

The RealReal

Environmental Management System (EMS)

The RealReal leads the conversation in sustainable luxury and conducts business in a manner that demonstrates responsibility for our impact on the environment. We continually evaluate and assess our operations and business processes to reduce adverse environmental impacts and are committed to continuously improving our environmental stewardship. We recognize environmental risks exist in our industry and seek to mitigate these risks by reducing greenhouse gas emissions, increasing energy efficiencies, and managing waste materials in our packaging. We expect and empower our employees to comply with all applicable environmental regulatory requirements as well as company environmental policies.

Given the changing regulatory and climate landscape, we engage in comprehensive ongoing monitoring, which is overseen by a committee within the organization and reviewed by the Corporate Governance and Nominating Committee as well as the full Board of Directors.

The EMS Committee Charter

- The committee oversees the process of improving environmental performance and upgrading the information shared within the company and outside the company regarding the key areas of greenhouse gas (GHG) emissions, energy use and waste.
- The responsibilities of this committee include setting environmental goals, including carbon emissions goals, the creation of operational processes to meet these goals, the training of employees around these goals, and reporting to senior management and the Board around the company's performance against these goals.
- The committee provides a systematic way of managing the organization's environmental affairs, creates buy-in from management and employees, and assigns accountability and responsibility within the organization.
- Ultimately, the Committee's responsibility is to ensure the environmental goals set are attained.

EMS Steering Committee

Rati Levesque, President

Zaina Orbai, Chief People Officer

Matt Gustke, Chief Financial Officer

Allison Sommer, Senior Director of Strategic Initiatives

Erin Santy, Head of PR and Communications

Nicole Ganot, Vice President Business Operations

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Samantha McCandless, Senior Vice President Merchandising

James Rogers, Director of Sustainability

Management

Provide bi-annual updates to CEO such as:

- Public circular economy brand partnerships
- External member and internal company education initiatives
- Carbon reduction projects informed by footprint results to improve our operational processes, materials, and brick and mortar locations
- Goal measurement versus benchmark data

Board Commitment

Management provides periodic updates to the Corporate Governance and Nominating Committee based on quarterly updates to the CEO.

Annual Measurement

Our baseline data year is 2019 and our goals are in line with our commitment through the UN Climate Change Fashion Industry Charter for Climate Action of at least a 30% reduction in greenhouse gas emissions by 2030 and net zero emissions by 2050. We are committed to annual measurement of Scope 1, 2 and 3 GHG.

- Scope 1 = natural gas, company-owned vehicles
- Scope 2 = electricity
- Scope 3 = business travel (air), consignor drop off, corrugate, product transport, paper, commuting, leased vehicles and waste, data centers

Identify Tactical Recommendations Annually To Lower Carbon Footprint

Prioritize high impact, lower effort/cost opportunities that reduce our emissions while improving our customer experience and further cementing our environmental values and industry leadership.

Identify Long Term Strategies to Lower Carbon Footprint

- Develop company-wide carbon reduction strategy and implementation plan;
- Create goals and metrics around sustainability efforts, including employee, department and company goals;
- Set up training programs to implement this framework;

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- Create reporting tools, self-inspections, and audits to evaluate the system's effectiveness and review the goals and methods used as part of a continuous improvement approach;
- Include sustainability topics and metrics as part of company-wide meetings;
- Monitor and communicate progress to key internal and external stakeholders on a regular basis;
- Identify strategic external partnerships; and
- Incorporate sustainability into policies, contracts with suppliers and partners, reviews and decision-making processes.

Conduct Annual Review of Sustainability Initiatives

- Steering committee to meet with CEO annually to review sustainability initiatives;
- Annual report to the Corporate Governance and Nominating Committee and to the full Board to discuss performance, confidence in ability to meet goals, and current measurements.