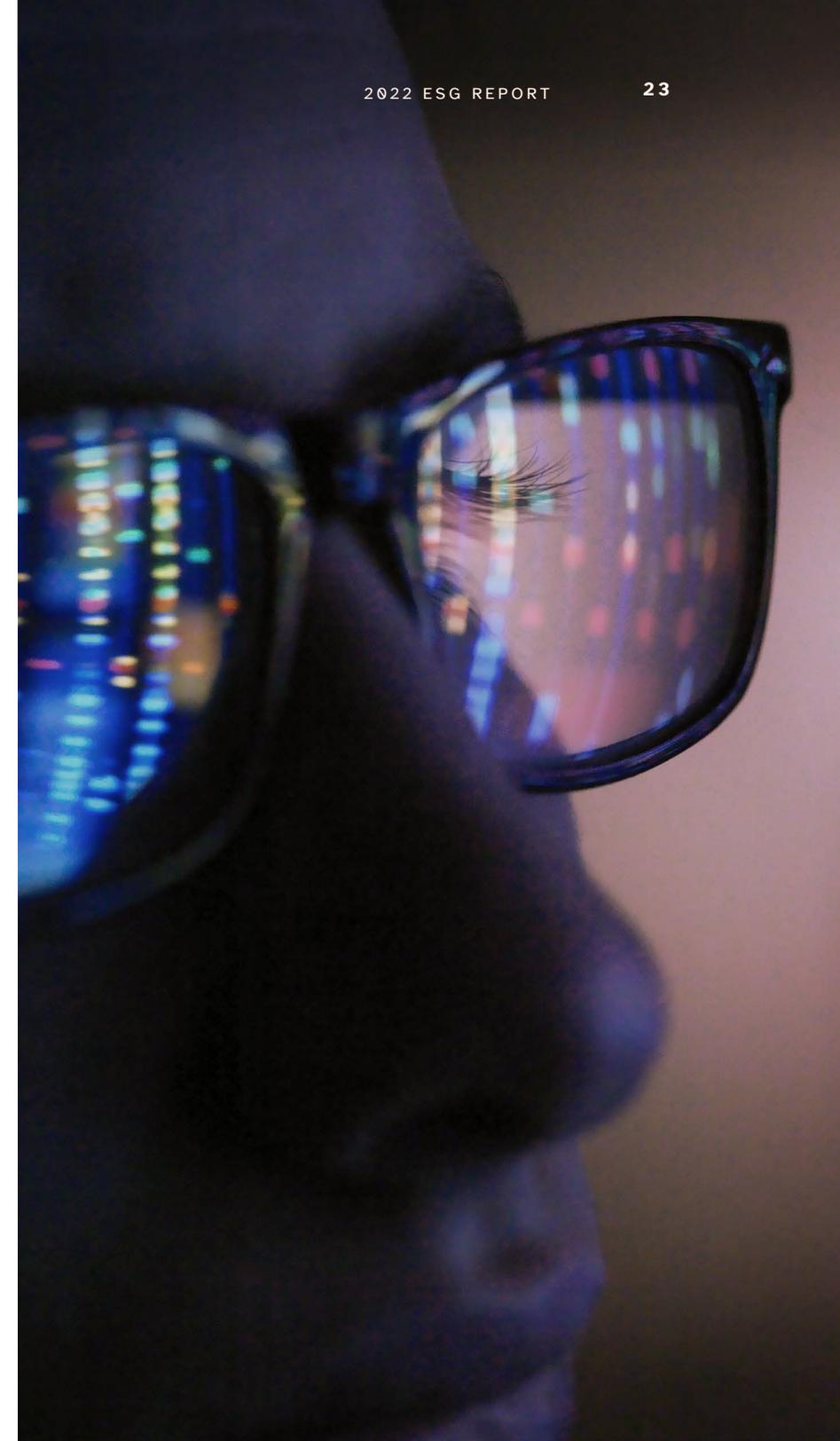
Advancing Product Inclusivity

We strive to ensure that everyone who uses our product receives meaningful value and has an inclusive and accessible experience. We also recognize the importance of increasing genetic research diversity so that we can conduct more useful research on diseases, develop better therapeutics, and build more insightful products.

