The Swedish Textile Initiative
for Climate Action

2021 PROGRESS REPORT

GREENHOUSE GAS EMISSIONS REPORTED FOR YEAR 2019

February 2021
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A NEW STANDARD, A DECADE FOR ACTION

When it comes to climate, we are in a state of emergency. This means companies must respond quickly, adequately, and ambitiously, or they risk losing their moral and commercial licenses to operate. The Swedish Textile Initiative for Climate Action (STICA) was established to enable this rapid and ambitious response from the apparel industry and its stakeholders.

The companies presented in this progress report are setting a new standard for the apparel and textiles industry. In doing so they are demonstrating serious industry leadership and should be commended. They have committed to measuring and publicly reporting their greenhouse gas emissions on an annual basis according to robust standards. They have committed to time bound reduction targets. Now, in order to meet these targets, they will need to integrate climate action into everything they do, from business strategy, to supply chain management, to customer engagement.

This is no small task. As is the case in many industries, most of the greenhouse gases created by apparel brands and retailers are outside of their direct control. A significant amount of these greenhouse gas emissions result from fossil fuel-based energy used in their supply chains to process textile materials. This means member companies will need to work closely with their supply chain partners as well as with the political leaders in various countries to develop and implement clean energy solutions. Ultimately, if they have not started already, they will need to rethink their business models, moving from linear models to circular models, all powered by renewable energy. Their work has just begun.

In this progress report we summarize the first steps taken by STICA member companies regarding climate action and reporting, presenting their greenhouse gas emissions from their scopes 1 and 2 activities[1]. Next year company members will be required to present their greenhouse gas emissions for scopes 1, 2 and 3. They will also be asked to commit to targets aligned with what is required to stay within a 1.5°C pathway.

The fact that STICA member companies are taking leadership and committing to climate action is important. But make no mistake, there is only so much individual companies can do without progressive policy and financial incentives in place. We therefore call upon our political leaders and financial actors to work closely with us to design the incentives that will enable STICA member companies and the entire industry to meet the targets scientists tell us are required, to limit global warming to 1.5°C.

I want to thank the company representatives participating in STICA as well as our advisors for their efforts in advocating for ambitious climate action internally in their companies, and in the industry as a whole. A special thank you is warranted for our steering group and founding company members: Åsa Andersson and Peak Performance; Eva Kindgren de Boer, Sandra Roos and KappAhl; Felicia Reuterswaerd and H&M. Fredrika Klarén and Elin Larsson also deserve special recognition. Their on-going conviction and determination that we need to act now and ambitiously, along with their willingness to be accountable, is inspiring.

Michael Schragger, Initiative Director

[1]According to the Greenhouse Gas Protocol

CONTENTS

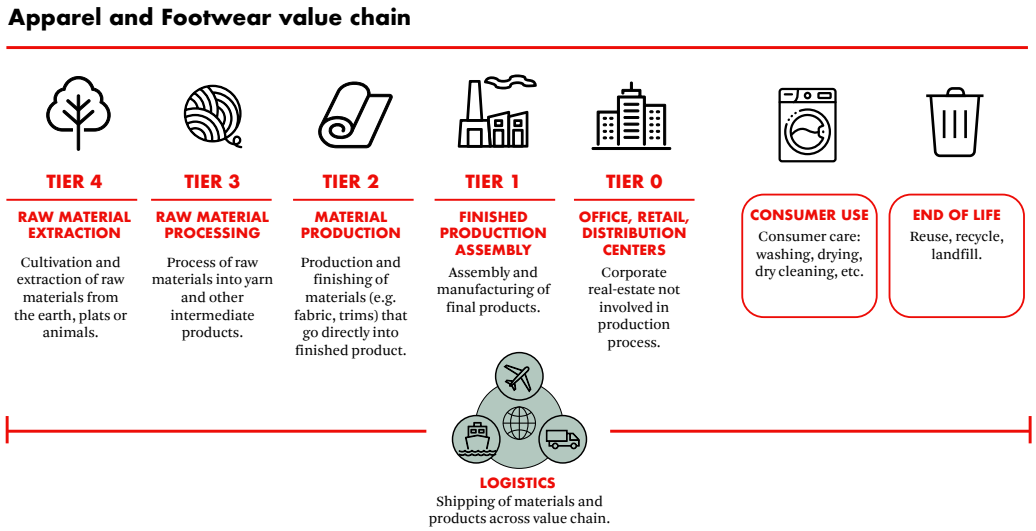
THE CLIMATE IMPACT OF APPAREL & TEXTILES

The Paris Agreement, a legally binding international treaty on climate change, was adopted by 196 countries at COP 21 in Paris, in 2015. These countries agreed to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels. In 2018 the IPCC stated in their special report "Global Warming Of 1.5°C" that global temperature rise of more than 1.5°C will likely result in severe consequences for people and the planet. In order to limit warming to no more than 1.5°C, scientists tell us we need to halve our emissions every decade.

The apparel and textile industries are responsible for a significant amount of greenhouse gas emissions. Recent studies estimate that the apparel industry accounts for approximately 3-7 per cent of the share of global emissions, ranging between 1.39 to 3.29 gigatons carbon dioxide emissions yearly, depending on what is included in the scope. Given the anticipated growth of the industry in emerging markets and our need to half emissions by 2030, it is crucial that the textile industry does its part and more.[2 3 4]

Studies from WRI[5], McKinsey[6] and Quantis[7] show that there is general agreement that the majority of the apparel industry's greenhouse gas emissions are generated in the value chain, especially during fiber and material production, yarn production, preparation of fabrics and dyeing, assembly and transportation within production. See Figure1:

