



EUROPEAN
OUTDOOR
GROUP

Outdoor Retailer Climate Commitment

2021 Annual Report

Introduction

What is the ORCC

Experiencing the outdoors is all about connecting with an intact and vibrant nature. Climate change endangers this on a global scale. We believe that the outdoor industry has a special responsibility to lead the way on climate protection and to make sure that the products we sell do no harm to people and the planet. Making sure a demand for our products still exists in the future is also crucial to our survival.

This puts the spotlight on us: the outdoor retailers. Within the industry, we hold an important position between consumers, brands and employees. Every year, millions of consumers trust our advice, product selection and service. They expect more action and guidance on climate protection. Our employees demand that we take a stand; they want answers and action, and our suppliers expect feedback and guidance. Therefore, we feel it is time for us to step up our game on climate protection and do more both individually and collectively. We need to act decisively, quickly and as an industry to reduce our whole carbon footprint.

The largest contribution to the footprint comes from product manufacturing. Many brands are already leading the way in decarbonising production. However, we as retailers recognise our own emission contribution and the duty to reduce them. Furthermore, we are conduits between brands and customers and believe our actions have the power to influence, mobilise and create a sense of strategic urgency to act throughout the industry.

We believe that outdoor retailers should be at the forefront of this. Therefore, this group of outdoor retailers commit to climate protection and make our climate action public with the “Outdoor Retailer Climate Commitment” (ORCC).

Our 2022 goals

- Share knowledge and best practices to accelerate decarbonization across our retailer community
- Create transparency and accountability to ensure targets are met
- Drive the industry climate conversation and create urgency to act

Annual report

This report is an overview of the progress made by our members during 2021. All ORCC members are required to complete a comprehensive survey, covering issues related to corporate carbon footprints, climate strategies, measured data and proposed targets, and this data forms the basis of this report.

Members

We are a voluntary network of retailers in the European outdoor products industry who believe that climate change is one of the most important challenges of our society and that the outdoor sector needs to lead the way in climate protection.



ORCC

Outdoor Retailer
Climate Commitment

RESULT OVERVIEW

ORCC Annual Report 2021

HOMEWORK DONE.

Out of the 10 retailers that committed themselves 7 now have created a Corporate Carbon Footprint.

Most of them since 2019!



6 have concrete action plans in place to reduce their Company Carbon Footprint

6 are working with the Science Based Targets framework, which involves drastic reductions in Scope 1&2 as well as 3

GOALS UNDERWAY!

MEASURABLE REDUCTIONS ACHIEVED!

Of the 7 retailers with data back to 2019, Carbon emissions were already reduced by **45%** in Scope 1 & 2!

DIRECT COMPARISON REMAINS

Comparability of footprints is difficult, particularly in Scope 3, underlining the need for a more aligned approach.

difficult.

SCOPE 3 REDUCTION LEVERS CLEAR

Nevertheless, areas for action in scope 3 are clear and include:

- Improve Scope 3 data measurement and recording
- Analysis and optimization of transport and logistics
- Sourcing of low impact packaging
- Addressing employee commuting
- Measurement waste generation at warehouses
- Supporting suppliers to set Science Based Targets

VENDOR ENGAGEMENT IS KEY

2 have already created vendor engagement goals

4 are about to create some

FOR RETAILERS

Of those retailers with engagement goals, the aim is ambitious:

RAISING THE BAR FOR THE INDUSTRY BY 2026

They aim that, **75%-80%** of its suppliers (by spend covering purchased goods and services, downstream transportation and distribution) **will have science-based targets by 2026.**

While every retailer has its own approach to achieve the goals, the overall direction seems clear and will require significant efforts and immediate actions by all players in the Outdoor industry!

THE INDUSTRY NEEDS TO ACT

now!

Results in a Nutshell

The basis of an effective climate protection strategy is a meaningful database. This is the only way to identify important levers and implement effective measures. Therefore, we asked the retailers whether, and since when, they measure their corporate carbon footprint. For maximum transparency, we asked about the direct (Scope 1 and 2) and indirect emissions (Scope 3).

