

APPAREL AND ACCESSORIES

Luxury consignor The RealReal accepts Gucci CEO's carbon neutral challenge

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Getting real on carbon neutrality. Image credit: The RealReal

By STAFF REPORTS

The RealReal has accepted Gucci CEO Marco Bizzarri's carbon neutral challenge yesterday, pledging to reach that stage by 2021.

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The CEO Carbon Neutral Challenge underlines the call for companies to take urgent action and implement a 360-degree climate strategy to create positive outcomes in the immediate.

"Marco Bizzarri's challenge to execute more radical and immediate change inspired us to respond with greater urgency and turn up the dial on the commitment we made with UN Climate Change's Fashion Industry Charter for Climate Action (UNFCCC)," said Julie Wainwright, CEO of The RealReal, in a statement.

"Between the conversations had at this year's Copenhagen Fashion Summit to the important work of activists like Greta Thunberg, it's clear that we must do more and do it faster," she said.

Not just gas

A key part of carbon neutral action must be based on companies taking full responsibility and accountability for the total GHG emissions generated by their business activities ([see story](#)).

Following Climate Week NYC 2019, Gucci's Mr. Bizzarri issued an open letter to CEOs across all sectors to come together in the CEO Carbon Neutral Challenge.



Gucci is taking the lead in encouraging top-down challenges to companies' practices toward enduring sustainability. Image credit: Gucci

The RealReal, after joining the UNFCCC earlier this year, committed to a 30 percent reduction of greenhouse gas (GHG) emissions by 2030.

To show its commitment, The RealReal has hired sustainability consultancy Shift Advantage to help meet its 2021 target.

The Shift Advantage team is currently collecting data to measure The RealReal's total greenhouse gas emissions as part of the carbon neutral challenge's guiding principles.

The next phase of its work will include implementing reductions and annually offsetting emissions that cannot be eliminated.

The greenhouse gas footprint analysis that Shift Advantage is completing for The RealReal is based on methodology from the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), both known authorities on greenhouse inventories for business.

Per The RealReal, the greenhouse gas emissions will be measured across Scopes 1, 2 and 3 of the GHG Protocol, which breaks them down by source:

- Scope 1: emissions generated directly from The RealReal, such as fleet vehicles for transportation
- Scope 2: emissions generated indirectly from The RealReal's electricity purchases
- Scope 3: emissions generated indirectly from The RealReal's business activities such as shipping

The RealReal's goal is achieving a net-zero carbon footprint by balancing carbon emissions with carbon removal, the company said.



Gucci's Marco Bizzari. Image credit: Gucci

Open letter to CEOs from Gucci president/CEO Marco Bizzari

We are entering a new decade of corporate accountability. As businesses, we all have a responsibility to meet the reality of our global climate and biodiversity crises head on and find solutions that can amplify efforts to conserve and restore nature, while mitigating climate change. The recent events during Climate Week in New York and at the UN Climate Action Summit clearly showed that there is a demand for companies to urgently act, and not to solely focus our climate objectives on the years to come. At the core of this was a call to adopt nature-based solutions and the acknowledgement that they represent 30 percent of the climate solution.

There have been many commendable commitments made by individual companies and through industry coalitions to align with the Paris Agreement and push even further towards a 1.5 C trajectory. However, I believe that we can take another straightforward step in the right direction and deliver rapid and concrete positive impacts right now for our natural world and for our climate.

Leading companies with net-zero ambitions and those with a net-zero 2050 pathway need to build in climate strategies with a 360 approach. One that not only focuses on reducing our GHG emissions over the next decades but also immediately translates the unavoidable emissions we are generating right now into nature-based offsets. The reality is that the majority of the GHG emissions linked to day-to-day business activities are created upstream in the supply chain. I firmly believe that we must all be accountable for these emissions and redefine corporate carbon neutrality to encompass the entire supply chain. This can be achieved through a logical and clear strategy to ensure that a company accounts for all the GHG emissions within its own operations and across the supply chain, prioritizes actions to first avoid, reduce and restore, and then offsets all the remaining emissions as a final measure. These offsets can be achieved through important nature-based solutions like REDD+. Supporting verified REDD+ offsetting projects not only contributes to reversing the curves of biodiversity loss and climate change through the protection and restoration of critically important forests around the world but also simultaneously benefits the livelihoods of local communities.

Given the scientific evidence from the recent IPBES and IPCC reports, we don't have the leisure to just work to avoid and reduce our impacts on climate and biodiversity over the long-term. Nor can we wait for technology and climate smart solutions to catch up, and to scale up, to meet the sustainability challenges we all face. This could take years that we don't actually have. Today we need to be responsible and accountable for the full scope of our GHG emissions and deliver nature-based climate solutions that mitigate these and drive positive change.

I am therefore inviting CEOs across all sectors to come together in the CEO Carbon Neutral Challenge. I believe that collective action is imperative if we are to help create a future in which society can thrive and business can succeed, while nature is restored and protected. I sincerely hope you will join us.

Marco Bizzarri
Gucci President & CEO

For CEOs interested in joining the CEO Carbon Neutral Challenge, please contact: ceochallenge@gucci.com