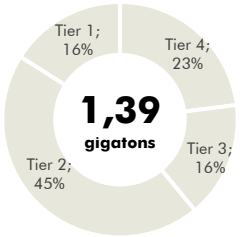
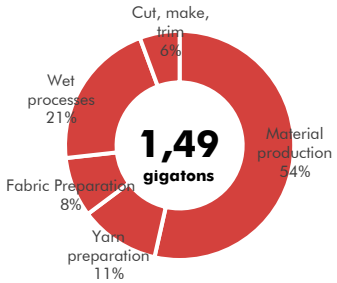
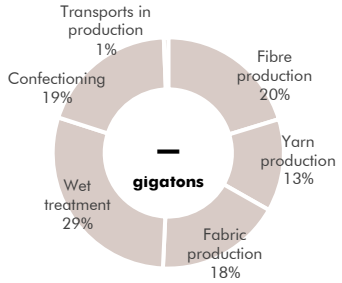
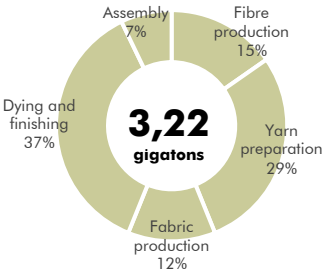
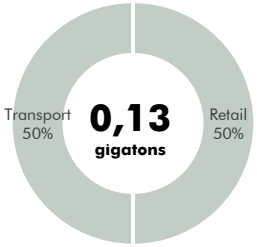
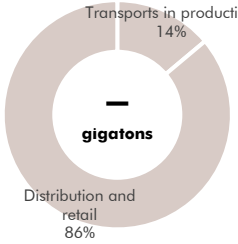
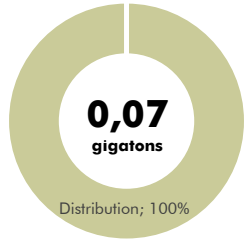
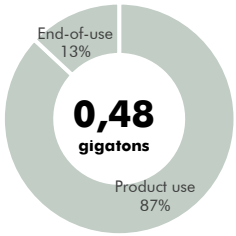
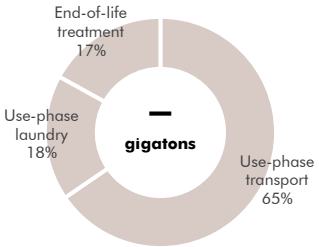
Figure 1. Apparel and footwear value chain. Sadowski, Yan and Adan, Apparel and Footwear Sector Science-Based Targets Guidance (2019).



2 WRI and Apparel Impact Institute, Roadmap to net zero (2020),
3 McKinsey & Co, Fashion on Climate (2020)
4 Quantis, Measuring fashion Insights from the Environmental Impact of the Global Apparel and Footwear Industries (2018)
5 WRI and Aii, Roadmap to net zero (2020)
6 McKinsey & Co, Fashion on Climate (2020)
7 Quantis, Measuring Fashion (2018)

Sweden is no different. In Sweden 80 per cent of the climate impact from clothing consumption originates from the fossil fuel energy used in the supply chain, tier 1-4 plus transportation. Additional emissions are generated during customer transport to and from the store, and during use and care. For brands and retailers, only a small percentage of emissions are generated by their own operations.

Figure 2. Summary of climate impact in the textiles and apparel industry. Sources: WRI and Apparel Impact Institute, Roadmap to net zero (2020), McKinsey & Co, Fashion on Climate (2020), Mistra Future Fashion, environmental assessment of Swedish clothing consumption - six garments, sustainable futures (2019), Quantis Measuring fashion (2018).

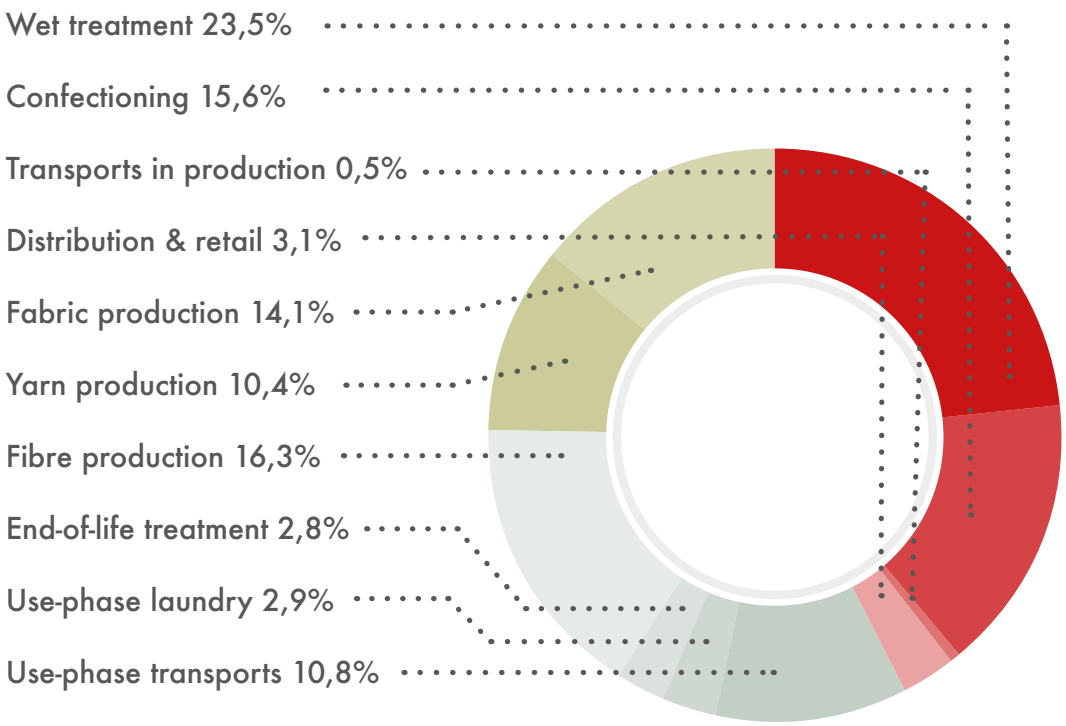
	Roadmap to Net Zero (WRI and Aii)	Fashion on Climate (McKinsey)	Environmental Assessment of Swedish Clothing Consumption[1] (Mistra future fashion)	Measuring Fashion (Quantis)
Upstream production				
Brand operations	Not evaluated			
Use and end–of–life	Not evaluated			Not evaluated

Given the fashion industry's current trajectory, emissions are projected to remain the same by 2030[8]. Given the anticipated growth of the industry in emerging markets and our need to halve global emissions by 2030, it is crucial that the textile industry does its part and more.

To halve emissions in upstream production by 2030, the industry will need to decarbonize material processing, production and garment production, as well as to minimize waste. But it will not be sufficient to only reduce emissions upstream. Companies will also need to take action to reduce overstock, decarbonize retail operations, and improve their material mixes. Emissions created during consumer use can also be addressed, by reducing washing and drying, increasing the use of circular business models, and increasing collection and recycling.

