# EOG Climate Action Programme

## Introduction - Webinar

Peter Hollenstein - June 29, 2020

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# Agenda

- Why?
- Where?
- How?
- Third-Party Initiatives
- Next Steps
- Questions

# Why?

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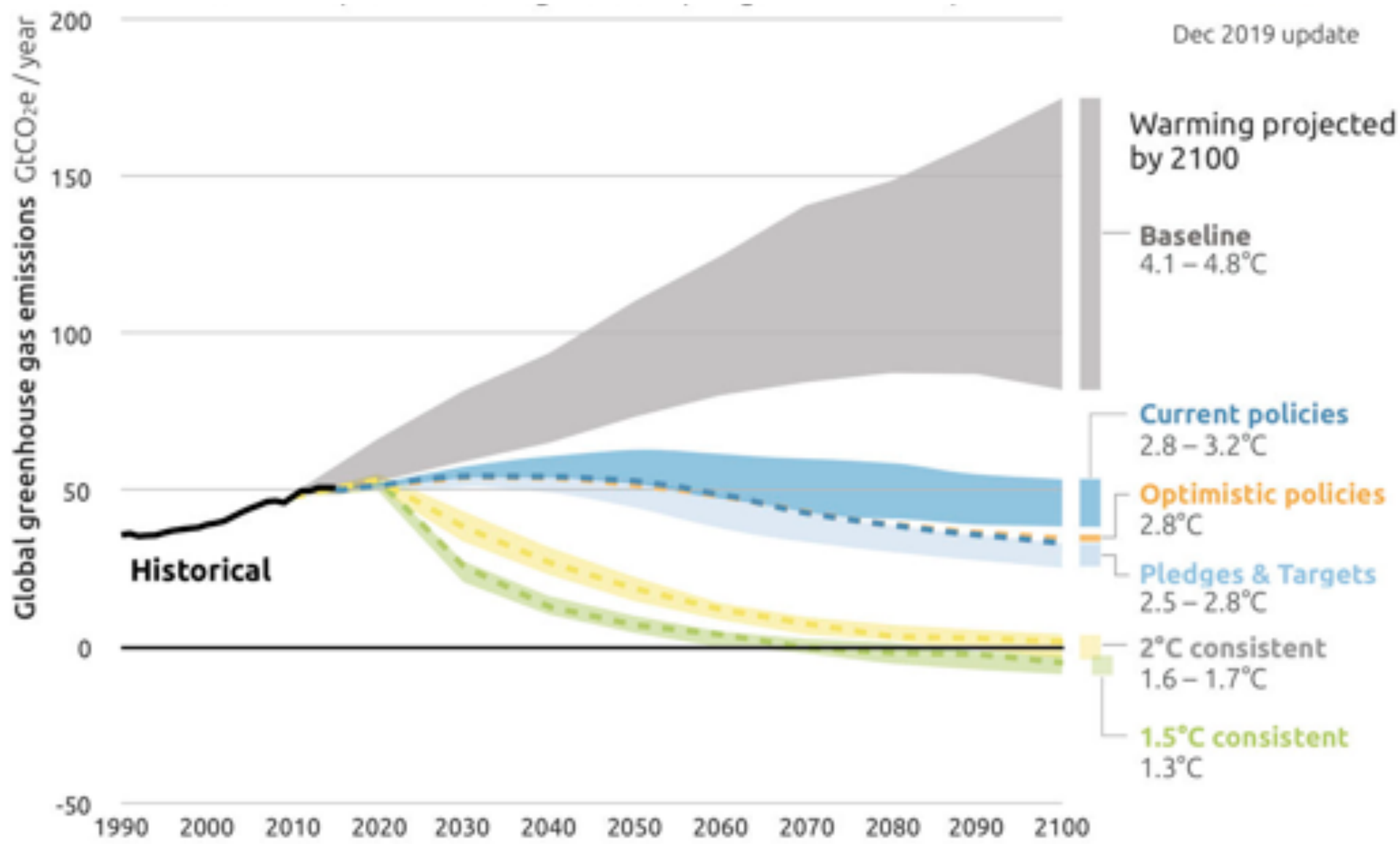
# Climate Change is Real




Source: Carbon Action Tracker

# Climate Change is Disrupting Business as Usual

- Increasing expectations by future gen consumers, retailers + employees.
- Increasing sales & consumer loyalty with low-emission goods.
- The outdoor experience is under threat.
- Increasing costs, risks & uncertainty.
- Supply chain disruption.
- Need for innovation.
- Regulation.

DISRUPTION:
THREAT OR
OPPORTUNITY?

# Climate Change is Impacting Competitiveness

## Evaluation of existing business

| Identification of potential cost savings | | Identification of potential risk factors | | | |
|---|---|---|---|---|---|
| Upstream | Downstream | Operational Risks | Regulatory Risks | Reputational Risks | Competitive Risks |

## Competitiveness

- Prevent loss of competitive advantage
- Realise cost savings / increase efficiency
- Seek green business opportunities

| | | | |
|---|---|---|---|
| Acquiring new markets | Branding | New working / management methods | Innovations |

