

# TheRealReal

## **Human Rights Policy**

Since The RealReal's founding in 2011, respect for human rights has been an integral part of the company's operations. We are committed to maintaining the highest standards of integrity and treating our employees with dignity, respect and fairness.

Our Human Rights Policy sets a minimum standard of compliance with all applicable local laws and regulations. We support the [UN Guiding Principles on Business and Human Rights](#) throughout all operations, and uphold the requirements of the [UN Declaration of Human Rights](#) and the [Convention on the Rights of the Child](#), as well as the [OECD Guidelines for Multinational Enterprises](#). Further, as a participant in the [UN Global Compact](#), we fully support the Ten Principles of United National Global Compact on human rights, labor, environment and anti-corruption, and aim to make these principles an integral part of our business strategy, day-to-day operations, and organizational culture.

We engage with key stakeholders at the employee, community and industry levels to enhance local and global insights into our human rights approach and performance.

We rely on our Human Rights Policy to guide our business operations regardless of geographic location. Our Human Rights Policy extends to all employees, partners, vendors and suppliers. Further, we plan to make it a priority in both supplier selection and monitoring to evaluate supplier performance in the areas of human rights, environmental performance, and health and safety.

The latest version of our Human Rights Policy was updated in March 2020 and takes into account salient human rights risks the company may face as well as global challenges. We regularly review disclosure guidance set forth by SASB and GRI to ensure our policy is compliant with the recommended disclosure guidance..

Our Human Rights Policy includes the following elements:

- Respect for our employees
- Respect for our customers
- Health and safety in the workplace
- Training and reporting for employees
- Diversity and inclusion
- Forced labor and human trafficking
- Discrimination and harassment
- Child labor
- Community involvement
- Brand partnerships and advocacy

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## **Working Conditions**

We are committed to ensuring the health and safety of all employees and require compliance with all applicable local laws and regulations governing working conditions, working hours, fair wages and compensation.

## **Freedom of Association and Collective Bargaining**

We respect our employees' rights and support the International Labor Organization's fundamental conventions. We uphold labor rights including the freedom of association. We also recognize the right to collective bargaining in all regions.

## **Occupational Health and Safety**

We recognize that in addition to minimizing work-related injuries and illness, a safe and healthy work environment supports employee retention and morale and enhances the quality of products and services. We treat all applicable health and safety regulations as a minimum standard as we are committed to high standards for our working environments that protect the well-being of all employees. We encourage consultation and cooperation between management and employees in developing occupational health and safety mechanisms through ongoing dialogue. We expect senior management to integrate health and safety mechanisms in all business activities and monitor their effectiveness. More information can be found in our [Occupational Health and Safety Policy](#).

## **Non-Discrimination and Harassment**

We recognize the benefits of diversity across all levels of the workforce to ensure a balance of skills, experience, expertise, gender, ethnicity, national origin and age. We believe that diversity and inclusion enhance our decision-making and creative capabilities by providing the ideal range of perspectives needed to fulfill the objectives and strategies of the company. We promote the values of leadership, diversity and inclusion at all workforce levels to foster a collaborative culture.

We are committed to equal opportunity in the workplace, and maintaining a workplace that is free from violence, harassment, discrimination, retaliation and intimidation. We value diversity and inclusion, and uphold a work environment that is free from discrimination or harassment on the basis of race, color, national origin, religion, religious creed, ancestry, age, sex, sexual orientation, gender, gender identity, disability, or other characteristic protected by law.

We consider this vital to growing an innovative and disruptive online marketplace that is revolutionizing the luxury resale market and reshaping consumer purchasing behavior.

More information can be found in our Diversity and Inclusion Policy.

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## **Modern Slavery, Human Trafficking, Child Labor**

We are committed to fostering human rights and supporting the communities we serve. Consistent with our high standards for social responsibility, we prohibit the use of modern slavery, human trafficking, and forced adult or child labor of any kind. We expect our global vendors and supplier base to uphold all standards of our human rights policy, and monitor supplier violations related to human rights risks. More information can be found in our Supplier Management and Performance Program Policy.

## **Training, Reporting, and Accountability**

We are committed to training our employees on the importance of our Human Rights Policy and how to report a possible violation during their onboarding process. Every employee participates in harassment and discrimination training, as well as signs our policy prohibiting harassment, discrimination and retaliation. Concerns regarding any possible violations of the human rights policy should be reported to HR compliance and legal compliance ([ethics@therealreal.com](mailto:ethics@therealreal.com)). We are also in the process of implementing AllVoices, a proactive tool that encourages employees, shoppers, consignors and investors to report bias, discrimination or harassment, as well as provide feedback on culture. This will supplement our whistleblower hotline, providing a data-driven digital platform with the option to provide anonymous feedback. Employees are required to uphold our human rights policy, encouraged to report concerns of potential violations, and are protected against retaliation.

## **Professional Development, Performance, and Employee Engagement**

At The RealReal, we believe that the training and development of our employees is critical to our long-term success. We offer a variety of employee training programs, including onboarding, technical skills training, product and services training, and managerial soft skills training. These programs include training specific to each of our business functions, enabling us to provide our consignors and buyers with a consistent luxury experience.

For example, we support our sales professionals by providing a 10-day virtual onboarding sequence conducted through peer-to-peer, facilitated and self-learning sessions, followed by continuous professional development programs. Our authentication team receives training depending on one of five levels. Entry level authenticators receive a minimum of 40 hours of training, while our expert authenticators receive a minimum of ten months training. In 2020, we also delivered a Manager Development Series to all people managers across the organization and offered a Leadership Development Program to our people managers at the director and above levels.

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As a valued member of our team, each employee receives training appropriate to the scope and nature of their role. Our employees receive an annual performance review, and our people managers have quarterly meetings with their employees to address performance and development. As a part of our onboarding program, we have developed an engagement monitoring plan for our employees in the form of personal check-ins and questionnaires.

This past summer we launched our first employee engagement survey. All our employees were offered an opportunity to participate, of which 75% submitted a response. The survey consisted of 50 questions on which employees were asked to indicate their level of agreement with a statement based on a five-point scale from Strongly Agree to Strongly Disagree and five free-text questions to which employees were asked to write a response. The responses returned an overall favorable engagement score of 66%, 23% neutral and 11% unfavorable. Our senior leaders built department-level action plans in 2020 that focus on employee engagement, incorporating insights from our survey results.

The RealReal's senior leadership is responsible for implementing the principles of this policy and reporting progress to the Corporate Governance and Nominating Committee of the Board of Directors. The Corporate Governance and Nominating Committee will maintain oversight responsibility for the human rights policy and receive regular quarterly updates.

We regularly audit our Human Rights Policy to ensure company-wide compliance and help prevent and mitigate human rights risks. In addition, we regularly review our human rights policy and consider meaningful amendments. We intend to introduce a policy where we periodically audit our global vendors and suppliers to ensure they are acting ethically and are aligned with our policy.

At The RealReal, we rely on our employees to create a work environment where human rights are respected and the workplace is free from discrimination and harassment. We encourage all employees to notify their manager or Human Resources contact if they believe there has been a violation of the company's Human Rights Policy.