In mid-2020, we conducted an initial audit of our product, customer experience, research participation, and database characteristics to identify disparities we could address to improve the customer experience and engagement. In the last two years, we have specifically focused on addressing two major gaps:

- Making the customer experience more sex and gender-inclusive
- Increasing the value that our product delivers to customers from non-European backgrounds

After conducting product audits every six months for the last two years, we will be shifting to an annual cadence so we can focus more on execution.



SEX/GENDER INCLUSIVITY

As of September 2021, 23andMe allows customers to distinguish between their sex assigned at birth and their gender identity within our relevant product features. This enables our customers, especially our transgender and non-binary customers, to have their gender accurately described if or when they share their profile with genetic relatives or other customers.

GENETICS RESEARCH DIVERSITY AND PRODUCT EQUITY

Our genetic database is Eurocentric, which has historically limited the value of our products for individuals with non-European backgrounds. We have several initiatives to advance genetic diversity, including the Global Genetics Project and the African Genetics Project. As a result of these efforts, in January 2022, we added 25 African genetic groups which correspond closely with ethnolinguistic affiliations. This update delivered enhanced results for over 300,000 customers with African ancestry. We also added eight regions representing Indigenous ancestry in North America in July 2021. We continue to evaluate new ways to offer richer and more detailed information for customers with non-European backgrounds.

TELEHEALTH FOR ALL

With Lemonaid now part of the 23andMe family, we plan to extend DEI initiatives to our telehealth services to ensure a positive experience for patients with diverse backgrounds and needs. The Patient Support Team's initial focus has been specific projects aimed at sex and gender inclusivity, appointment scheduling tools, and healthcare provider representation.

DIGITAL ACCESSIBILITY

We build digital accessibility (a11y) into our product development and design process so that our products can be enjoyed by everyone, including people with hearing, mobility, visual, and cognitive disabilities. Some of the a11y tools we use:

- Our design system includes color palettes that meet the minimum color contrast (AA) set by the Web Content Accessibility Guidelines (WCAG), so our content is accessible to users with low vision or color blindness.
- We train our engineers to evaluate accessibility with an automated scan, a keyboard, and a screen reader to help prevent regressions in accessibility.
- Automatic captioning is turned on for our YouTube videos.

It is important to share this knowledge throughout the company, so we provide ongoing workshops, demos, meetings, and a company-wide presentation on a11y. We have also curated documentation on a11y and created an #accessibility Slack channel where people can ask questions.



Our design system includes color palettes that meet the minimum color contrast (AA) set by the Web Content Accessibility Guidelines (WCAG), so our content is accessible to users with low vision or color blindness.

Our Therapeutics group aims to find new medicines validated by human genetics for people with serious unmet medical needs.

Promoting Genetics Education

We seek to strengthen genetic literacy and inspire the next generation of the genomics workforce. Through the [23andMe Education](#) program, we provide educators and students with educational materials on genomics, including webinars, lesson plans, and our popular Genetics 101 video series.

We also provide resources for healthcare professionals to learn more about the rapidly evolving world of direct-to-consumer genetic testing, so they can be more prepared to have meaningful conversations with patients who want to discuss their 23andMe results. Our [Healthcare Professionals](#) website contains samples of all our genetic reports and explanations of the science backing our FDA-authorized Genetic Health Risk and Carrier Status reports. The website also provides on-demand webinars, educational blogs, links to continuing medical education credit opportunities, and information about upcoming medical conferences 23andMe is attending and educational programs we are sponsoring.

Developing Therapeutics

Our Therapeutics group aims to find new medicines validated by human genetics for people with serious unmet medical needs. Our collaboration with GSK (formerly GlaxoSmithKline) has yielded more than 40 novel research programs, one of which is now in phase I for cancer treatment.