## Seeking of new business opportunities

Source: OECD

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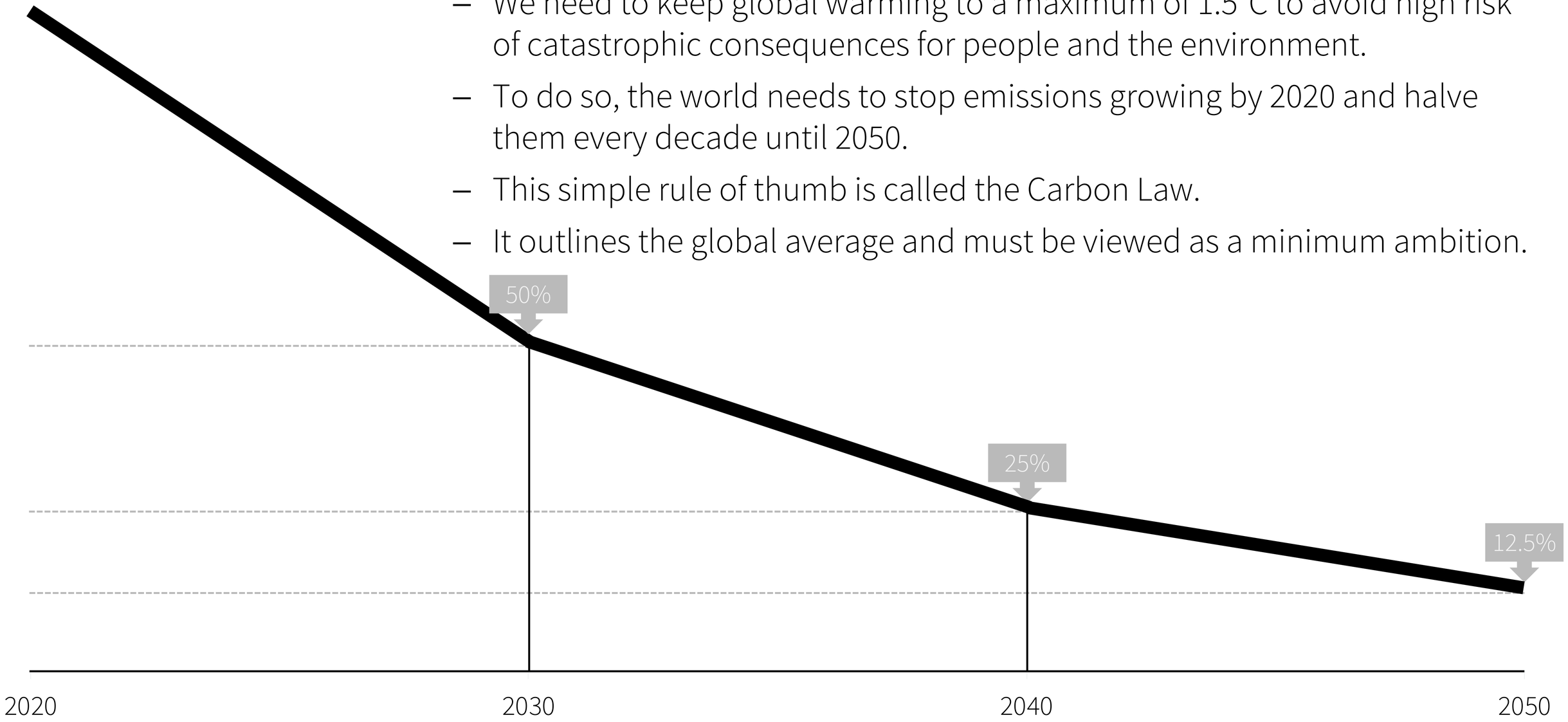
# The Carbon Law

- We need to keep global warming to a maximum of 1.5°C to avoid high risk of catastrophic consequences for people and the environment.
- To do so, the world needs to stop emissions growing by 2020 and halve them every decade until 2050.
- This simple rule of thumb is called the Carbon Law.
- It outlines the global average and must be viewed as a minimum ambition.




Source: Exponential Roadmap

# Our Common **Minimum** Ambition

NET-ZERO EMISSIONS BY 2050

**Intermediate Targets 2030:**

Scope 1: ≥ 50% reduction

Scope 2: ≥ 50% reduction

Scope 3: ≥ 30% reduction

Aligned with:

SCIENCE BASED TARGETS

STICA

# How?

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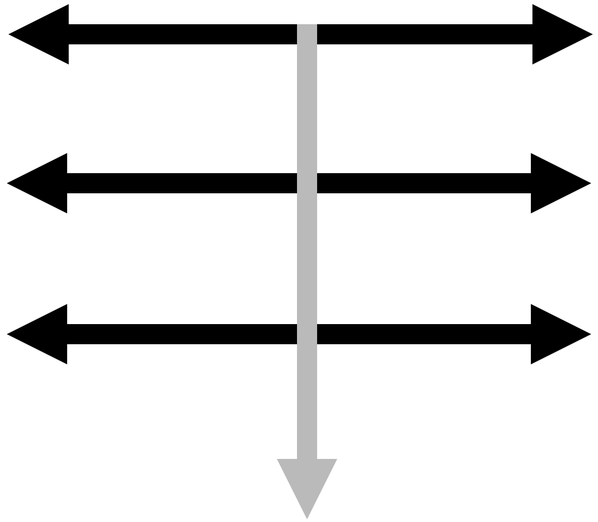
# Background & Principles

