

OIA

# CLIMATE ACTION CORPS



2021 ANNUAL PROGRESS REPORT FOR

REI



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](https://outdoorindustry.org/climateaction).

**OUTDOOR  
INDUSTRY**  
ASSOCIATION

# MEASURE.

## MEASUREMENT OF SCOPE 1 AND SCOPE 2 EMISSIONS:

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- ☒ Completed
- ☐ In Progress
- ☐ Initial Estimate
- ☐ Not Yet Started

## MEASUREMENT OF SCOPE 3 EMISSIONS:

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- ☒ Completed
- ☐ In Progress
- ☐ Initial Estimate
- ☐ Not Yet Started

## REGARDING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT:

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- ☒ Were verified by an independent party
- ☐ Will be verified by an independent party
- ☐ Are considering verification
- ☐ Are not considering verification

## THIS GHG FOOTPRINT WAS CALCULATED USING AN INTERNATIONALLY RECOGNIZED GHG ACCOUNTING STANDARD:

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- ☒ Yes 

WRI GHG Protocol
- ☐ No



## QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 1 AND SCOPE 2 EMISSIONS:

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- ☒ Completed
- ☐ In Progress
- ☐ Not Yet Started

## QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 3 EMISSIONS:

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- ☒ Completed
- ☐ In Progress
- ☐ Not Yet Started





# REDUCE.

## REDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS:

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- ☒ Completed and taking actions
- ☐ In Progress and building a strategy
- ☐ Not Yet Started

## REDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR U.S. OWNED/OPERATED LOCATIONS:

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- ☒ Sourcing 100% renewable electricity
- ☐ Sourcing some renewable electricity
- ☐ Not sourcing any renewable electricity
- ☐ Not applicable — do not own/operate locations in the U.S.

## REDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR GLOBALLY OWNED/OPERATED LOCATIONS:

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- ☒ Sourcing 100% renewable electricity
- ☐ Sourcing some renewable electricity
- ☐ Not sourcing any renewable electricity
- ☐ Not applicable — do not own/operate locations outside the U.S.

## REGARDING OUR REDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS:

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- ☒ Improved energy efficiency at our owned/operated facilities
- ☒ Produced or procured renewable electricity (and/or renewable energy credits) for our owned/operated facilities
- ☐ Reduced fuel consumption of company-owned vehicles by choosing electric vehicles or other alternatives
- ☐ Reduced onsite use of fuels through electrification or other energy sources for our owned/operated facilities
- ☐ Procured renewable fuels (e.g. biogas) for onsite use at our owned/operated facilities
- ☐ Adopted the use of refrigerants with low Global Warming Potential (GWP) at our owned/operated facilities
- ☐ None (we have not taken actions yet)
- ☐ Other: (please specify)

# REDUCE.

## REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS:

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- ☒ 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:

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- ☒ 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)

REI's Zero Waste operational goal also reduces GHG emissions from waste generated in operations. We have eliminated excessive, individual polybags for the vast majority of CB apparel items. We procure FSC certified and/or recycled paper hangtags/secondary packaging for CB products. We have rolled out individual polybag reduction engagement across external apparel brands. We instituted plastic film recycling (both REI's generated waste and those from external brands) across our operations.

## 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):

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- ☒ 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 TARGETS, AND/OR BUILD ACTION PLANS:

	0%	1-25%	26-50%	51-75%	76-100%
Tier 1 Suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tier 2 Suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Does not apply					
<input type="checkbox"/> 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	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tier 2 Suppliers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Does not apply					
<input type="checkbox"/> Did not disclose					

## REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS TO DECOUPLE BUSINESS GROWTH FROM RESOURCE CONSUMPTION AND EMISSIONS:

- ☒ Designing products for repair-ability and offering repair services
- ☒ Buying back used products and re-selling them
- ☒ Offering product leasing/renting programs
- ☐ None (we have not taken actions yet)
- ☒ Other (please specify)

We continue to grow our used gear business by adding online and trade-in to our Re/Supply business. We are providing guidance to customers on how to care for products and prolong the product's useful life. We are designing products to high standards of durability. We are refining the warranty that supports the products we sell. Lastly, we are investing in lines of business that carry a lighter environmental footprint, such as product subscriptions. As a retailer, we also engaged all of our external brand partners with an expectation to set climate targets.

# 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

REI is Climate Neutral Certified for REI Brand

## 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:

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- ☒ 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:

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





## 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):

[www.rei.com/stewardship](http://www.rei.com/stewardship)

## OUR COMPANY'S MOST RECENT QUANTIFIED GHG MEASUREMENT (FOOTPRINT, IN tCO<sub>2</sub>e) (OPTIONAL):

Scope 1 emissions:  
4663 mtons CO<sub>2</sub>eq

Scope 2 emissions:  
26201 (Location Based)

Scope 3 emissions:  
1323748

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

**FROM**  
Date

01/01/2021

**TO**  
Date

12/31/2021

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

By 2030, our goal is to reduce our greenhouse gas emissions across Scopes 1, 2, and 3 by 55% on an absolute basis from a 2019 baseline while continuing to grow our business.

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

☒ Yes If yes, please describe the amount reduced and time period.

☐ Not yet

Our 2021 emissions were 1.6% less than those in 2019, the baseline year for our carbon reduction target. However, the emissions were an increase of 16.4% from our 2020 emissions, which were abnormally low due to the pandemic.

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

In 2021, which was our most successful year as a business to-date, our total footprint was 1.35 million metric tons of CO<sub>2</sub>eq. This represents a 2% decrease in absolute emissions versus our baseline year of 2019, which we believe is a more representative year for business performance than 2020. Comparing 2021 to 2019, suppressed rates of REI Adventures Travel and customer trips to our retail locations counteracted increased emissions from product sales.

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

We have decreased our greenhouse gas emissions per dollar revenue (i.e., our enterprise emissions intensity) over the prior two years. Although we earned record revenue in 2021, our absolute emissions rivaled those of 2019 despite an additional \$600 million in revenue from 2019 to 2021. Part of this decoupling trend can be explained by our REI Co-op Brand products incorporating more recycled materials over this time period. Leveraging such tactics that reduce emissions from product manufacturing to continue and accelerate this trend of "decoupling" our revenue growth from emissions will be critical to successfully hitting our 2030 climate target and lessening the climate impacts of our business.

TO ACCESS ALL CLIMATE ACTION CORPS MEMBERS' INDIVIDUAL REPORTS AND OUR COLLECTIVE IMPACT REPORT, PLEASE VISIT: [OUTDOORINDUSTRY.ORG/CLIMATEACTION](https://outdoorindustry.org/climateaction)