

TheRealReal

GHG Emissions

As part of our overall commitment to sustainability, we take seriously our role in lowering greenhouse gas (GHG) emissions. Our business model itself plays a part in preventing carbon emissions—by choosing resale, shoppers and consignors are saving resources that would be needed to produce new luxury goods. Since our founding in 2011, 13,300 metric tons of carbon have been saved by consignment on our platform. Shoppers and consignors can now see the carbon emission savings of individual items on our website, raising awareness of how resale directly contributes to a more sustainable future for fashion.

We believe, in accordance with The Paris Agreement, that lowering GHG emissions is the first step towards preventing climate change. Therefore, we are committed to reducing our GHG emissions 30% by 2030. In the past nine years, we have expanded our operations across the United States in order to empower more consignors and buyers to extend the life cycle of luxury goods. With that growth in operations comes a larger environmental footprint which, as a sustainability focused company, is something we look to decrease wherever possible.

We are working to lower our GHG emissions as a company through operational initiatives, waste and inventory management, shipment and packaging improvement, and improving energy efficiency at our retail and warehouse locations—taking as inspiration our San Francisco flagship store, which is our most sustainable retail location to date. In order to ensure that we meet our goal, we have committed to the annual measurement of the three scopes of GHG emissions. These will include the measurement of our emissions released by natural gas and company owned vehicle use, electricity use, product transportation, commuting, business travel and waste levels.

We are going to meet this goal through the following initiatives:

Employee Engagement

Being a more sustainable company starts with engaging our employees to “go green.” Today, commuting to and from work makes up about 34% of our GHG emissions. We are exploring employee incentives to encourage low-emissions commuting such as public transportation options. Similarly, we are investigating investing in a company-owned electric fleet in key markets and expanding tele-conferencing rates to reduce the environmental cost of business travel. We will also expand our work from home policy and institute more tele-conferencing to reduce business travel.

Reducing our business travel will also lower our air emissions, which as of today, make up 5% of our overall GHG emissions. We will look to travel for business only when necessary and utilize tele-conferencing to avoid unnecessary travel on both ends.

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Transportation and Logistics

Receiving and delivering luxury goods is at the core of our business model and we are already working to mitigate GHG emissions by reducing air shipments and relying on ground transport—all while continuing to deliver great service to our users. Today, transporting our shipments to and from our consignors and buyers makes up about 34% of our GHG emissions. We aim to work towards lowering those emissions as we optimize our fulfillment center network over the next several years to reduce split shipments. We will also reduce packaging by eliminating empty space in our packages, utilizing shipping bags instead of boxes, and overall reduce the weight of packaging materials while maintaining our elevated consignor and customer experience.

Energy Efficient Buildings

Inspired by our San Francisco flagship store, which has already achieved a highly-ranked LEED Gold Certification, we aim to launch programs to reduce energy use and improve energy efficiency across all our retail stores and warehouses—today, energy use makes up 14% of our GHG emissions. This may include HVAC tune-ups or replacements, installation of LED bulbs, upgraded building insulation and ensuring that retail doors are not propped open.

Our San Francisco flagship store's green building designation is awarded based on compliance with the tenets of sustainability including water use reduction, energy efficiency, waste management planning, indoor air quality, low-emitting materials, lighting, and more.

Waste & Inventory Management

Waste accounts for 2% of our GHG emissions and our paper use makes up 1%. We are working to further reduce these numbers by increasing recycling and using more sustainable packaging materials.