Diversity of membership

Diversity of progress

Diversity of needs



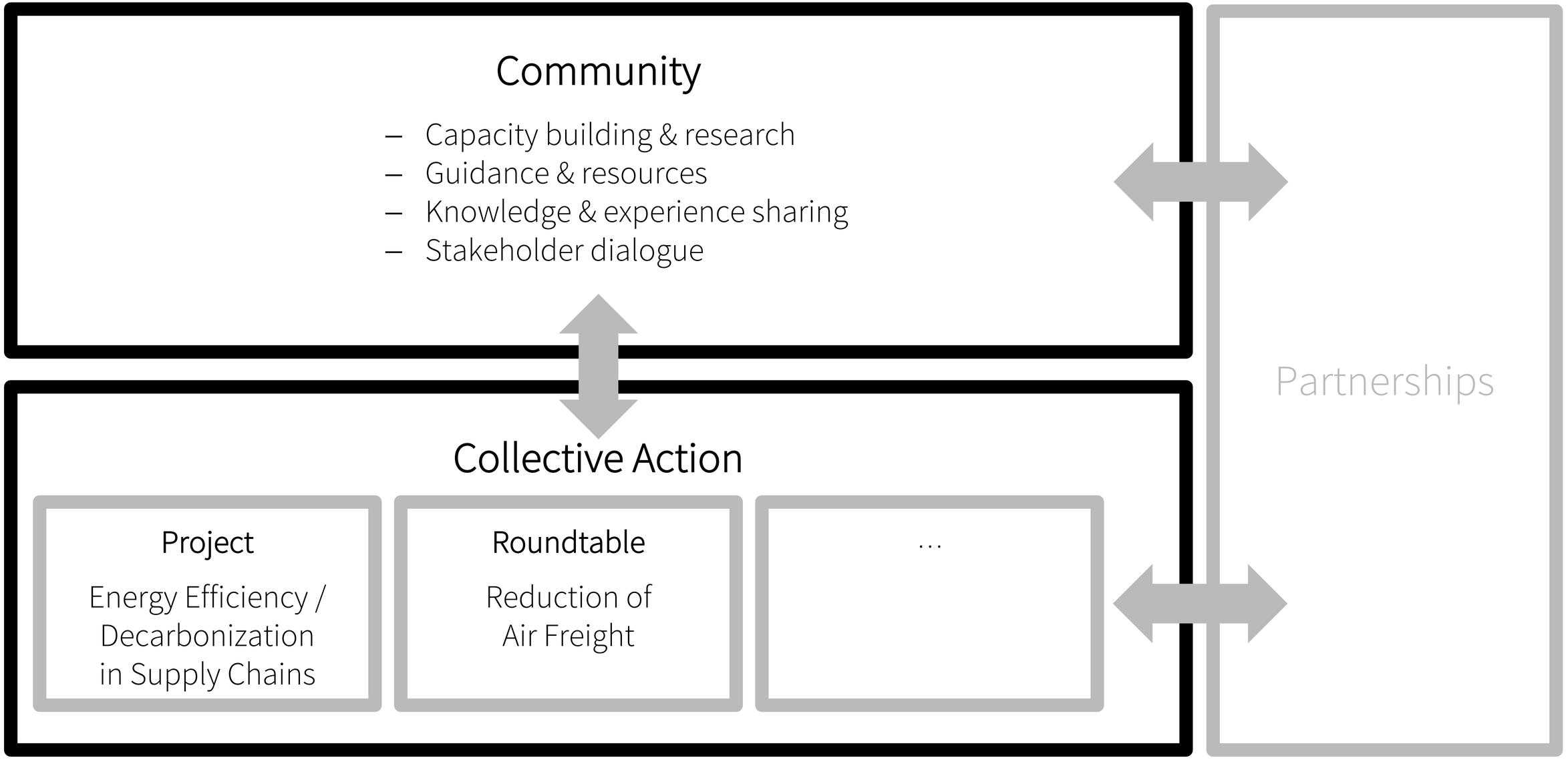
Collaboration

Leadership

Proactiveness

Flexibility & Agility

# EOG Climate Action Programme - Overview



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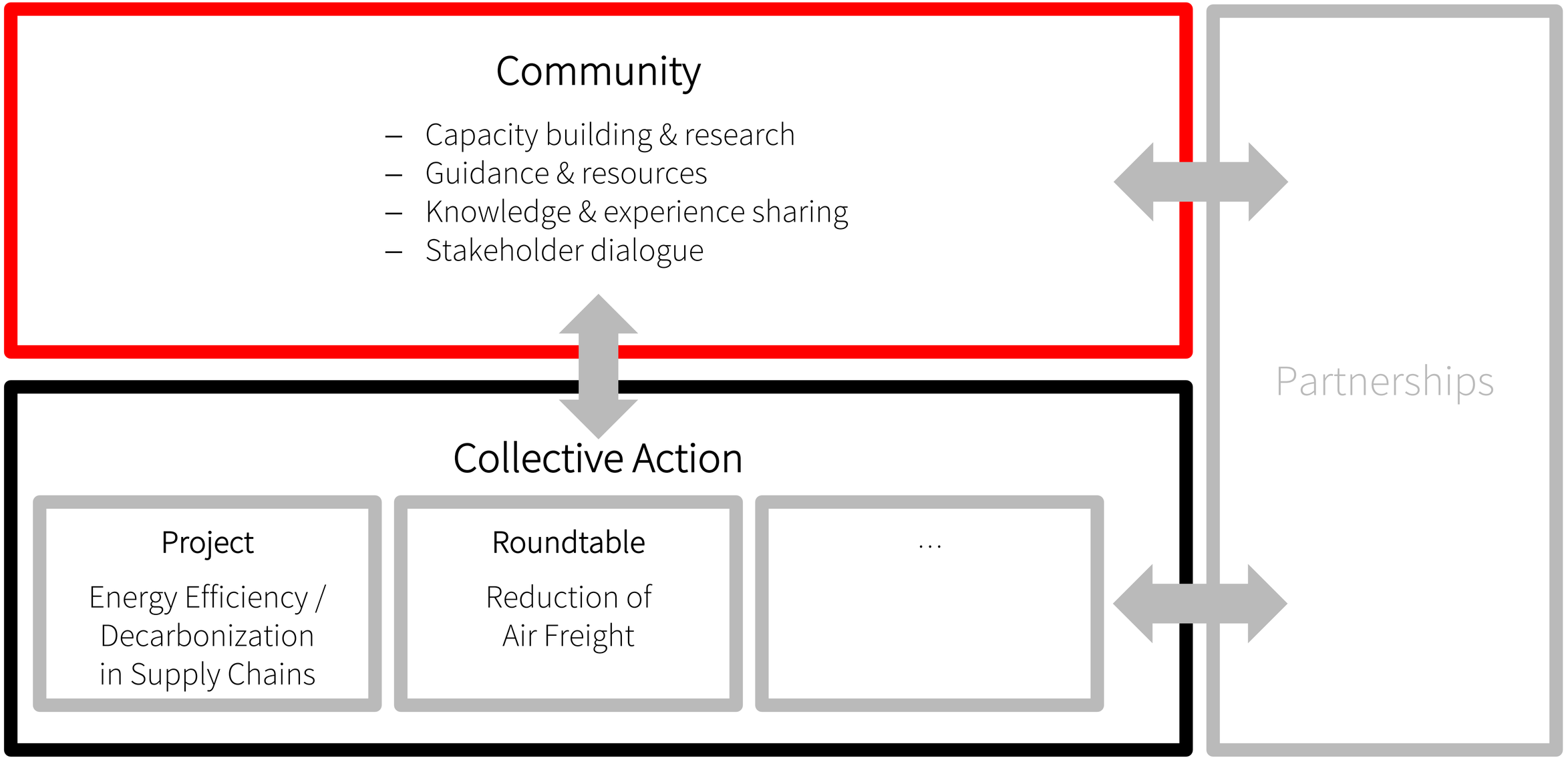


# Community - Overview

| Section | Content | | |
|---|---|---|---|
| Background & Introduction | Introductory document | Resource library | Discussion thread |
| GHG Inventory Planning | | | |
| Data Gathering | | | |
| Industry Footprint | | | |
| Target Setting | | | |
| Defining Measures | | | |
| Reporting | | | |
| Communication | PDF | or | slack |