The global apparel industry and its stakeholders are becoming aware of the situation and have started to act. The Swedish Textile Initiative for Climate Action (STICA) was launched in 2019 to support the Nordic apparel and textile industry to meet the goals of the Paris Agreement. Under the auspices of UN Climate Change, companies and industry stakeholders also established the Fashion Industry Charter for Climate Action. Its vision is for the fashion industry to achieve net-zero emissions by 2050. Additional apparel and textile climate initiatives also continue to emerge around the world in response to the need for rapid action and reductions.

Figure 3. Climate impact in Swedish clothing consumption. Source: Sandin et. al. 2019. Mistra Future Fashion.



8 McKinsey & Co, Fashion on Climate (2020)

ABOUT STICA

Sweden and the Nordic region have a reputation for leadership in the areas of climate action and sustainable development. The long-term target for Sweden is net-zero greenhouse gas emissions by 2045, at the latest.

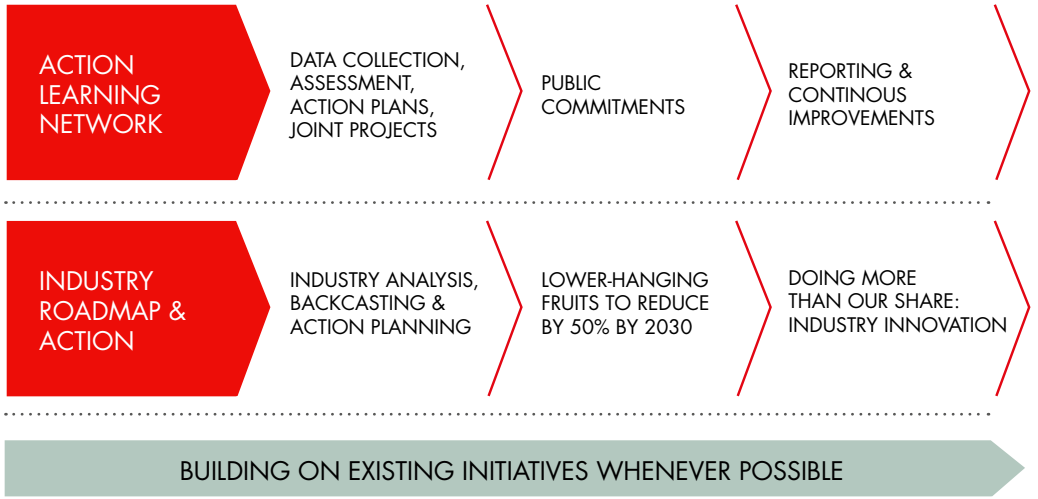
To contribute to achieving this goal, leading Swedish NGO Sustainable Fashion Academy (SFA), in collaboration with well recognized apparel and textile companies, launched The Swedish Textile Initiative for Climate Action (STICA). STICA's aim is to support apparel and textile companies, as well as the entire Nordic apparel and textile industry, to reduce its climate impacts in line with the 1.5°C pathway while strengthening its global competitiveness. Ultimately, STICA's aim is to ensure Sweden and the Nordic region do more than their share well before 2050. STICA believes this is the only way to avert a climate crisis.

STICA is organized into two work streams: 1) The Action Learning Network supports committed and ambitious companies in their journey to reduce their emissions in line with the 1.5°C pathway and transform their businesses. Companies participating in this network represent a broad range of segments and business models, from fashion and outdoor, workwear, and laundry and accessories; and 2) Industry Level Action, where the goal is to collaborate with key stakeholders to develop a roadmap and implement an action plan for ensuring the entire Nordic apparel and textile industry reduces its emissions and delivers solutions that enables the global industry to reduce its emissions.

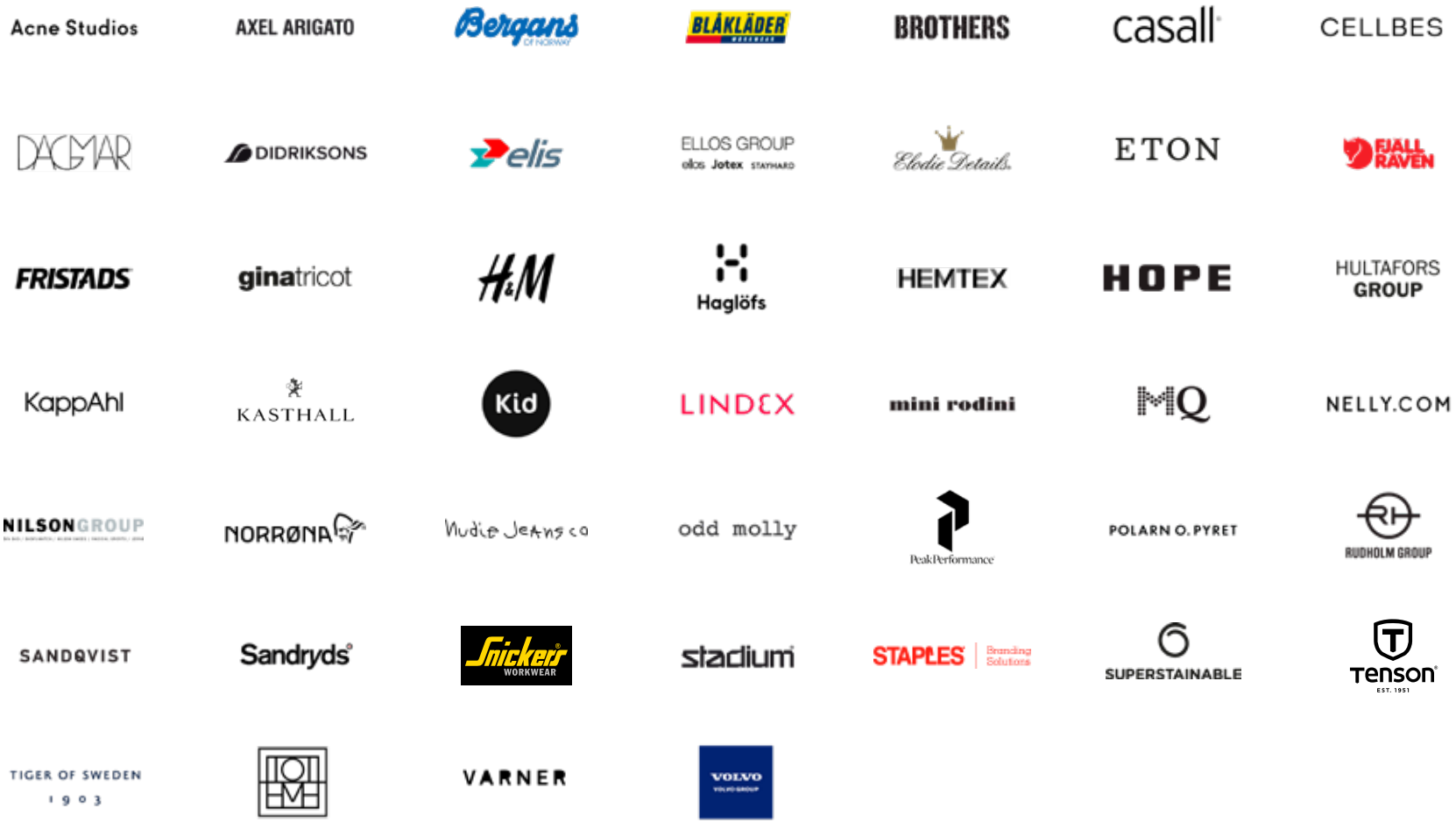
STICA was initiated and is led by The Sustainable Fashion Academy, whose mission is to accelerate progress toward science-based sustainability targets and the Global Sustainability Development Goals. SFA's role in STICA is to ensure independence, integrity, and progress.