Results regarding Scope 1 & 2

The figures show that 7 out of 10 retailers have already measured their Scope 1 and 2 emissions and thus created the basis for effective climate protection.

	Company	Emissions in CO ₂ t p/a						Reduction since 2019 (compared to 2021, Scope 1 & 2 only)	
		Scope 1 2019	Scope 2 2019	Total 2019	Scope 1 2021	Scope 2 2021	Total 2021	CO ₂ t*	CO ₂ t%
1	Bergfreunde GmbH	136	26	162	2	0	2	-160	-98,64%
2	Engelhorn KGaA	2351	2351	4703	1131	1131	2263	-2440	-51,88%
3	Yonderland	2490	3444	5934	1655	2093	3748	-2186	-36,84%
4	Bergzeit GmbH	229	14	243	174	10	184	-59	-24,27%
5	Conrad GmbH	136	156	292	164	208	372	81	27,70%
6	Internetstores Holding GmbH	-	-	-	719	959	1678	-	-
7	Sportler AG	1030	120	1150	-	-	-	-	-
8	Sporthaus Schuster GmbH	14	307	320	-	-	-	-	-
9	Ellis Brigham Mountain Sports Ltd.	-	-	-	-	-	-	-	-
10	SportPursuit Ltd.	-	-	-	-	-	-	-	-

*CO₂ = CO₂ and equivalents, metric tonnes

Moreover, the figures show that a significant reduction of the direct emissions could be realized. According to the retailers, the most successful measures were/are:

Typical measurements in Scope 1 & 2

Optimise energy & supply	<ul style="list-style-type: none"> – Use of biogas – Use of / invest in photovoltaic/ solar systems – Use of green/ renewable electricity – Use of LED – Implementation of energy control systems & energy efficiency measures – Evaluate alternative heating concept in logistics
Optimise transportation	<ul style="list-style-type: none"> – Electrified car fleet – Reduction of shipping documents

Results regarding Scope 3

Of course, a complete corporate carbon footprint also includes Scope 3 emissions. Measuring this is often a challenge for retailers due to the availability of data. Nevertheless, 7 out of 10 retailers have already calculated their scope 3 emissions.

	Company	Scope 3 emissions measured?
1	Bergfreunde GmbH	Yes
2	Engelhorn KGaA	Yes
3	Yonderland	Yes
4	Bergzeit GmbH	Yes
5	Conrad GmbH	Yes
6	Internetstores Holding GmbH	Yes
7	Sportler AG	Yes
8	Sporthaus Schuster GmbH	-
9	Ellis Brigham Mountain Sports Ltd.	-
10	SportPursuit Ltd.	-

Scope 3 direct comparison remains difficult: Although data was gathered relating to Scope 3 emissions for each category, the spread of the data provided rendered any calculated averages unrepresentative. Comparability of footprints is therefore difficult, particularly in Scope 3, underlining the need for a more aligned approach.

Although the measurement of Scope 3 emissions is still a challenge, retailers work on implementing effective reduction measures.

Scope 3 – Overview of reduction actions and measures

Supplier responsibility & support	<ul style="list-style-type: none"> – Evaluation of the status quo via survey – Review suppliers: make them more accountable – Support of suppliers that are already committed to sustainability – Collaborate with other retailers: get brands to provide CO₂ data and set their own climate targets – Collaborate with resellers and vintage labels to avoid waste – Setup of a consistent supplier management for greater supply chain transparency
Company strategy & employees	<ul style="list-style-type: none"> – Finalising corporate reduction goals and seeking SBTi approval – Improve recording of Scope 3 emissions – Reduce employee travel emissions (e.g., video calls, work from home, bike incentives, carpools, subsidies for public transport use, ...) – Promotion of (more) climate friendly ways to get to work – Less meat and more regional/seasonal food in canteen – Usage of a business travel platform to calculate CO₂ emissions of staff travel
Logistics, packaging & products	<ul style="list-style-type: none"> – Improving relationships with third-party logistics partners: improve the quality and accuracy of delivery and return emissions calculations – Widening scope of corporate carbon footprints to include energy consumption and waste generated in any warehouses operated – Packaging optimisation: recycled content, lower environmental impact packaging – Measure the product carbon footprint – Align our product range via sustainable products – Reparation of clothing or hardware
Optimise software & data	<ul style="list-style-type: none"> – Usage of Artificial Intelligence to reduce the online returns – Improve data quality, accuracy – Reduction of shipping documents

Climate Goals and Reduction Framework

Within the Outdoor Retailer Climate Commitment, all participants commit themselves to act decisively to contribute to the achievement of the Paris Goals to limit earth warming to 1.5° and reduce emission to achieve these goals. The results of our survey give an overview which retailers already have, or are about to, set goals.

