

patagonia

2021 ANNUAL PROGRESS REPORT FOR

PATAGONIA



AS A MEMBER OF THE OIA CLIMATE ACTION CORPS, OUR COMPANY COMMITS TO

MEASURE our entire GHG footprint, PLAN by setting targets, REDUCE emissions over time and SHARE

progress publicly each year through this annual progress report.

WHAT IS THE OIA CLIMATE ACTION CORPS?

Climate Action Corps is the outdoor industry's collaborative model to lead on climate action to reduce industry-wide greenhouse gas (GHG) emissions in line with science. To learn more, visit **outdoorindustry.org/climateaction**.



MEASURE.

MEASUREMENT OF SCOPE 1 AND SCOPE 2 EMISSIONS:	
Comp	leted
☐ In Pro	gress
☐ Initial I	Estimate
☐ Not Ye	et Started
MEASU	REMENT OF SCOPE 3 EMISSIONS:
Comp	leted
☐ In Pro	gress
☐ Initial I	Estimate
	A Charden
☐ Not Ye	et Started
REGAR Were	DING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: verified by an independent party
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QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 1 AND SCOPE 2 EMISSIONS:

Complete	ompleted
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☐ In Progress

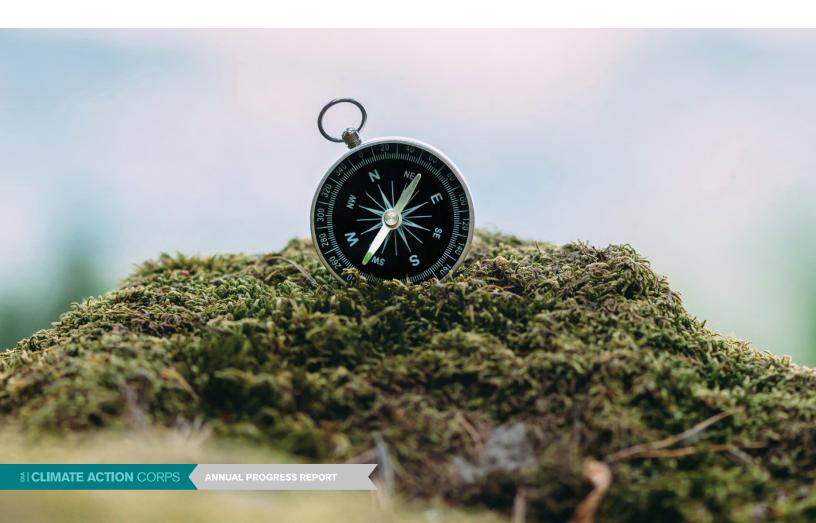
☐ Not Yet Started

QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 3 EMISSIONS:

Completed

☐ In Progress

☐ Not Yet Started



REDUCE.

R	EDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS:
	Completed and taking actions In Progress and building a strategy Not Yet Started
	EDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR .S. OWNED/OPERATED LOCATIONS:
	EDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR LOBALLY OWNED/OPERATED LOCATIONS:
	Sourcing 100% renewable electricity Sourcing some renewable electricity Not sourcing any renewable electricity Not applicable — do not own/operate locations outside the U.S.
	EGARDING OUR REDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS, WE RE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS:
	, , , , , , , , , , , , , , , , , , ,

REDUCE.

REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS:
 ■ Completed and taking actions □ In Progress and building a strategy □ Not Yet Started REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS:
 Engaged with our suppliers about energy efficiency Engaged with our suppliers about renewable energy Engaged with our suppliers about cleaner thermal processes (e.g. electrification, biomass) Engaged with our suppliers about measuring their GHG emissions Changed our company's products and materials to alternatives with lower-GHG footprint Designed our products to be more energy efficient during use Implemented company policies to reduce impacts of business travel Reduced impacts of upstream distribution (transportation modes, logistics, packing density) Reduced impacts of downstream distribution (transportation modes, logistics, packing density) None (we have not taken actions yet) Other: (please specify)
REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS ON LOW-CARBON MATERIALS (MEASURED IN TOTAL MATERIALS VOLUME BY SPEND):
 ■ Commitment to source low-carbon materials for more than 50% of total materials □ Commitment to source low-carbon materials for less than 50% of total materials □ No commitment to source low-carbon materials □ Does not apply □ Did not disclose

REDUCE.

REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE ENGAGING TIER 1 AND TIER 2 SUPPLIERS TO MEASURE FACILITY-LEVEL GHG EMISSIONS, SET

ARGETS, AND/OR BUI					
	0%	1-25%	26-50%	51-75%	76-100%
Tier 1 Suppliers					
Tier 2 Suppliers					
Does not apply					
Did not disclose					
REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE ENGAGING TIER 1 AND TIER 2 SUPPLIERS TO IMPLEMENT DECARBONIZATION ACTIONS (E.G., ENERGY EFFICIENCY IMPROVEMENTS, RENEWABLE ENERGY):					
	0%	1-25%	26-50%	51-75%	76-100%
Tier 1 Suppliers					
Tier 2 Suppliers					
Does not apply					
Did not disclose					
EGARDING OUR REDU AKING (OR HAVE TAKI	JCTION STRA	TEGY FOR SC	OPE 3 EMISSI	ONS, WE AR UPLE BUSIN	E ESS
ROWTH FROM RESOL	JRCE CONSU	MPTION AND	EMISSIONS:		
Designing products for repai	r-ability and offerir	ng repair services			
Buying back used products aOffering product leasing/ren	•	l			
None (we have not taken act	0. 0				
Other (please specify)					
Use environmentally preferre		ke our products, imp	olementing an Envi	ronmental Profit a	and Loss
(EP&L) score to evaluate the	e impact of our pro	ducts.			