For more information, please visit STICA's website.

WORKSTREAMS



MEMBER COMPANIES



MEMBER COMPANY REQUIREMENTS

TO ENSURE CREDIBILITY AND COMPARABILITY, STICA REQUIRES THAT COMPANY MEMBERS:

Set targets, measure, and report in accordance with STICA guidelines, which are informed by the Science Based Targets methodology. STICA provides guidelines for how to measure and report, as well as education and training. Company targets and methods do not need to be approved by the Science Based Targets initiative, although this is encouraged. Requirements include:

- Public targets for scopes 1, 2 and 3, no later than November 1, 2021.
- Targets in line with what it will take to limit warming to no more than 1.5°C, which in practice means absolute reductions, nearing or exceeding 50% by 2030, depending on the baseline year.
- If, by November 2021, a member company cannot commit to the targets and reductions required to stay within a 1.5°C pathway, the company must motivate why, and present a plan for what is needed to be able to do so by the following year. Any exceptions will be addressed on a case-by-case basis.

Report progress on an annual basis (scopes 1, 2 and 3 according to the Greenhouse Gas Protocol). Members need to report progress for all scopes. New members are permitted to wait one year before reporting.

Make their targets and commitments public. Companies and organizations should present their impacts and progress in their annual reports. STICA also publishes members' progress annually.

Share knowledge and insights with other companies and engage in joint projects where possible and practical. Company and organizational representatives are expected to participate in webinars and engage in working groups when relevant. This ensures the network is robust and that learning is shared effectively.

Support action at the industry level. Without changes at the industry level, there are limits to what a company can do to reduce its emissions and transform its business. By engaging at the industry level and by supporting STICA, companies also support structural change.

MEMBER'S REPORTING

The 2021 Progress Report contains member companies' reporting in scopes 1 and 2. The first table summarizes the emissions per member company, and the other graphs summarize aggregate or average data.

Please note:

- The member companies represented here are both large multinational, and small and medium-sized enterprises. Larger companies' actions can lead to larger overall emission reductions per tonne despite smaller percentual reductions.

- The figures below illustrate only emissions from scope 1 and 2, but for most of the STICA member companies, the majority of their emissions are generated in the value chain (scope 3). STICA's member companies will carry out scope 3 calculations in 2021.

- These figures do not give the full picture of each company's emission reductions and climate actions to date. Some member companies had had already made significant emission reductions in scopes 1 and 2 prior to joining the STICA network.

- Emission reduction targets differ and have been set by each member company.

Table 1. Company-level information outlining the size of the company and progress toward their target for the reporting year of 2019. Note that Volvo Merchandise, House of Dagmar and MQ Marqet were also members of STICA in 2020 but will not report until November 2021.

STICA company member	Net revenue [MSEK]	Base-year	Scope 1&2 GHG emissions in base-year [tonnes CO_2e]	Increase or decrease in scope 1&2 GHG emissions since base-year [tonnes CO_2e]	Increase or decrease in scope 1&2 GHG emissions since base-year [%]	GHG reduction target [%]	Target-year
Acne Studios	2 340	2018/2019	839	-88	-10%	-50%	2029/2030
Axel Arigato	200	2019	63	0	0%	-30%	2030
Bergans	526	2018	606	-312	-51%	-60%	2025
Blåkläder	1 404	2018	744	+36	+5%	-50%	2030
Brothers	364	2017/2018	247	-107	-43%	-50%	2030/2031
Casall	120	2018	83	-45	-54%	-75%	2025
Cellbes	671	2018	125	-14	-11%	-30%	2030
Didriksons	554	2018	336	-44	-13%	-50%	2025
Elis Textil Service	2 263	2018	12 297	+1047	+9%	-50%	2030
Ellos	2 700	2018	303	+107	+35%	-50%	2025
Elodie Details	82	2019	39	0	0%	-30%	2030
Eton	880	2018	543	-161	-30%	-50%	2030
Fjällräven	-	2019	1 120	0	0%	-40%	2025
Fristads	1 044	2018	607	-61	-10%	-50%	2030
Gina Tricot	2 000	2018	2 656	-238	-9%	-65%	2028
H&M	233 000	2017	63 690	-2228	-3%	-40%	2030
Haglöfs	732	2019	246	0	0%	-50%	2030
Hope	107	2018	81	-43	-53%	-80%	2025
KappAhl	4 901	2016/2017	17 263	-4549	-26%	-80%	2030
Kasthall	167	2019	96	0	0%	-30%	2030