Customer Privacy

At 23andMe, privacy is in our DNA. We have a responsibility to keep our customers' personal information safe and private, and we take it seriously. Our Chief Privacy Officer leads our team in continually improving our privacy practices

Transparency and choice are the cornerstones of our privacy approach. To that end, in June 2022, we simplified the language in our Privacy Statement, Terms of Service, and other legal documents to make them easier to understand and more accessible to our customers. As a part of this process, we also added simple explanations with visuals of many privacy-related terms. We recognize the right of our customers to change their minds about how their information may be used at any time by enabling them to update their choices and preferences within their account settings. For example, our customers can choose to (1) opt-in or out of participation in our Research program or popular features like our genetic relative finding tool, DNA Relatives, (2) download their data, or (3) delete their account, at any time.

THIRD-PARTY DATA REQUESTS

Unless required by law, we will not release a customer's individual-level personal information to any third party without asking for and receiving that customer's explicit consent. Every quarter, we update our [Transparency Report](#), which discloses the cumulative numbers for (1) data requests received from law enforcement, (2) users/accounts specified, and (3) instances where data was produced in response. We also publish a [Guide for Law Enforcement](#) to clearly describe our requirements for authorities seeking information about users

EMPLOYEE TRAINING

All employees complete extensive privacy training every year. This training includes secure handling of customer and patient data, best privacy practices, and important emerging risks. Please see our website for more information on our approach to customer privacy, including the most recent version of the [23andMe Privacy Statement](#).

Product Quality and Safety

We use a robust process to ensure high-quality products and results. Our Genetic Health Risk, Carrier Status, and Pharmacogenetics reports meet FDA requirements, meaning that each variant in those reports is scientifically well-established. Our genotyping for those variants has demonstrated greater than 99% accuracy and reproducibility when tested under different laboratory conditions.

All saliva samples for genetic testing are processed in U.S. laboratories certified to meet CLIA (Clinical Laboratory Improvement Amendments of 1988) standards. As a part of these requirements, all data is processed by certified Clinical Lab Scientists (CLSs) who must maintain their licenses. All labs are accredited by the College of American Pathologists (CAP), which has served as a model for various federal, state, and private laboratory accreditation programs worldwide.

Our quality system is 21 C.F.R. Part 820 compliant, and we work with a third-party manufacturer that we have cleared in accordance with our quality system to provide materials (such as our collection kits, bead chips, reagents, and more). We utilize a quality management system (QMS) to maintain rigorous quality standards for our products, services, and clinical trials. All employees in quality roles are required to complete training in our QMS upon hire and annually.

CLINICAL TRIAL MANAGEMENT

23andMe has personnel and processes to ensure quality and patient safety during clinical trials. An experienced Quality Head leads our Therapeutics group and ensures manufactured patient material complies with GMP (Good Manufacturing Practices) standards per ICH (International Council for Harmonization) guidelines. We also evaluate our computational and document management systems for ICH compliance.

Our clinical trials are primarily operationalized by reputable clinical research organizations that we audit for GLP (Good Laboratory Practice) and GCP (Good Clinical Practice) compliance. Patient safety and study conduct are overseen by the Chief Therapeutics Officer and other medical personnel, including our internal and contract heads of patient safety and trained medical monitors for the study.

Supply Chain Management

In 2022, we developed a [Supplier Code of Conduct](#) to set clear expectations for ethical business practices by our third-party suppliers, vendors, and partners. This document is part of a larger framework to ensure that our values align with the third parties we work with. All key and requiring partners as well as vendors above a certain spend threshold will be required to sign the Supplier Code of Conduct.

SUPPLIER DIVERSITY

In 2020, we launched a supplier coalition survey to understand our suppliers' diversity representation and practices. All suppliers complete a survey reporting their internal DEI practices and policies and receive a DEI scorecard in return. These scorecards allow 23andMe to ensure we continue to add more diverse suppliers, and they also help our current suppliers track their own DEI journey and make progress year-over-year. In FY 2022, 7% of our spend was with underrepresented minority (URM) suppliers.

TRACEABILITY AND SUPPLY CHAIN INTEGRITY

The Lemonaid Pharmacy only purchases FDA-approved drugs from licensed drug wholesalers subject to Drug Supply Chain Security Act (DSCSA) requirements. We also comply with an internal policy that is in line with DSCSA.