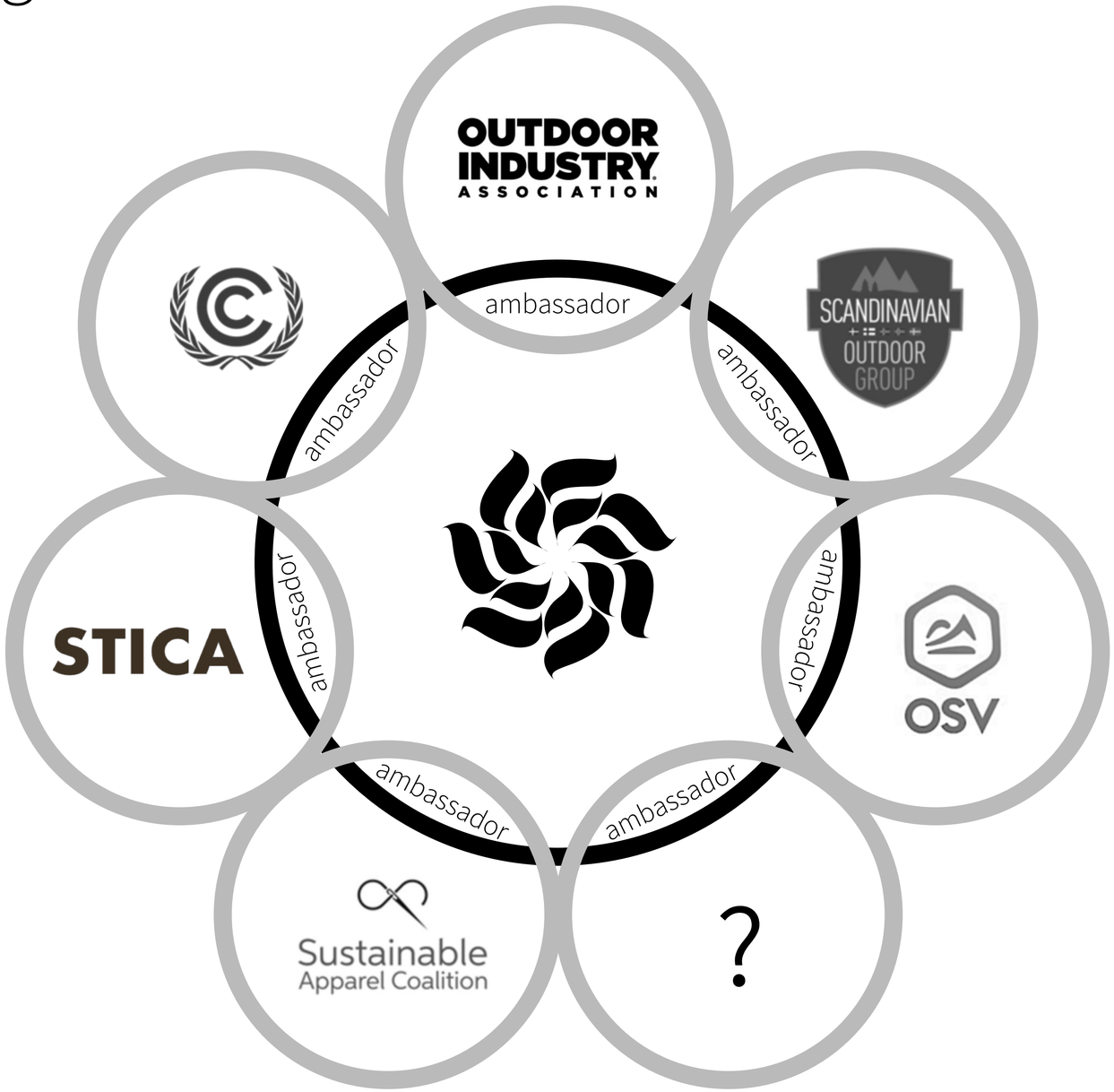
Joint research

Joint projects

Joint targets / commitments

Joint communication

# Community - Alignment with other Initiatives



# Community - Governance

Leadership & decision making:

- EOG Secretariat

Systems & platforms:

- EOG

Administration & moderation:

- EOG / Peter H.

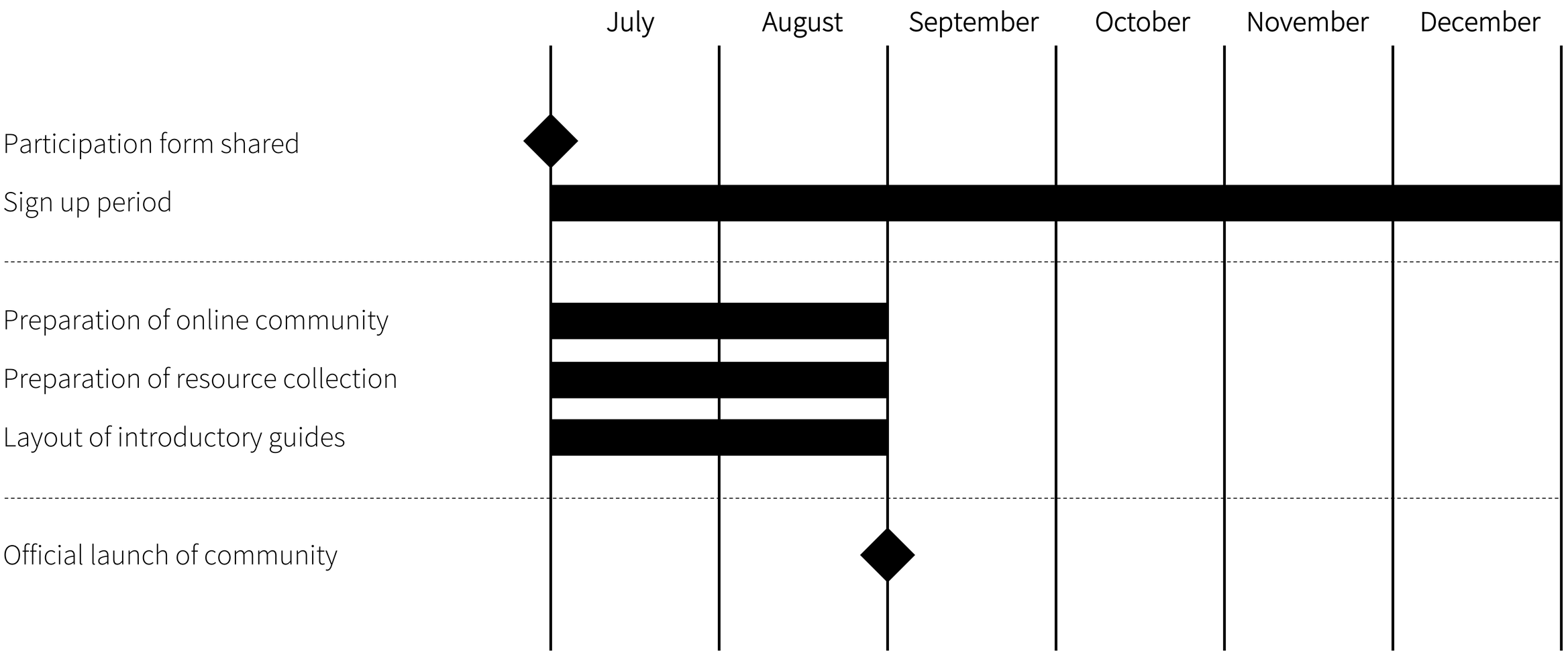
Participation:

- Open to all EOG members & relevant partners / contributors.

Terms & conditions:

- Free of cost.
- No reduction / reporting requirements (for now), but a joint ambition.
- Active participation & sharing required.