STICA company member	Net revenue [MSEK]	Base-year	Scope 1&2 GHG emissions in base-year [tonnes CO_2e]	Increase or decrease in scope 1&2 GHG emissions since base-year [tonnes CO_2e]	Increase or decrease in scope 1&2 GHG emissions since base-year [%]	GHG reduction target [%]	Target-year
Kid	2 661	2019	1 847	0	0%	-30%	2030
Lindex	5 758	2017	14 421	-3240	-22%	-100%	2023
Mini Rodini	177	2018	40	+0	+0%	-50%	2030
Nelly	1 432	2018	233	-53	-23%	-100%	2023
Nilson Group	1 969	2018	2 002	+4	+0%	-50%	2030
Norröna	595	2018	69	-6	-9%	-60%	2025
Nudie Jeans	489	2018	486	-27	-6%	-51%	2030
Odd Molly	269	2018	110	-22	-20%	-50%	2025
Peak Performance	1 444	2019	747	0	0%	-50%	2030
Polarn o Pyret	656	2017/2018	180	-41	-23%	-30%	2030/2031
Rudholm HK	201	2019/2020	207	0	0%	-31%	2030/2031
Sandqvist	122	2019	24	0	0%	-30%	2030
Sandryds	148	2018	88	+3	+3%	-80%	2025
Snickers Workwear	1 255	2018	784	-37	-5%	-50%	2030
Stadium	5 991	2017/2018	7 831	-438	-6%	-85%	2025/2026
Staples	155	2019	36	0	0%	-50%	2025
Superstainable	3	2019/2020	1	0	0%	50%	2025/2026
Tenson	130	2019	165	0	0%	-30%	2025
Tiger of Sweden	865	2018/2019	397	-18	-5%	-50%	2025/2026
Totême	221	2019/2020	7	0	0%	-50%	2030/2031
Varner	10 720	2019	23 359	0	0%	-50%	2030

AGGREGATE DATA

Figure 4. All STICA members' greenhouse gas emissions calculations (averages) of scope 1 and 2, per source.

EMISSIONS BY SOURCE

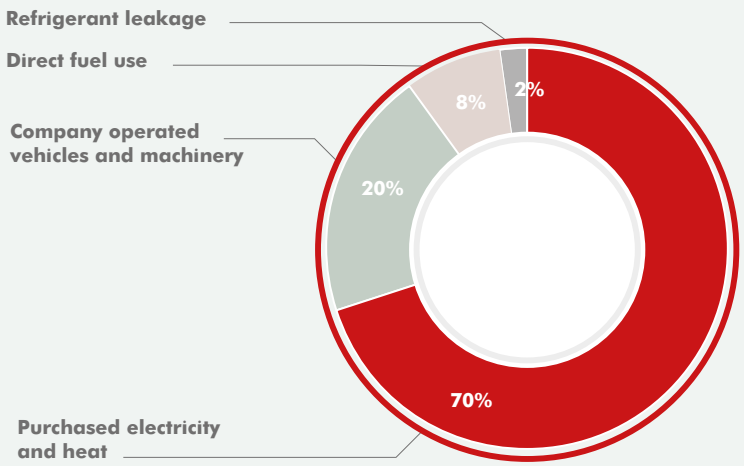


Table 2. The aggregated scope 1 and 2 greenhouse gas emissions from STICA members, presented per category and scope.

Category	Scope 1 [tonnes CO_2e]	Scope 2 [tonnes CO_2e]	Total [tonnes CO_2e]	Share of total [%]
Company operated vehicles	6 143	-	6 143	4%
- company operated cars	3 784	-	3 784	3%
- company operated transports	2 342	-	2 342	2%
- other company operated vehicles and machinery	16	-	16	0%
Refrigerant leakage	662	-	662	0,5%
Purchased electricity and heat	-	112 819	112 819	78%
Direct fuel use	24 818	-	24 818	17%
- fuel use for own heat or electricity production	24 816	-	24 816	17%
- production processes	2	-	2	0%
Total emissions	31 623	112 819	144 442	100%

Figure 5. Scope 1 and 2 greenhouse gas emissions per sold product for STICA members, presented from the smallest to the largest emissions per sold product. This illustrates how some companies sell larger volumes of clothing and some less. Most companies score below average, while only a few companies score above average. Climate action and changes in business model will decrease emissions per sold product. Companies in graph 3 have been anonymized, and companies that did not report number of sold products have been excluded.

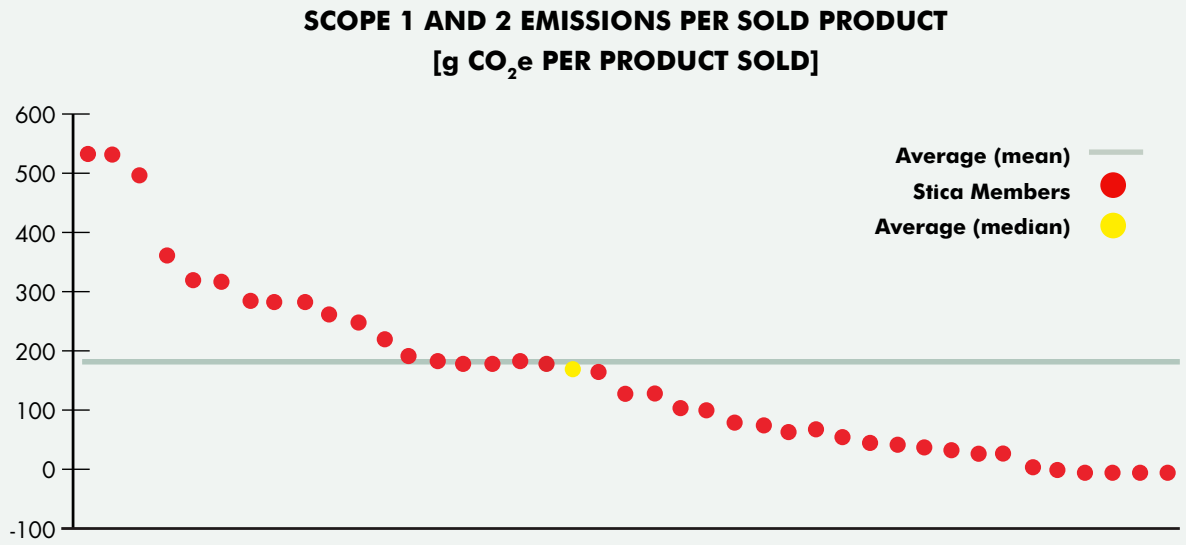
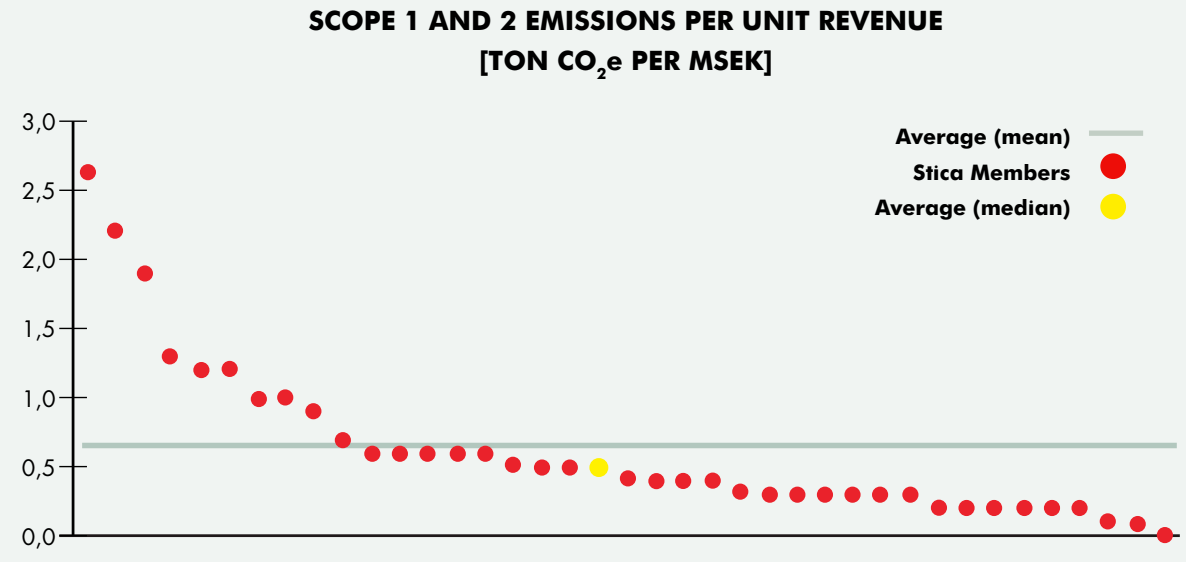