In the event of an FDA recall of the saliva testing kits or a medication that Lemonaid Pharmacy has dispensed, the Recall Team reviews all available information and determines the severity and need to notify potentially affected customers. If notification is required, the Recall Team collaborates with the Head of Pharmacy and/or the senior leadership of Lemonaid Health to identify affected customers and effectively communicate recall information.

In 2020, we launched a supplier coalition survey to understand our suppliers' diversity representation and practices.

Our Planet

Though we are in the initial stages of our ESG journey, 23andMe recognizes the importance of swiftly mitigating climate change. We are mindful of our environmental impact and seek to make our business practices more sustainable.

Environmental Management

Since we lease all our buildings, we face certain limitations in reducing our operational footprint. Nevertheless, we plan to develop more robust systems to track our energy, water, and waste data across our portfolio of properties. In addition, one of our main offices in Sunnyvale, California, is LEED® (Leadership in Energy and Environmental Design) certified with a Platinum rating.

The COVID-19 pandemic challenged us to rethink how we operate, and many of our employees transitioned to working from home or in a hybrid model. This move has reduced our facilities' energy and water usage and lessened emissions from commuting. We offer public transit subsidies for employees who need to come into an office.

As we re-evaluate our real estate portfolio in upcoming years, we plan to incorporate building certifications and other environmental considerations into our leasing decisions.

zzzzOur office in Sunnyvale, CA was designed with sustainability in mind.