# Community - Roadmap



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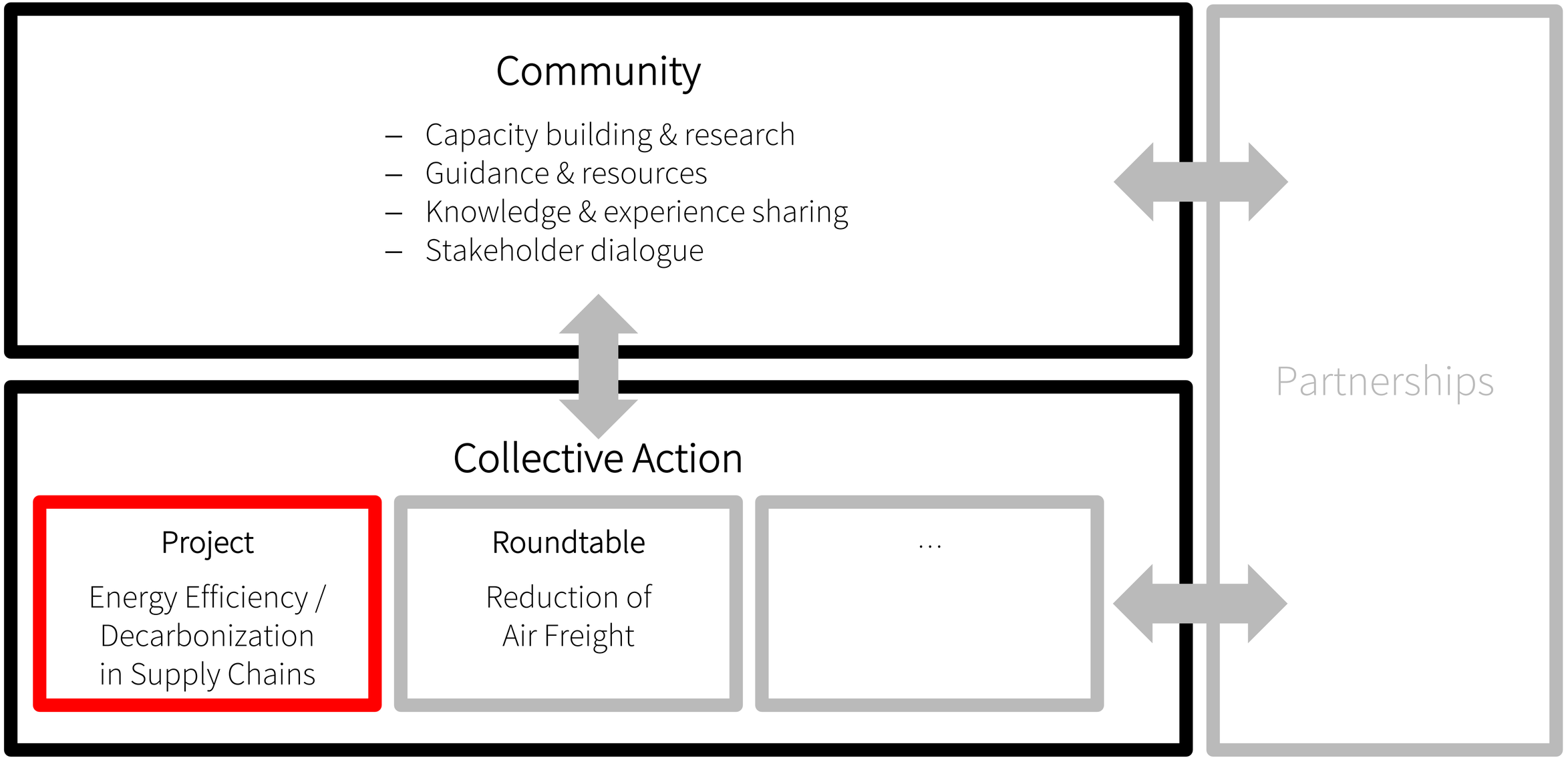


# Energy Efficiency & Decarbonization in Supply Chains Project - Overview

**Brands**

- Open to all EOG Members
- And beyond? Collaboration with other initiatives…

**Modules & content**

| 1. Awareness & Information | 2. Emission / Energy Audits | 3. Implementation | 4. Finance |
|---|---|---|---|
| – Why (env. & business)<br>– Goals<br>– Measures<br>– Program | – On the ground support<br>– Identification of reduction potentials in factories<br>– ROI Calculation | – Technical implementation of identified measures<br>– Pool of technical contractors | – Financing measures<br>– Long-term commitments<br>– Insetting fund<br>– Loans<br>– Grants |

**Potential partners**

| | | | |
|---|---|---|---|
| – ISPO Munich<br>– Local Outdoor Associations<br>– bluesign | – AII (Clean by Design)<br>– Cleaner Production<br>– bluesign<br>– HIGG FEM<br>– Elevate | – Use HIGG FEM to follow up on improvements? | – National Government Bodies (EPAs)<br>– National Textile Associations<br>– Good Fashion Fund<br>– HSBC Sustainable Supply Chain Finance |

**Suppliers**

Focus T1, T2 & T3
- Tier 1: China, Vietnam
- Tier 2: Taiwan, Japan, Korea, Vietnam
- Tier 3: Taiwan, Japan, Korea, Vietnam

Selection Criteria?

DRAFT

# Project - Governance

Leadership & decision making:

- Steering Committee (brands & suppliers) / EOG Secretariat.

Systems & platforms:

- EOG

Administration & project management:

- EOG / Peter H.