Figure 6. Scope 1 and 2 greenhouse gas emissions per net revenue for the STICA members (tonne CO2e per MSEK), sorted from the smallest to the largest GHG emissions per net revenue. This illustrates how some companies sell larger volumes of clothing and some less. Most companies score below average, while only a few companies score above average. Climate action and changes in business model will decrease emissions per unit sold. Companies in the graph have been anonymized, and companies that did not report number of sold products have been excluded.



OUR METHODOLOGY

STICA requires its members to follow the methodology and recommendations of the Greenhouse Gas Protocol standard when reporting greenhouse gas emissions to STICA. To ensure quality, robustness, and consistency of the reporting company, companies were required to follow the supporting documents describing the methodology of the Greenhous Gas Protocol, as well as outlining the reporting requirements from STICA, including guidance on emission factor sources and how to handle exclusions, assumptions and estimates made.

In the STICA reporting, greenhouse gas emissions in scope 1 and 2 have been divided into company operated vehicles and machinery, refrigerant leakage, direct fuel use, and purchased electricity and heat in company operated facilities. These categories were chosen to represent the operations of the companies, and to identify where the companies have the largest climate impact.

Regarding methodological choices in the Greenhouse Gas Protocol, STICA requires its members to use the operational control approach when reporting greenhouse gas emissions. The reasons for choosing the operational control approach, were two: Firstly, a company which rents and operates an asset should account for the emissions from the asset rather than the owner of it. Secondly, this approach is more relevant within the apparel and footwear sector. Furthermore, the results presented in this report are calculated using the market-based method.

Most member companies have calculated their climate impact in scope 1 and 2 over time, while others are new to climate reporting. Some companies have therefore chosen 2019 as their base year to measure their target achievements against and have not yet been able to compare their progress over time.

Read more about STICA's reporting guidelines here.

IF YOU DON'T MEASURE YOUR EMISSIONS, YOU CAN'T MANAGE THEM

The first step in decreasing emissions is mapping and measuring them. The Greenhouse Gas Protocol was established in the late 1990s and is the global standard for accounting and reporting emissions from private and public sector operations, value chains and climate actions. The standard is divided into three scopes:

DIRECT	INDIRECT	SUPPLEMENTAL
SCOPE 1	**SCOPE 2**	**SCOPE 3**
Direct GHG emissions occur from sources that are operated by the company.	GHG emissions from the generation of purchased energy by the company.	Indirect GHG emissions that occur in the value chain of the company.
Company operated cars and refrigerant leakage.	Electricity consumption and district heating for offices and stores.	Emissions for tranportations of goods, upstream production, business travel.

ANALYSIS AND CONCLUSIONS

During STICA's reporting year of 2019, all member companies have calculated their climate impact in scope 1 and 2 and have set targets to reduce their scope 1 and 2 footprint. Table 1 outlines the net revenue, emissions in the base year and in the current year, as well as details about the targets for each company. As some companies have non-calendar fiscal year, their figures include part of 2020's COVID-19 period, which in some cases affected their total footprint, due to adverse circumstances like temporary and permanent store closings, and reduced car travel.

For the 41 member companies reporting their emissions for 2019, the total climate impact in scope 1 and 2 was 144.000 tonnes CO_2e. Comparing this year's results to each company's base year emissions, there has been a decrease of about 11.000 tonnes CO_2e. The most significant sources of emissions for an average STICA company are purchased electricity and heat used in stores, offices, and other facilities (70%), followed by emissions from company operated vehicles and machinery (20%) and fuels used for own production of electricity and heat (8%), as seen in figure 4. However, the aggregated numbers seen in table 2 above, show that purchased electricity and heat make up the largest part (78%) of the total scope 1 and 2 emissions from the STICA members in 2019, followed by fuels used for own production of electricity and heat (17%). This means that the larger companies in STICA generate more emissions from fuels than from company operated cars.

The average STICA member has reduced its emissions by 14% since their base year, excluding those with base year 2019. The average emissions reduction target for scope 1 and 2 is about 50%, ranging from 30% to 100% with target years 2023 or 2030. Although the members have not yet achieved their targets, this would indicate that they are on the right path.

Six companies have increased their scope 1 and 2 emissions since their respective base year, for example due to increased use of energy in facilities and increased market share.

Some of the member companies in STICA have measured their climate impact over several years' time, while others are new to climate reporting. Naturally, some members have come further than others. Many companies have already managed to switch to renewable electricity and are transitioning to electric car fleets for a larger part of their operations, while others are measuring emissions for the first or second time.