	Company	Climate goals set?		Engagement goals		
		Climate goals set	Framework used/planned	Vendor engagement targets?	Reduction goal	Reduction mechanism
1	Bergfreunde GmbH	Yes	Science Based Targets	Yes	75%	Share of revenues 2026
2	Engelhorn KGaA	Yes	not yet	In progress	In progress	In progress
3	Yonderland	Yes	Science Based Targets	In progress	In progress	In progress
4	Bergzeit GmbH	Yes	Science Based Targets	Yes	80%	Share of revenues 2026
5	Conrad GmbH	Yes	Aligned to Science Based Targets	-	-	-
6	Internetstores Holding GmbH	-	Science Based Targets, planned	In progress	In progress	-
7	Sportler AG	-	Science Based Targets	In progress	In progress	-
8	Sporthaus Schuster GmbH	-	-	-	-	-
9	Ellis Brigham Mountain Sports Ltd.	-	-	-	-	-
10	SportPursuit Ltd.	-	-	-	-	-

Key Findings, Reduction Frameworks and Vendor Engagement

- **Goals underway:** 50% of members have concrete action plans in place to reduce their carbon footprint, and 40% are about to create one.
- **Science Based Targets as preferred framework:** 60% are working with the Science Based Targets framework which involves drastic reductions in Scope 1 & 2, as well as Scope 3
- **Vendor engagement is key to Scope 3 reductions!** Vendor engagement is key for retailer climate strategies, 3 have already created vendor engagement goals, 2 are about to create some and 5 plan to create some. Of those retailers with engagement goals, the aim is ambitious: By 2026, they aim for a share between 75-80 % of sales with products from vendors with their own ambitious carbon reduction goals.
- **What should vendors expect?** Over the next 12 months, most ORCC members will have formulated vendor engagement goals, with ambitious goals on vendors climate strategy. All ORCC members plan to send out comprehensive surveys to understand vendors' climate strategies. This data will serve as a foundation to manage vendors with regards to the vendor engagement goals.

Outlook and Hopes for the Outdoor Industry

“I believe that an industry like the outdoor must and should be leading the climate action.”

“I hope that we can create synergies between outdoor brands and retailers to efficiently reduce our impact. We should continue working together from the ORCC to focus on the most impactful areas for us, such as Scope 3 - Logistics or Purchased Goods & Services.”

- Internetstores GmbH

“More collaboration for more impact; brands to make their products better repairable.”

- Bergzeit GmbH

“We hope that the outdoor industry will join forces to compare products in detail throughout their life cycle in terms of their sustainability footprint (such as water/energy consumption, CO₂ emissions).”

- Sportler AG

“Working together with brands. Push brands to address their climate impact.”

- Yonderland

“Measures with broadest possible impact and participation of as many market participants as possible in sustainability initiatives, this also makes it easier for individual companies to implement initiatives.”

- Engelhorn KGaA

“An increase in raising awareness among brands on the topic of climate protection and the resulting impacts and issues it holds for the supply chain. We as retailers rely on brands for their innovative strength to remodel products and sustainable supply chains.”

“We want our fellow retailers to use synergy effects in the outdoor industry, tackle the major issues of the supply chain together, to join forces.”

- Bergfreunde GmbH

What's Next?

We plan to provide an annual update on our climate activities and are open to all feedback. All data in this report was provided by individual retailers. If you are a retailer and interested in joining the ORCC: Please don't hesitate and reach out:

verity.hardy@europeanoutdoorgroup.com

For more details on each retailer's sustainability programmes, please visit individual retailer sites. For more information, please visit our website: europeanoutdoorgroup.com/ORCC