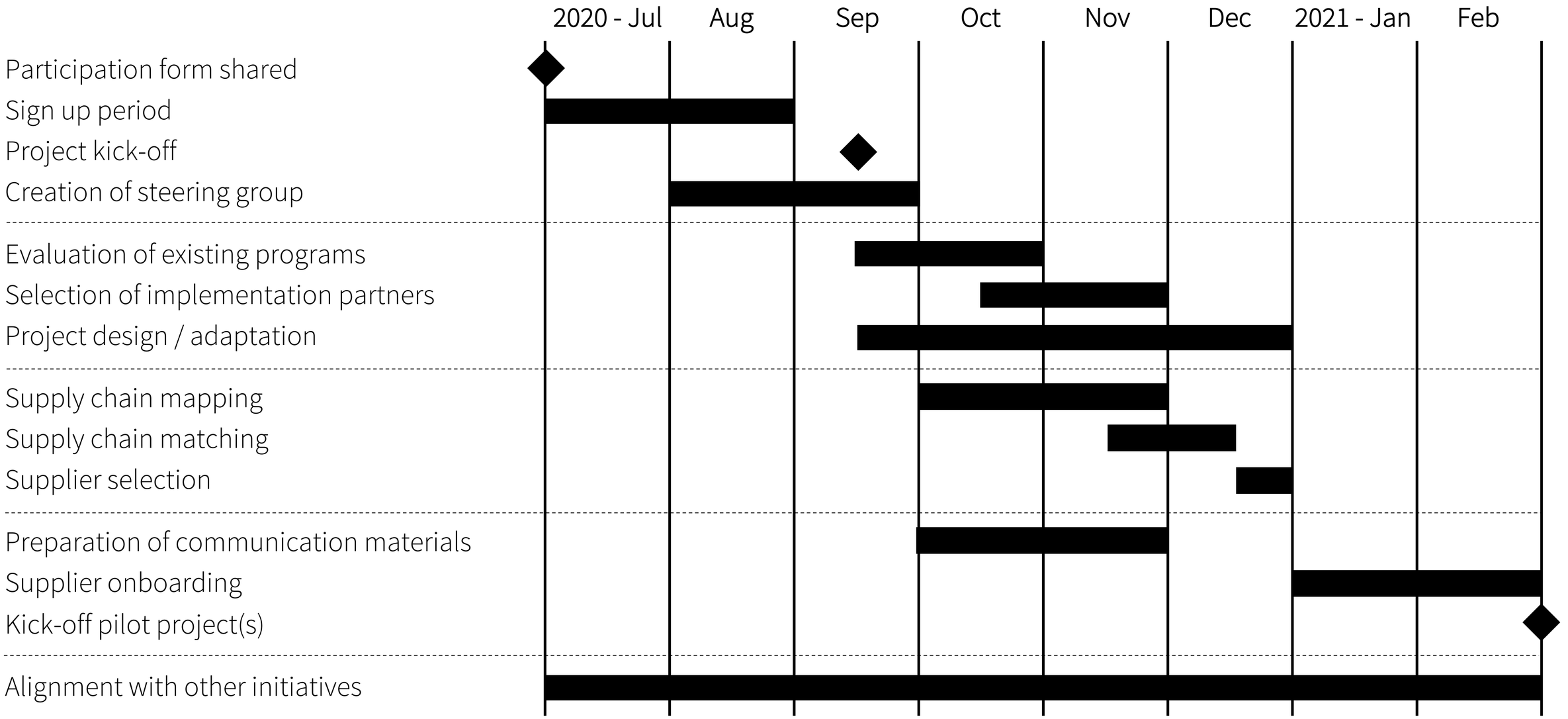
Participation:

- Open to all EOG members & relevant partners / contributors.

Terms & conditions:

- Implementation cost covered by participants (budget 2021).
- Openness to map supply chain (T1-T3) and share with EOG for matching.
- Active participation & engagement with supply chain required.