The size and business models of member companies vary significantly, as shown in table 1. This means there are varying challenges of working with reduction measures. Differences in business models can also be seen in figure 5 and 6, which compares scope 1 and 2 greenhouse gas emissions per sold product and net revenue. The results are affected by the type of sold products (for example footwear, workwear), the organizational structure (for example retail, e-tail), as well as the type of electricity plans and car fuels being used in member companies'

The results and factors presented above allow us to draw the following conclusions:

- The average STICA member decreased their scope 1 and 2 emissions by 14% compared to their base year.
- STICA member companies have together decreased greenhouse gas emissions with 11.000 tonnes CO_2e since base years.
- The most significant source of emissions for an average STICA company is purchased electricity and heat, which indicates that many companies have the possibility to increase the proportion of electricity from renewable sources.

CEO PERSPECTIVE

BERGANS

JAN TORE JENSEN, CEO

Why is climate action so important to your company, and to the apparel and textile industry overall?

For Bergans, climate actions are essentially about preserving nature for future generations. This is about something bigger than ourselves. As a manufacturer of outdoor clothing and equipment, we believe that we have a special responsibility when nature now gives us signals that 'enough is enough'. Of course, it would be sad if the interest in outdoor activities diminished and sales figures dropped, but this becomes trivial when you consider the big consequences that will follow from global climate change. The rhythm of nature will be disturbed, and entire ecosystems will be destroyed. Animals, plants, and humans are at risk of losing the basic conditions they require for life, and the cultural heritage of both Norway and the world is under threat. This is the reason why Bergans' overall motivation and goal for the future is to Save The Seasons. This gives us an extra desire to go to work every day!

What is the most important industry development needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

We must refine our business model – and we have already started: to think more circular, offer repair, rental, subscription, and reuse services, hence reducing our dependency on a pure linear business model. That also applies to the materials we use, since we have a clear goal of increasing the share of recycled materials. A big task is using more renewable energy in the countries where we have production, but also implementing new dyeing and finishing techniques to lower the environmental footprint of the fabrics we use.

What is the most important policy measure needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

The conditions and regulations for setting up circular business models are not always perfect, so here we need incentives, to make all these pilots that are already running, economically viable. The further transition toward a bigger share of renewable energy globally needs courageous policy makers. Finally, governments need to start measuring and setting reduction targets on emissions from consumption.

CEO PERSPECTIVE

ELIS

SÖREN ROLAND, MANAGING DIRECTOR ELIS SWEDEN

Why is climate action so important to your company, and to the apparel and textile industry overall?

Climate change is the greatest challenge of our lifetime. The textile industry is part of the problem and must therefore also be a part of the solution. The effects of climate change will affect every life form on the planet, and only by taking responsibility and action, as a company and as an industry, will we achieve the UN Global Goals. It is not only fair, but also necessary that we behave responsibly.

What is the most important industry development needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

First of all, the textile industry as a whole still relies heavily on cotton and virgin polyester. The availability of more sustainable textile alternatives needs to ramp up. Secondly, the textile industry needs to close more material loops, most importantly through textile recycling. We are engaging in both areas, but we have yet to see large scale solutions that will transform the textile supply chain. We think that better collaboration across the supply chain is key to these challenges.

What is the most important policy measure needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

For us, a shift in focus from product to function from our customers allows us to make the most of our expertise and make more sustainable choices. Public procurement policy has the potential to leverage this development, if suppliers who provide the most climate effective solutions are rewarded accordingly.

CEO PERSPECTIVE

HULTAFORS GROUP

CAMILLA MONEFELDT KIRSTEIN,
DIRECTOR BUSINESS UNIT WORKWEAR

Why is climate action so important to your company, and to the apparel and textile industry overall?

Today's research tells us that we have little time to bend the curve of global warming. As a market leader in workwear that bases business related decisions on facts and research, it is natural that we feel responsible to drive the development in this area so that we, together with other companies, can develop our business and contribute toward a more sustainable textile industry.

Why do you participate in STICA?

At Snickers Workwear, we believe that by working together, the industry can achieve more and work faster than any individual brand or company can do on its own. Therefore, our membership in the Swedish Textile Initiative for Climate Action (STICA) is an integral part of our continuous work to contribute to a more sustainable textile industry. Solving the climate crisis is a joint challenge, and by working together we can make real change. The initiative has provided great support and given our company the necessary insights enabling us to tackle the climate decade in a structured and time-efficient way.

What is the most important policy measure needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

We know from various Life Cycle Assessments conducted on our garments, that the biggest opportunity for reducing our emissions lies in our supply chain. To achieve this, it is fundamental to have transparency, good supplier relationships, and work with responsible production facilities. The good news is that we are strong in all three of these areas. Also, the textile business is very energy intensive and we see that the single most important industry development would be the use of renewable energy solutions in our supply chain. With an international supply chain and lack of possibility to influence country specific power generation mixes, this of course poses a huge challenge – so industry development in this area would be very beneficial.

CEO PERSPECTIVE

STADIUM

KARL EKLÖF, CEO

Why is climate action so important to your company, and to the apparel and textile industry overall?

The textile industry has a major impact on the climate and with that we also have a great responsibility to minimize our climate footprint. We have set an ambitious strategic goal where we want to reduce our total climate footprint by 50% by 2030. Our other goal is to reduce the CO_2e in our own production by 50% by 2025 and to become climate neutral in our own business, i.e., what we as an organization can directly influence. These are tough ambitions, but we are sure that it is the right thing to do, so we have set the bar high and will focus on the goal.

Why do you participate in STICA?

Stadium alone cannot achieve the results we are striving for. It is together with the rest of the industry that we can make a difference. Collaboration is the key for reaching our targets.

CEO PERSPECTIVE

TIGER OF SWEDEN

LINDA DAURIZ, CEO

Why do you participate in STICA?

For us at Tiger of Sweden, the major benefit of joining STICA is the opportunity to collaborate with numerous brands and set joint standards and targets. This also includes setting targets with our partners in the supply chain. This allows us to speed up the process from both a brand and supplier perspective.

What is the most important industry development needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

There are many developments needed, primarily in the material sector. We need to be able to source closed-loop materials and combine this with the possibility of designing products for recycling. Secondly, we need processes and treatments within material and product development to be made with low emissions. Lastly, we need to develop efficient business models and methods for nudging our consumers toward a more responsible mindset and valuing the products we have in the value chain to the fullest.

What is the most important policy measure needed to enable your company to reduce your emissions in line with the 1.5ºC pathway?

The most important policy measure for the entire globe is to put a reasonable price on the tax for carbon emissions, carbon pricing must cover GHG emissions for all industries.