LEED PLATINUM



52

Bicycle parking stations



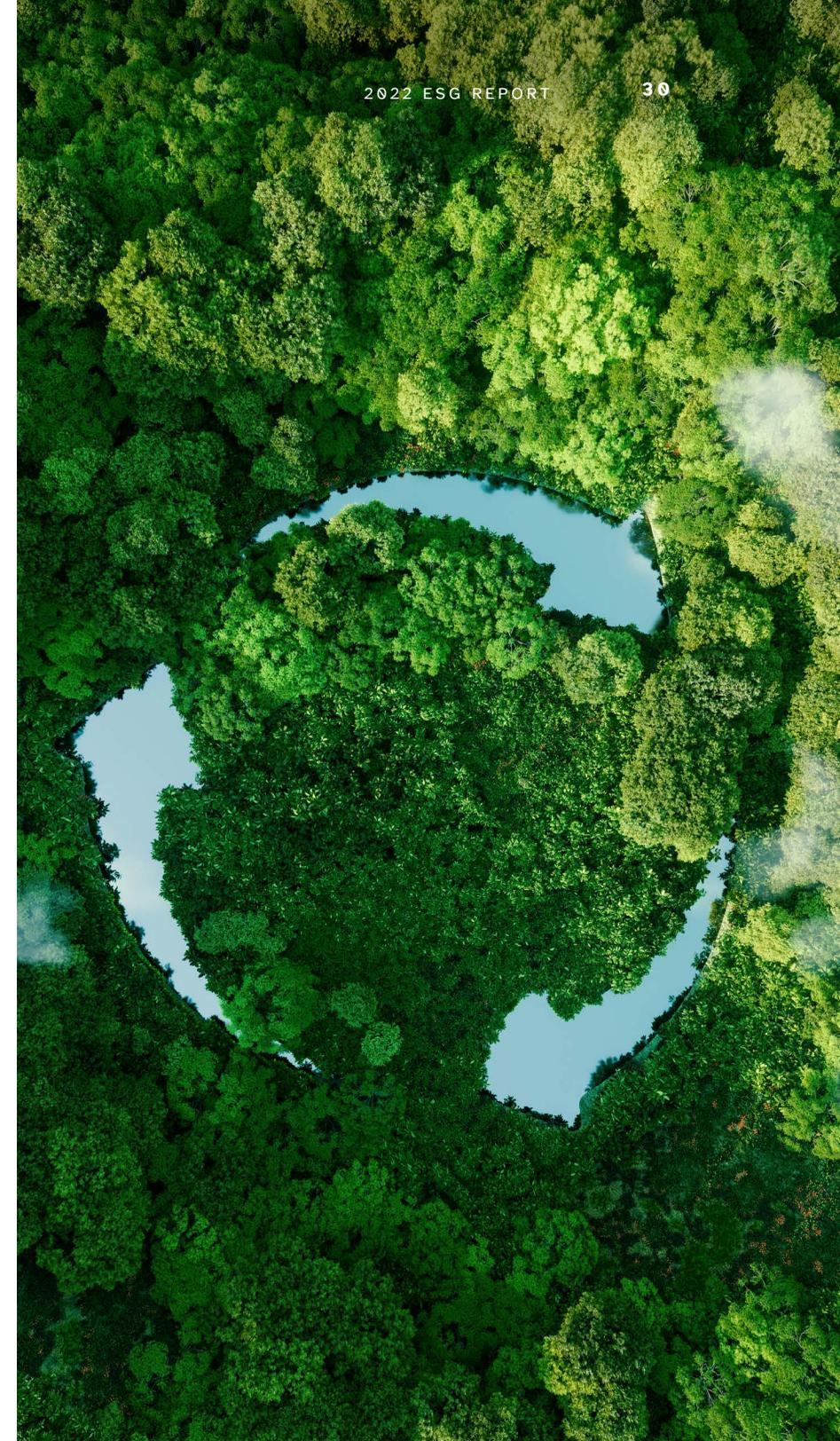
102

EV charging stations



40KW

Solar panel system installed on the roof





WASTE AND HAZARDOUS MATERIAL MANAGEMENT

23andMe recognizes the importance of minimizing waste and using appropriate waste disposal methods of managing non-hazardous waste, hazardous waste, and biohazardous waste. At all our facilities, when possible, we avoid landfills and will always continue to look for opportunities to reduce, reuse, recycle, and compost our waste. For example, an employee-driven initiative to recycle Styrofoam was set up to minimize waste from shipping refrigerated biological samples. To ensure proper management of our waste streams, we characterize each waste stream to ensure proper disposal methods. For example, we send our solvent waste and solid lab debris for fuel blending, reducing waste going into landfills and/or for incineration. We also look for ways to reuse waste, such as sending our used pump oil for recycling.

23andMe complies with all applicable regulations for signage, storage, labeling, transport, and disposal of waste for hazardous waste. Inspections are conducted periodically to ensure compliance.

Product Stewardship

We strive to minimize the environmental impacts of our products and services throughout the entire product lifecycle. We continue to optimize the logistics of shipping our genetic testing kits. Since the kits are shipped from a warehouse to a customer's home and then to the laboratory, we continue to develop ways to minimize the transportation distance. Optimizing the shipping routes has a two-fold benefit: lowering transportation emissions and increasing operational cost savings. In addition, we have increased the recyclability of our packaging for our testing kits. The plastic clamshell and white box are now recyclable where facilities exist.

We strive to minimize the environmental impacts of our products and services throughout the entire product lifecycle.

Appendix

United Nations Sustainable Development Goals (SDGs)

The United Nations SDGs are a collaborative, global framework to achieve a better and more sustainable future for all. Represented by 17 Goals and 169 targets, the SDGs address challenges of poverty, inequality, climate change, environmental degradation, and barriers to peace and justice. We identified the key areas where we have the greatest influence and impact through our business strategy, products, and services.