# Project – Roadmap (extract)



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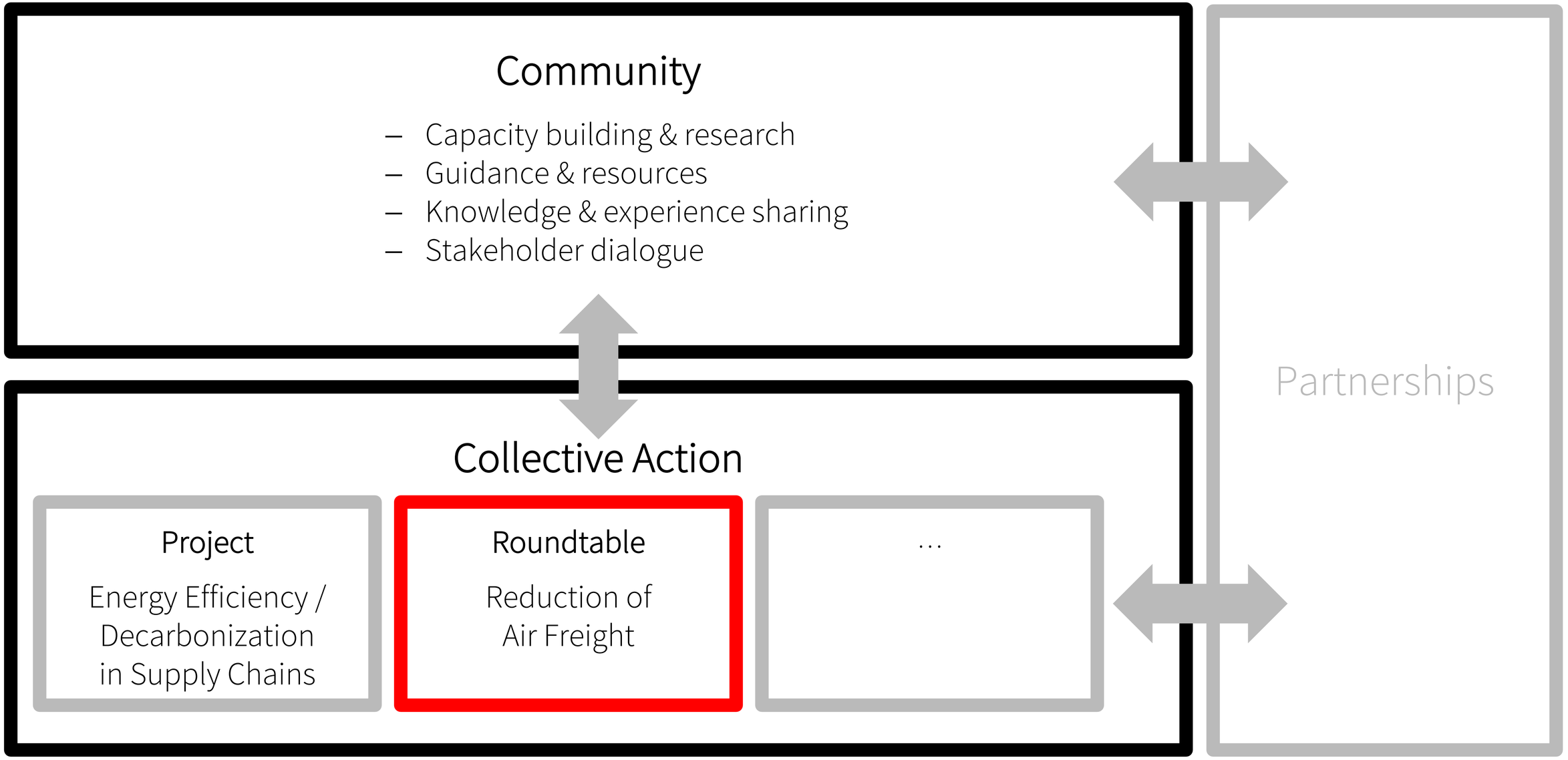

# Air Freight Reduction Roundtable - Overview

What

- Discuss main reasons for air freight and identify possible solutions / mitigation measures.
- Share findings with wider membership.

How

- Small group of brands and retailers – regular (online) meetings (approx. 3-4 times / year).

Comments

- Close alignment with the SAC, STICA and UNFCCC Transportation and Logistics Roundtables/Working Groups (Peter).
- Close alignment with the EOG Outdoor Retail division.
- Potential inclusion into the discussion around moving the industry ordering seasons to align with the natural seasons.

# Third Party Initiatives

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# The Swedish Textile Initiative for Climate Action STICA

## Purpose

STICA's aim is to support the Nordic apparel and textile industry to reduce its climate impact in line with a 1,5 C warming pathway, while strengthening its global competitiveness. Ultimately, STICA wants to ensure the Nordic region does more than its share by becoming the first climate positive apparel and textiles industry in the world well before 2050.

## Workstreams

- Action Learning Network
- Industry Roadmap & Action Plan

## Working Groups

Data, Calculation & Reporting; Efficiency & Renewable Energy; Material Supplier Database; Reducing User Phase Impacts; Transport; Business Model Innovation; Policy Working Group

## Membership Requirements

1. Measurement According to Science Based Targets
2. Annual Reporting on Progress – Scopes 1, 2 and 3
3. Public Commitments
4. Implementation via Working Groups
5. Support Collective Action

## Cost

Yes, get in touch.

NORRØNA FJÄLL RÄVEN PeakPerformance HAGLÖFS

# OIA Climate Action Corps

## Purpose

The Climate Action Corps is a collaborative model for alignment, action and accountability to achieve industry-wide greenhouse gas (GHG) emission reductions in accordance with Intergovernmental Panel on Climate Change (IPCC) guidelines. The Climate Action Corps will support brands, retailers, manufacturers or suppliers to take a real, immediate, proactive and individualized approach to shrinking their own footprint, and it will signal the company's commitment to doing business better.

## Content

- Guidance
- Trainings
- Tools
- Community
- Impact Colab Projects

## Membership Requirements

1. Measure – Calculate your entire carbon footprint (Scope 1-3)
2. Plan – Set ambitious GHG reduction target and build a company-specific plan
3. Reduce – Take immediate and ongoing action to drive down carbon emissions
4. Share – Let the world know you are part of the climate solution

## Cost

Yes, get in touch.

# Next Steps

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# Next Steps

**After the Webinar:** Presentation and registration form for the different initiatives shared: **Sign Up!**

**Beginning of September:** Launch of community.

**Mid September:** Kick-off of the supply chain project.

**Questions / comments / suggestions:** Get in touch.

**Interested in third-party initiative:** Get in Touch.

Next webinars:

- Monday 6th July (14:00 BST / 15:00 CEST): Outdoor Industry Climate Strategy
- Monday 13th July (14:00 BST / 15:00 CEST): Lifetime of Outdoor Apparel, Footwear & Gear

Contact:

**Katy:** katy.stevens@europeanoutdoorgroup.com // +49 (0) 176 2433 5757

**Peter:** peter.hollenstein@europeanoutdoorgroup.com // +41 (0) 78 852 00 62

# Questions

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