

# The RealReal

To our Community,

In 2011, I started The RealReal out of my home, working at my kitchen table and picking up consignors' pieces with a U-Haul truck. What began as a scrappy startup has transformed the resale industry and built a global movement that champions quality, sustainability and conscious consumption.

From the beginning, The RealReal has played a leading role in creating a more sustainable, circular future. We approach driving meaningful change through four core areas of focus: education and empowerment; global collaboration; legislative action and living our values.

## **Education and Empowerment**

Educating and empowering consumers to make more sustainable choices has countless benefits, one of the most important being the ability to reduce our global carbon footprint. We have partnered with more than 80 established and emerging brands—including Gucci, Burberry and Stella McCartney—to raise awareness of resale and drive engagement with the circular economy.

We've engaged more than 21 million members in our circular marketplace, changing the way they shop and paying out more than \$2 billion in commission for the 18+ million items we've kept in circulation together. Through our first-of-its-kind TRR Sustainability Calculator, we're able to quantify the impact of resale and provide our members with transparency into their personal impact. From inception through Mar. 31, 2021, consignment with The RealReal saved 18,732 metric tons of carbon and 896 million liters of water.

## **Global Collaboration**

We work to drive global change as active participants in a number of key international sustainability initiatives and organizations, including the United Nations Fashion Industry Charter for Climate Action, United Nations Global Compact, the Ellen MacArthur Foundation, the Sustainable Apparel Coalition, CEO Carbon Neutral Challenge issued by Gucci CEO Marco Bizzarri, and One Tree Planted's Million Tree Challenge.

## **Legislative Action**

We believe legislation is one of the most direct paths to drive change at scale. At both a state and national level, we are advocating for legislation that supports the circular economy and will help drive it forward.

## **Living Our Values**

Much of our work centers on reducing fashion's footprint and we are equally committed to reducing The RealReal's footprint. We partnered with an outside consulting firm to measure our carbon emissions, helping us achieve carbon neutrality in 2020 a year ahead of our goal.

To provide increased transparency into our work and our commitments, we debuted our [Social Impact](#) site in 2020, publishing key policies and procedures that highlight our commitment to environmental, social and governance (ESG) disclosures. We also submitted our inaugural CDP Climate Change response. We increased our transparency by publishing [The RealReal's Social](#)

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[and Environmental Factors By the Numbers](#) and enhanced our [Supplier Code of Conduct](#) to reflect our commitment to human and labor rights. We are continuously learning and promoting the values of leadership, diversity and inclusion at all workforce levels to foster a collaborative culture.

While we are proud of our performance in these critical ESG areas, we recognize that there is always room for improvement, and we will work diligently to continue our progress and enhance these policies and procedures. We believe in the importance of disclosure and measurement, and have chosen to align ourselves with the [Sustainability Accounting Standards Board \(SASB\) framework](#) for our industry.

To ensure transparency and meaningful reporting metrics as we continue our work, we will provide continual updates to our stakeholders on ESG issues, with oversight from our Board of Directors. Our Audit Committee, Compensation, Diversity and Inclusion Board Committee and our Corporate Governance & Nominating Committee are dedicated to reviewing the Company's policies, programs and initiatives focusing on social responsibility, and providing recommendations to management.

As CEO, I am incredibly proud of our track record in generating positive social impact, as well as our fundamental mission to extend the life of luxury and create a more sustainable future for fashion. I firmly believe that The RealReal can deliver on our commitment to be a responsible steward to the environment, to our employees, and to our communities in 2021 and beyond. We look forward to updating you on our progress and achievements along the way.

Sincerely,

A handwritten signature in black ink that reads "Julie Wainwright". The signature is written in a cursive, flowing style.

Founder and CEO