GOAL	DESCRIPTION	23ANDME'S CONTRIBUTION	REPORT SECTION
	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> Lemonaid provides low-cost, accessible telehealth services. Customers can consult licensed medical professionals and obtain affordable treatment for more than 30 common conditions. They can also obtain prescriptions for birth control and other reproductive health services. [Targets 3.4, 3.7, 3.8, 3.d] 23andMe's health reports allow consumers to view and interpret results related to genetic health risks, pharmacogenetics, and carrier status. [Targets 3.4 and 3.d] 	<ul style="list-style-type: none"> About 23andMe
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> We donated more than 200 laptops and hosted a week of career development experiences for high school students as part of our partnership with StreetCode Academy. [Target 4.4] The 23andMe Education programs, including Clinical Education, provide educational resources and opportunities to promote and advance genetics education. [Target 4.4] 	<ul style="list-style-type: none"> Diversity, Equity, and Inclusion (DEI) — Community Impact and Collaboration
	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> Through Lemonaid Health, we provide several offerings for reproductive health, including prescriptions for birth control. In the wake of the Supreme Court decision to overturn Roe v. Wade, Lemonaid also began providing access to ella®, an emergency contraceptive shown to be effective at preventing pregnancy when taken within 5 days (120 hours) of unprotected sex. [Target 5.6] 	<ul style="list-style-type: none"> Diversity, Equity, and Inclusion (DEI)
	Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all	<ul style="list-style-type: none"> We employ more than 700 people worldwide and foster a positive, employee-first environment. All eligible employees are provided with a comprehensive compensation and benefits package. [Target 8.5] 	<ul style="list-style-type: none"> Our People
	Reduce inequality within and among countries	<ul style="list-style-type: none"> We continue to take strides to enhance the inclusivity of our products and services, including improving sex and gender inclusivity, increasing genetics research diversity, and integrating digital accessibility. [Target 10.2] We continue to shape our DEI strategy. Employees can take DEI training and participate in Employee Affinity Groups. We conduct bi-annual pay parity analyses and annual compensation reviews to ensure fair and equitable compensation for all employees. [Target 10.4] 	<ul style="list-style-type: none"> Product Innovation – Advancing Product Inclusivity Diversity, Equity, and Inclusion (DEI)
	Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> We are committed to being a transparent, socially responsible, and sustainable company. We have taken steps to increase packaging recyclability and reduce waste at our corporate offices. [Target 12.5] This report comprises 23andMe's inaugural employee affinity groups disclosure. In addition, we have operationalized an ESG Task Force, a cross-functional group of senior leaders to advance our ESG initiatives. [Target 12.6] 	<ul style="list-style-type: none"> Our Planet
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> Since inception, we have partnered with researchers in academia and in biopharma, harnessing the power of our database to advance discoveries in medicine and publish 200+ papers. [Target 17.16] Our collaboration with GSK will allow us to identify and prioritize genetically validated drug targets, enable rapid progression of clinical programs, and bring useful new drugs to market. [Target 17.17] 	<ul style="list-style-type: none"> Product Innovation – Developing Therapeutics

Key ESG Data Table

The following table highlights key ESG metrics related to our operations. Employee data numbers as of March 31, 2022.

OUR PRACTICES		OUR PEOPLE	
BOARD COMPOSITION		EMPLOYEE COMPOSITION	
Total directors	9	Total Employees	768
Average age (years)	55	• Full-time Employees	728
Independent directors	6	• U.S. Employees	94%
Independent directors	67%	• Non-U.S. Employees/Located Offshore	6%
		• Voluntary Turnover Rate	14.4%
		• Involuntary Turnover Rate	1.6%
		Veteran Status	0.08%
ETHICS AND COMPLIANCE		EMPLOYEE TRAINING AND DEVELOPMENT	
Employees and contractors trained on Code of Business Conduct and Ethics	100%	Employee engagement rate	85%
Whistleblower reports received	0	Employees completing voluntary DEI training	59%
Total political contributions	\$0	Employees in relevant roles completing EHS training	100%
KEY GOVERNANCE DOCUMENTS		WORKFORCE DIVERSITY	
<ul style="list-style-type: none"> Code of Conduct and Business Ethics Corporate Governance Guidelines 		Workforce by Gender	
		• Female	51.4%
		• Male	48.4%
		• Non-Binary	0.3%
		Female Representation by Role	
		• Executive Leadership <i>includes VPs and above</i>	31.2%
		• Managers and Directors	49.7%
		• All Other Employees	52.8%
OUR PRODUCT		WORKFORCE DIVERSITY <i>continued</i>	
PRODUCT QUALITY AND SAFETY		U.S. Workforce Diversity	
Employees in quality roles completing quality training	100%	• White	44%
CUSTOMER PRIVACY		• Latinx	8%
Employees completing privacy training	100%	• Black	3%
<ul style="list-style-type: none"> Privacy Statement Transparency Report 		• Asian and Pacific Islander	36%
		• American Indian	<1%
		• Two or More Races	3%
SUPPLY CHAIN MANAGEMENT		U.S. Workforce Diversity by Role – Executive Leadership	
Spend with URM suppliers	7%	• White	64.3%
<ul style="list-style-type: none"> Supplier Code of Conduct 		• Latinx	3.6%
		• Black	3.6%
		• Asian and Pacific Islander	14.3%
		• American Indian	-
		• Two or More Races	7.1%
		U.S. Workforce Diversity by Role – Managers	
		• White	48.5%
		• Latinx	7%
		• Black	4.5%
		• Asian and Pacific Islander	30.5%
		• American Indian	0.5%
		• Two or More Races	3.5%
		U.S. Workforce Diversity by Role – All Other Staff	
		• White	44.4%
		• Latinx	7.2%
		• Black	4.1%
		• Asian and Pacific Islander	31.6%
		• American Indian	0.2%
		• Two or More Races	2%

