Fashion Industry Charter for Climate Action

Recognizing that:

- the Paris Agreement represents a global response to the scientific consensus that human activity is causing global average temperatures to rise at unprecedented rates;
- the Paris Agreement, in enhancing the implementation of the United Nations Framework Convention on Climate Change (UNFCCC), brings together Parties under a common framework to aim to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels;<sup>1</sup>
- the goals agreed in the Paris Agreement translate to reaching climate neutrality in the second half of the twenty-first century. The fashion industry, as a major global player, needs to take an active part in contributing to the realization of these goals;
- climate action under the Paris Agreement requires commitment, ingenuity and finance engagement by policymakers, the private sector and finance community;
- delivering on the climate agenda also contributes to the broader Agenda 2030 for Sustainable Development;
- current solutions and business models will not be sufficient to deliver on the current climate agenda. Fashion industry needs to embrace a deeper, more systemic change and scale low-carbon solutions;
- the fashion industry stakeholders have a role to play in reducing climate emissions resulting from their operations, with an awareness that the majority of climate impact within the industry lies in manufacturing of products and materials;
- all companies, within fashion, retail and textile global value chain, regardless of size and geography, have opportunities to take actions that will result in a measurable reduction in greenhouse gas (GHG) emissions;
- actions that reduce GHG emissions are consistent with, among other things, expanding economic opportunity, using resources more efficiently, driving economic competitiveness and innovation, and strengthening resilience;
- responding to climate change requires action on both mitigation and adaptation.

<sup>&</sup>lt;sup>1</sup> Paris Agreement, Article 2

We, the Signatories to this Fashion Industry Charter on Climate Action, affirm our commitment on behalf of our companies/organizations to:

- 1. Support the goals of the Paris Agreement in limiting global temperature rise to well below two degrees Celsius above pre-industrial levels;
- 2. Commit to 30 per cent aggregate GHG emission reductions in scope 1, 2 and 3 of the Greenhouse Gas Protocol Corporate Standard,<sup>2</sup> by 2030 against a baseline of no earlier than 2015;<sup>3</sup>
- 3. Commit to analyzing and setting a decarbonization pathway for the fashion industry drawing on methodologies from the Science-Based Targets Initiative;
- 4. Quantify, track and publicly report our GHG emissions, consistent with standards and best practices of measurement and transparency;<sup>4</sup>
- 5. Partner with experts, businesses, investors, environmental advocates and other stakeholders to develop and implement a decarbonization strategy for the fashion industry, including by developing a work programme and tools necessary to achieve the GHG emission reduction targets;
- 6. Commit to prioritizing materials with low-climate<sup>5</sup> impact without affecting negatively other sustainability aspects;
- 7. Commit to continuously pursue energy efficiency measures and renewable energy in our value chain;
- As soon as possible and latest by 2025, commit to not installing new coal-fired boilers or other sources of coal-fired heat and power generation, on sites within Tier one<sup>6</sup> and Tier two;<sup>7</sup>
- 9. Support global transition to low-carbon transport by giving preference to low-carbon logistics;

<sup>&</sup>lt;sup>2</sup> Greenhouse Gas Protocol Corporate Standard.

<sup>&</sup>lt;sup>3</sup> This commitment does not in any way preclude companies from setting more ambitious targets, setting Science Based Targets or striving for overachievement.

<sup>&</sup>lt;sup>4</sup> <u>Carbon Disclosure Project, Carbon Climate Registry, The Climate Group, Global Investor Coalition, UN Global</u> Compact, Covenant of Mayors, Climate Initiative Bonds, UNEP Climate Initiatives Platform.

<sup>&</sup>lt;sup>5</sup> Low-climate refers to a measure of the full set of greenhouse gases as opposed to only carbon dioxide

<sup>&</sup>lt;sup>6</sup> Sustainable Apparel Coalition definition applies: Tier one - Final product manufacturing and assembly (or finished goods production).

<sup>&</sup>lt;sup>7</sup> Sustainable Apparel Coalition definition applies: Tier two - Material manufacturing (or finished materials production). NOTE: Tier two commitment applies to those sites where there is visibility in the supply chain, but it implies working towards continuous improvement in transparency and visibility in the supply chain.

- 10. Support the movement towards circular business models and acknowledge the positive impact this will have towards reducing GHG emissions within the fashion sector;
- 11. Establish a closer dialogue with consumers to increase awareness about the GHG emissions caused in the use and end-of-life phases of products, building towards changed consumer behaviors that reduce environmental impacts and extend the useful life of products;
- 12. Partner with the finance community and policymakers to catalyse scalable solutions for a low-carbon economy throughout the sector;
- 13. Together with other stakeholders, develop a strategy including targets and plans to advocate for the development of policies and laws to empower climate action in the fashion industry, especially in supply chains;
- 14. Establish a dialogue with governments in key countries to enable renewable energy, energy efficiency and the necessary infrastructure for a systemic change beyond the fashion industry;
- 15. Communicate a shared vision and understanding through the development of a common strategy and messaging, including by championing climate action within the fashion industry through an enhanced and trust-building dialogue with relevant stakeholders;
- 16. Support the UN Climate Change secretariat in its efforts to manage the tracking and recognition of progress of the commitments outlined in the Fashion Industry Charter for Climate Action.

