

# TheRealReal

## **Climate Change Policy**

The RealReal acknowledges that climate change is a challenge facing our business, industry, and global communities. While climate change is a reality, we seek to be a thought leader and member of a more sustainable retail industry. We believe that our role in the circular economy can play a positive part in reducing greenhouse gas emissions and mitigating climate change. We are committed to doing everything we can to preserve natural resources and educate consumers on the importance of the recirculation of goods.

In line with this goal, we support the [Paris Agreement](#) and all regulatory initiatives to reduce emissions and promote more sustainable business practices. We recognize that if 2°C limits are surpassed, the severity and frequency of climate change-related issues could have a negative impact on our organizational success. Climate change poses several potential risks to our business, including higher costs for transportation, shipping, and facilities and, of course, increased likelihood of climate-related natural disasters. We do not take these risks lightly and have become an advocate for proactive emissions reductions and sustainable behavior. Though we do not directly produce the products we sell, our consignors, vendors, suppliers, and consumers could face challenges from changing climates that ultimately affect our business operations.

We aim to minimize the impact of our operations on the environment, reducing our carbon footprint, and we also seek to minimize our product packaging and material waste through recycled and recyclable materials. We have dedicated significant resources to reducing our carbon emissions and promoting sustainable practices internally while actively participating in external initiatives to help ensure our global community stays below the critical emissions threshold outlined by the Paris Agreement. To guide our climate strategy and hold the global average temperature rise to well below 2°C, we have embedded climate change mitigation into our business strategy in numerous ways.

### **Emissions Reduction Commitments**

- Reduce greenhouse gas emissions 30% by 2030, and achieve net-zero emissions by 2050 per the UN Fashion Industry Charter for Climate Action
- Become fully carbon neutral in 2021

### **Circular Economy Advocacy**

- Change consumer behavior such that retail and luxury goods consumers preferentially choose low-carbon, recirculated goods to meet their fashion and luxury needs
- Develop innovative Sustainability Calculator to quantify the positive impact of consignment and educate consumers on the environmental benefits of resale

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- Establish National Consignment Day, a national holiday to celebrate and raise awareness of recirculating goods
- Implement public sector partnerships, such as New York State's Executive Proclamation by Governor Cuomo recognizing National Consignment Day
- Pioneer consignment partnership programs with leading luxury brands including Burberry and Stella McCartney to promote recirculation of their products

## **Participation in Global Climate Initiatives**

- United Nation Climate Change's Fashion Industry Charter for Climate Action
- The Ellen MacArthur Foundation Member
- Sustainable Apparel Coalition
- World Resources Institute and Waste and Resources Action Programme's Clothing Reuse Market Makers working group
- Carbon Neutral Pledge in the Gucci CEO Carbon Neutral Challenge
- United Nations Global Compact

## **Operations Efficiencies**

- Increase our usage of Post-Consumer Recycled Content (PCR) and/or 100% Forest Stewardship Council (FSC) Certified materials
- Continue to limit air product transportation and work to further increase ground transportation
- Increase the usage of virtual appointments to lower the carbon footprint of our luxury managers
- Increase the usage of van pick-up in certain cities to lower the carbon footprint of our luxury managers