STICA'S AGENDA: 2021

DURING 2021 STICA WILL:

Carry out scope 3 calculations, set targets and report. In addition to scope 1 and 2, company members within STICA will calculate their scope 3 emissions and report on their impacts publicly and commit to public targets.

Embark on reduction activities. During 2021 member companies will continue to identify and implement emission reduction activities in all scopes. Companies will actively share their learnings and identify joint solutions through working groups focused on identifying better material suppliers, implementing energy efficiency and renewable energy, and reducing greenhouse gas impacts during the user phase.

Secure industry commitment. STICA will focus on securing the commitment by key industry organizations and stakeholders to support a science-based industry target in line with what is required to limit warming within 1.5°C. By 2030 this target should be at least 50%.

Develop a method to measure and track industry progress. STICA is working with partners to develop a method to accurately measure the total greenhouse gas emissions of the Swedish industry, track progress or lack thereof, and evaluate current and possible actions to reduce industry emissions.

Build a roadmap and action plan for reducing the Swedish industry's textile emissions by 50% by 2030. This roadmap will include key actions required, what is required by different stakeholders, including policy makers and financial institutions. It will also highlight how Sweden and the Nordic region can become global leaders, delivering solutions to reduce the emissions of the global apparel industry.

Over the years The Swedish Society for Nature Conservation has highlighted the major impacts that the textile industry has on the environment and our climate. During this time, we have seen the industry develop and increase its insight into the importance of acting to address these challenges. But if we are to reach the 1.5°C target, a faster adjustment of the industry's business models, and our consumption patterns is required. Both collaborations and political instruments are needed to strive toward reduced new consumption. To achieve this, the importance of collaboration is crucial, and we see STICA as a natural and important part of the continued work toward a more sustainable fashion industry.

Eva Eiderström, Director of the Department of Ecolabelling and Green Consumption, The Swedish Society for Nature Conservation

To tackle the climate emergency, we need to halve greenhouse gas emissions by 2030 and reach net zero by latest 2050 – according to the "Carbon Law". It is critical to mobilize the entire business sector in order to deliver on the 1.5°C ambition. To halve emissions before 2030, business need to switch to renewable energy, to low-carbon materials and logistics, and implement circular business models. STICA is a great example of an industry initiative driving climate action to deliver on these bold targets. STICA is also a contributor to the 1.5°C Business Playbook and a supporter of the SME Climate Hub, that helps small and medium sized businesses accelerate climate action.

Johan Falk,
Head of Exponential Roadmap Initiative

"The climate crisis is the toughest challenge facing humanity, a global shift is required. Our greatest hope is in democracy and awareness raising, as Greta Thunberg says. Initiatives such as STICA play a vital role in this, to drive development in the right direction through cooperation, collaboration and knowledge sharing."

Elin Larsson,
Program Director,
Re:source

We are all on the same planet and it is getting critical to transform our way of living and doing business – not even to save the planet, but to save ourselves. The more power you have, the bigger your responsibility is. The brands of the Scandinavian Outdoor Group are ready to take on that responsibility. We know what must be done: Align the emission reductions of the Paris agreement, to limit global warming to 1.5^{0}C . This is difficult work, so support, knowledge, and cooperation are essential for reaching the speed of change needed. That is exactly why the work of STICA is really valuable. Let 2021 be the first of many years where we up climate commitment and action.

David Ekelund, Board Chair,
Scandinavian Outdoor Group

We must overcome numerous challenges in our pursuit of a more sustainable textile and fashion industry. We, who are responsible for the governmental assignment Textile & Fashion 2030, face these challenges every day in partnership with our stakeholders. Climate change is one of the most urgent of these challenges. Through collaboration, and by working closely together with engaged companies, we can make a significant impact, not just in Sweden, but globally.

Susanne Nejderås,
Director of Smart Textiles and Platform Manager,
Textile & Fashion 2030

We need every person, company, and organization in the fashion industry to acknowledge that climate change is real and that our industry needs to change. All parts of the industry must be included in the journey toward a more sustainable consumption. We need to encourage each other through new circular and innovative business models. To be daring and being a visionary is today more important than ever. STICA has handled this complex issue by helping companies make an actual change.

Helena Waker, CEO,
Stockholm Fashion District

Climate impact concerns the whole fashion and textile industry, in Sweden and internationally, and we need to engage with the entire value chain as well as policy makers and financial organizations for a sustainable future in fashion. The STICA network offers that kind of collaborative platform.

Catarina Midby, Secretary General,
Swedish Fashion Association

The Swedish apparel industry is responsible for a significant amount of GHG emissions. At the same time, the Swedish industry is and should continue to be leaders in developing climate solutions – not only for themselves – but for the whole global apparel industry. Swedish companies are unique in their approach to transparency and collaboration, and this is an advantage. Although no vital change can be made by Sweden alone, we can lead and work jointly – thereby leveraging the influence we have.

Kajsa Guterstam, Textile,
Fashion and Sustainability,
The Swedish Institute

The fashion industry faces a complex and challenging situation. It is an important contributor of jobs worldwide and joy for every kind of consumer, and it must at the same time contribute to solving one of the greatest environmental challenges humanity faces – climate change. As the industry is likely to grow, due to an increase of the population and an improved standard of living, it is crucial that we focus on reducing the industry's most significant sources of greenhouse gas emissions. To achieve this, we need to engage with every part of the supply chain and increase our focus on innovation and developing circular business models. STICA serves as an important catalytic converter for this work by helping the industry with collaboration, learning, transparency in processes, and most importantly - real action

Magnus Nikkarinen, Senior Policy Director – Sustainability, The Swedish Trade Federation

To ensure that our future footprint is lower than today's, the industry needs circular design principles for products and processes. The principles shall promote the use of renewable energy in production and active work toward energy efficiency, keeping quality products longer in use and ensuring that the rest material is being used as raw material for either our industry, or in cooperation with others. This is important if we are to reduce our emissions in line with the 1.5^{0}C pathway. STICA is of great help supporting companies in this important change.

Cecilia Tall, Secretary–General, TEKO

Today, the fashion industry is responsible for around 4 percent of global GHG emissions, and the industry is expected to grow. To stay on the 1.5^{0}C pathway, we have ten years to halve emissions. We can do it, but we need to work together and speed up our efforts. Here, industry initiatives like STICA play a significant role in achieving this.

Johanna Myrman Kristoffersen, Deputy Director of Food, Climate and Energy Dept, WWF

STICA

The Swedish Textile Initiative
for Climate Action

www.sustainablefashionacademy.org/stica