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## Fashion Industry Charter for Climate Action Modalities of Work

- 1. UN Climate Change is committed to facilitate and coordinate, within its resources and mandates and as part of its work on Global Climate Action, the work undertaken by Signatories as part of the fashion industry's response to UNFCCC Global Climate Action.
- 2. The Fashion Industry Charter for Climate Action does not constitute a new formal initiative or registered organization, but work is carried out by the Signatories with facilitation from UN Climate Change.
- 3. Signatories to the Fashion Industry Charter for Climate Action are committed to support the implementation of the principles contained in it, both by pursuing the principles within their own organizations and by working collectively with other Signatories.
- 4. Any company or organization professionally engaged in the fashion sector, and which is committing to the principles of the Fashion Industry Charter for Climate Action by signing it, may participate in this work.
- 5. Other organizations that are in a position to substantially contribute to realization of the Fashion Industry Charter for Climate Action may also participate in the Working Groups subject to meeting specific criteria to be elaborated by the Signatories. It is recognized that the Supporting Organizations are committed to the principles in the Fashion Industry Charter for Climate Action but may not be able to apply all of them to their own organizations.
- 6. Delivery of the Fashion Industry Charter for Climate Action is through Working Groups, each having a focus on one or more of the principles in the Fashion Industry Charter for Climate Action.
- 7. Companies/Organizations signing the Fashion Industry Charter for Climate Action, and Supporting Organizations, may contribute to the work of one or several Working Groups<sup>8</sup> of their choice, as defined in the Fashion Industry Charter for Climate Action. UN Climate Change may invite, from among the participating Signatories and Supporting Organizations, two co-chairs to facilitate work in each Working Group.
- 8. Substantive direction of the work undertaken in each Working Group is to be decided by consensus among the companies and organizations that are part of that Working Group.

<sup>&</sup>lt;sup>8</sup> Six Working Groups have to date been established under the Fashion Industry Charter for Climate Action. An additional Working Group on Logistics will link existing transport initiatives and solutions from the <u>Clean Cargo</u> <u>Group</u> into the Fashion Industry Charter for Climate Action.

- 9. Working Group activities requiring resources for their implementation shall be budgeted for by the participating organizations, either through own sources of funding or through joint fund raising.
- 10. Any products or outputs resulting from the work of participating organizations will be free of copyright and publicly accessible.
- 11. No participating Signatory may represent, or make statements on behalf of, the other Signatories of the Fashion Industry Charter for Climate Action unless this has been agreed by all Signatories.
- 12. The participation of Signatories and Supporting Organizations in the Working Groups will be recognized by UN Climate Change in relevant communications and events. Such participation may also be reflected in the Signatories' own communications, by stating that they are a Signatory to the Fashion Industry Charter for Climate Action as part of fashion industry's response to UN Climate Change Global Climate Action.
- 13. Signatories of the Fashion Industry Charter for Climate Action and Supporting Organizations are not entitled to use the name or logo of UN Climate Change without the express permission by UN Climate Change in writing. UN Climate Change is not able to authorize the use of the United Nations name or logo and no Signatories of the Fashion Industry Charter for Climate Action may use the UN name or logo.
- 14. UN Climate Change, Signatories of the Fashion Industry Charter for Climate Action, and Supporting Organizations, may not use the name, brand, or logo of any of the other Signatories or Supporting Organizations without express permission.
- 15. UN Climate Change will facilitate the work by:
  - a. Supporting the delivery of the Working Groups to the extent that they are within UN Climate Change's existing resources and mandates;
  - b. Maintaining a list of Signatories and their participation in working groups;
  - c. Facilitating regular online calls and meetings as may be necessary among Signatories;
  - d. Organizing an annual face-to-face meeting with all Signatories to take stock of progress, share lessons learned, and discuss and agree on work to be done in the next year. Signatories will be invited to host the meeting on a rotational basis and attendees will bear their own costs of attendance;
  - e. Coordinating external communication activities by the Signatories;
  - f. Presenting and explaining the work of the Signatories to other entities and organizations, as needed to facilitate delivery of work by the Signatories;

- 16. In order to ensure the quality and credibility of the work of the Signatories of the Fashion Industry Charter for Climate Action, UN Climate Change, based on consultations with Signatories, may exclude a company or organization from the list of Signatories if its sincerity in participation or ability to participate is reasonably a cause for concern.
- 17. The UN Climate Change may cease to be associated with or support the Fashion Industry Charter for Climate Action if it is no longer able to meet the resourcing needs of the initiative or if it is no longer within the mandate of the UNFCCC to continue.
- 18. Signatories and Supporting Organizations may withdraw from the Fashion Industry Charter for Climate Action and associated obligations at any time by notifying UN Climate Change in writing.
- 19. The Signatories of the Fashion Industry Charter for Climate Action shall take into due account all regulations applicable to them that relate to antitrust or anticompetitive behaviours and shall refrain from any such behaviours during or in relation to their participation in the Fashion Industry Charter for Climate Action meetings, events and related activities.