REMOVE.

REGARDING CARBON (CLIMATE) NEUTRALITY, OUR COMPANY:

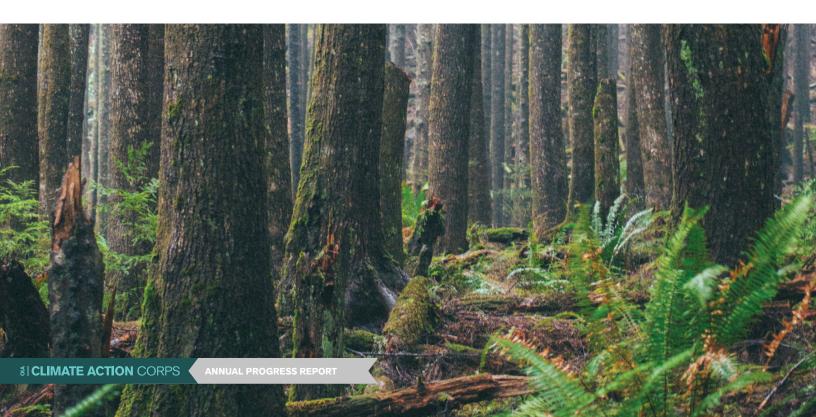
Purchases carbon offsets to achieve carbon (climate) neutrality for scope 1 and scope 2
Purchases carbon offsets to achieve carbon (climate) neutrality for scope 3
Directly invests in carbon removal or sequestration
Is Climate Neutral Certified

Other

We have decided to focus our investments in decarbonizing our supply chain rather than offsetting our footprint to be carbon neutral. As part of our SBT 2040 Net Zero commitment we will invest in carbon removals to address the remaining residual emissions we cannot reduce aligned with SBTi guidance.

REGARDING NATURE-BASED CARBON REMOVALS FOR REMAINING GREENHOUSE GAS EMISSIONS, OUR COMPANY:

- Has a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining GHG emissions
- ☐ Is planning to make a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining GHG emissions
- Has not yet considered a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining GHG emissions



ADVOCATE + ENGAGE.

ADVOCACY ACTIONS WE HAVE TAKEN:

- Endorsed a climate solutions campaign or sign-on letter
- Corresponded directly with U.S. Congress and administration officials
- Participated in a government meeting (e.g. OIA's virtual D.C. fly-in events)
- Provided customers with opportunities to advocate
- ☐ No advocacy actions taken yet
- ☐ Other

ENGAGEMENT ACTIONS WE HAVE TAKEN:

- Empowered consumers to take action on climate
- Recognized and rewarded climate leading actions with our vendors
- ☐ No engagement actions taken yet
- Other



SHARE.

REGARDING PUBLIC DISCLOSURE, OUR COMPANY HAS MADE THE FOLLOWING **PUBLICLY AVAILABLE (OPTIONAL):**

Company GHG measurement

- Company reduction targets
- Company reduction strategy
- ☐ Company progress against targets
- ☐ Company quantified reduction achievements

LINKS TO PUBLICLY AVAILABLE INFORMATION (OPTIONAL):

https://www.patagonia.com/climate-goals/ https://sciencebasedtargets.org/companies-taking-action

OUR COMPANY'S MOST RECENT QUANTIFIED GHG MEASUREMENT (FOOTPRINT, IN tCO2e) (OPTIONAL):

Scope 1 emissions: 1,085

Scope 2 emissions: 2,607

Scope 3 emissions: 98,966

THE REPORTING YEAR FOR OUR COMPANY'S MOST RECENT GHG **MEASUREMENT (OPTIONAL):**

FROM

Date

05/01/2020

TO

Date

04/30/2021



OUR COMPANY'S QUANTITATIVE GHG REDUCTION TARGETS ARE (OPTIONAL):

Patagonia has committed to a Science Based Target through SBTi. The company has committed to reduce absolute scope 1, 2, and 3 GHG emissions by 55% from a fiscal year (FY) 2017 base year. Patagonia commits to reduce absolute emissions from all scopes GHG emissions by 90% by 2040 from a FY17 base year, in line with SBTi's Net Zero guidance

OUR COMPANY CAN DEMONSTRATE MEASURABLE REDUCTIONS IN EMISSIONS OVER A SPECIFIED TIME PERIOD:

	Yes Not yet	If yes, please describe the amount reduced and time period.
		We did see a reduction between FY20 and FY21, which was driven by producing less. It was a pretty significant decrease, from 224K to 102K tCO2e.

OUR COMPANY'S DESCRIPTION OF ADDITIONAL QUANTIFIED GHG REDUCTION ACHIEVEMENTS (OPTIONAL):

We have experienced \sim 15% reduction in emissions by developing and adopting Preferred Materials across our product line.

ADDITIONAL DETAILS ABOUT OUR COMPANY'S EFFORTS TO ADDRESS CLIMATE CHANGE (OPTIONAL):

Patagonia is a signatory to a 2040 ambition statement facilitated by the Aspen Institutes Cargo Owners for Zero Emissions Vessels (coZEV), which is a first of its kind target to progressively switch all of our ocean freight to vessels powered by zero-carbon fuels by 2040.

TO ACCESS ALL CLIMATE ACTION CORPS MEMBERS' INDIVIDUAL REPORTS AND OUR COLLECTIVE IMPACT REPORT, PLEASE VISIT: OUTDOORINDUSTRY.ORG/CLIMATEACTION