

TheRealReal

Environmental Management System (EMS)

The RealReal leads the conversation in sustainable luxury and conducts business in a manner that demonstrates responsibility for its impact on the environment. We continually evaluate and assess our operations and business processes in order to reduce adverse environmental impacts and are committed to meeting or exceeding environmental standards. 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.

With a changing regulatory and climate landscape, we continue to engage in comprehensive monitoring, which is overseen by a committee within the organization, and reviewed by the 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 "design, pollution control and waste minimization".
- 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 and reporting to senior management and the Board around the company's performance against these goals.
- The committee will provide a systematic way of managing the organization's environmental affairs, create buy-in from management and employees, and assign 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, Chief Operating Officer

Allison Sommer, Director of Strategic Initiatives (sustainability lead)

Frank Giglio, Director of Sourcing and Procurement

Nancy Alonzo, Senior Director Marketing Communications

Nicole Ganot, Head of Supply Chain

Management and Board Commitment

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Provide quarterly updates to CEO and Board Committee on [sustainability](#), such as:

- Public circular economy brand partnerships
- External customer 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

Annual Measurement

Benchmark data year is 2019; Goals are in line with 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. Commit 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

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, Create employee level goals, department level goals, and company level goals;
- Set up training programs to implement this framework
- 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 internal meeting;
- 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

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- Annual report to Board Committee to discuss performance, confidence in ability to meet goals, and current measurements.