SASB Standards

The following table incorporates the accounting standards for the Biotechnology and Pharmaceuticals industry from the Sustainability Accounting Standards Board (SASB), now a part of the International Financial Reporting Standards (IFRS) Foundation. The table includes the relevant metric(s) where available and references to report sections where specific topics are discussed.

SUSTAINABILITY DISCLOSURE TOPICS AND ACCOUNTING METRICS: Biotechnology and Pharmaceuticals

TOPIC	ACCOUNTING METRIC	SASB CODE	RESPONSE/REPORT REFERENCE
SAFETY OF CLINICAL TRIAL PARTICIPANTS	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	HC-BP-210a.1	Our Products – Product Quality and Safety
	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	HC-BP-210a.2	FY 2022: None
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	HC-BP-210a.3	FY 2022: \$0
ACCESS TO MEDICINES	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	HC-BP-240a.1	While 23andMe does not sell healthcare products in priority countries as defined by the Access to Medicines Index (AMI), we offer genetic reports for several priority diseases as defined by AMI.
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	HC-BP-240a.2	N/A. Though we have investigational drugs in early development, 23andMe does not currently market any pharmaceutical products.
AFFORDABILITY AND PRICING	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	HC-BP-240b.1	N/A. Though we have investigational drugs in early development, 23andMe does not currently market any pharmaceutical products.
	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	HC-BP-240b.2	
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	HC-BP-240b.3	
DRUG SAFETY	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	HC-BP-250a.1	N/A. 23andMe does not currently market any pharmaceutical products.
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	HC-BP-250a.2	FY 2022: No fatalities
	Number of recalls issued, total units recalled	HC-BP-250a.3	In FY 2022, the Lemonaid Pharmacy had zero recalls at the patient level.
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	FY 2022: None
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-BP-250a.5	N/A. For our Therapeutics business, we do not have the capability nor do we plan to develop cGMP capacity for the manufacture or supply of clinical therapeutics for our clinical trials or for commercialization.

SASB Standards

continued.

TOPIC	ACCOUNTING METRIC	SASB CODE	RESPONSE/REPORT REFERENCE
COUNTERFEIT DRUGS	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	Our Products – Supply Chain Management
	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	HC-BP-260a.2	
	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	HC-BP-260a.3	FY 2022: None
ETHICAL MARKETING	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-BP-270a.1	FY 2022: \$0
	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	Our Practices – Responsible Marketing
EMPLOYEE RECRUITMENT, DEVELOPMENT, AND RETENTION	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	HC-BP-330a.1	Our People
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	HC-BP-330a.2	In FY 2022, total voluntary turnover for all employees was 14.4% while total involuntary turnover was 1.6%.
SUPPLY CHAIN MANAGEMENT	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	HC-BP-430a.1	23andMe does not currently track this information.
BUSINESS ETHICS	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	HC-BP-510a.1	FY 2022: \$0
	Description of code of ethics governing interactions with health care professionals	HC-BP-510a.2	Our Practices – Responsible Marketing



Our company is on a journey to provide opportunity for all: our employees, our community, and our customers. Although that journey is far from over, we've been working tirelessly to make our product, our community, and our entire company more diverse, equitable, and inclusive.