



Carbon Reduction Plan For Overland Shoes

Publish date: April 2024

Created by: Annie Tarpey



positive
planet

Our Commitment

Overland Shoes is committed to achieving Net Zero emissions by 2050.

What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as "science-based" when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, we will need to reduce our absolute emissions by 90% from our baseline year.

SBTi recommends that organisations commit to near-term targets (that cover a minimum of 5 years/maximum of 10 years from the baseline year), as well as long-term targets.

Our near-term targets:

- Reduce scope 1, market-based scope 2 and scope 3 emissions by 42% by 2030.
- Measure all scope 3 categories by 2025.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2050.
- Neutralise any residual emissions using verified carbon offsets.

What emissions are covered by our targets?

- **Scope 1 emissions:** direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.
- **Scope 2 emissions:** indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.
- **Scope 3 emissions:** all other indirect greenhouse gas emissions that occur in an organisation's value chain, including emissions from upstream and downstream activities.

Our Carbon Footprint

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced before the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. We have chosen to set our baseline year as 1st January 2023 to 31st December 2023.

| Baseline & Current Year: 2023 | |
|--|--|
| All scope 1, scope 2 and upstream scope 3 emissions were measured using the operational control approach. We have categorised our China office scope 1 and 2 emissions under scope 3, upstream leased assets, as we cannot change tariffs or introduce operating policies. We are yet to quantify our downstream emissions (end-of-life of sold products). | |
| Emissions | Total (tonnes CO ₂ e) |
| Scope 1 | 22.6 |
| Scope 2* | Market-based: 22.2 Location-based: 16.2 |
| Scope 3 (excluding downstream emissions) | 21,778.1 |
| Total Emissions* | Market-based: 21,822.9 Location-based: 21,816.9 |

*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from the electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.

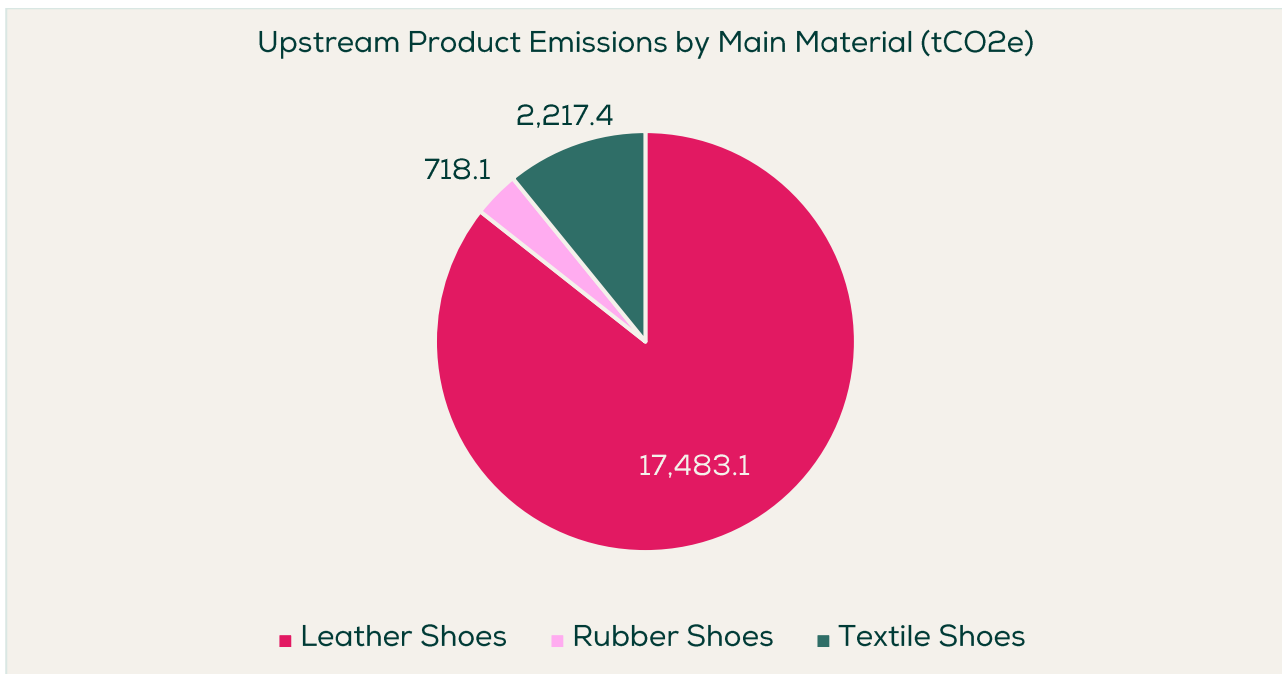
Carbon Intensity Metrics

| Baseline & Current Year: 2023 | Carbon Intensity (tonnes CO ₂ e / unit) |
|---|--|
| Tonnes of CO ₂ e per employee | 396.8 |
| Tonnes of CO ₂ e per £ million in turnover | 363.7 |

Carbon intensity metrics have been calculated using total market-based results.

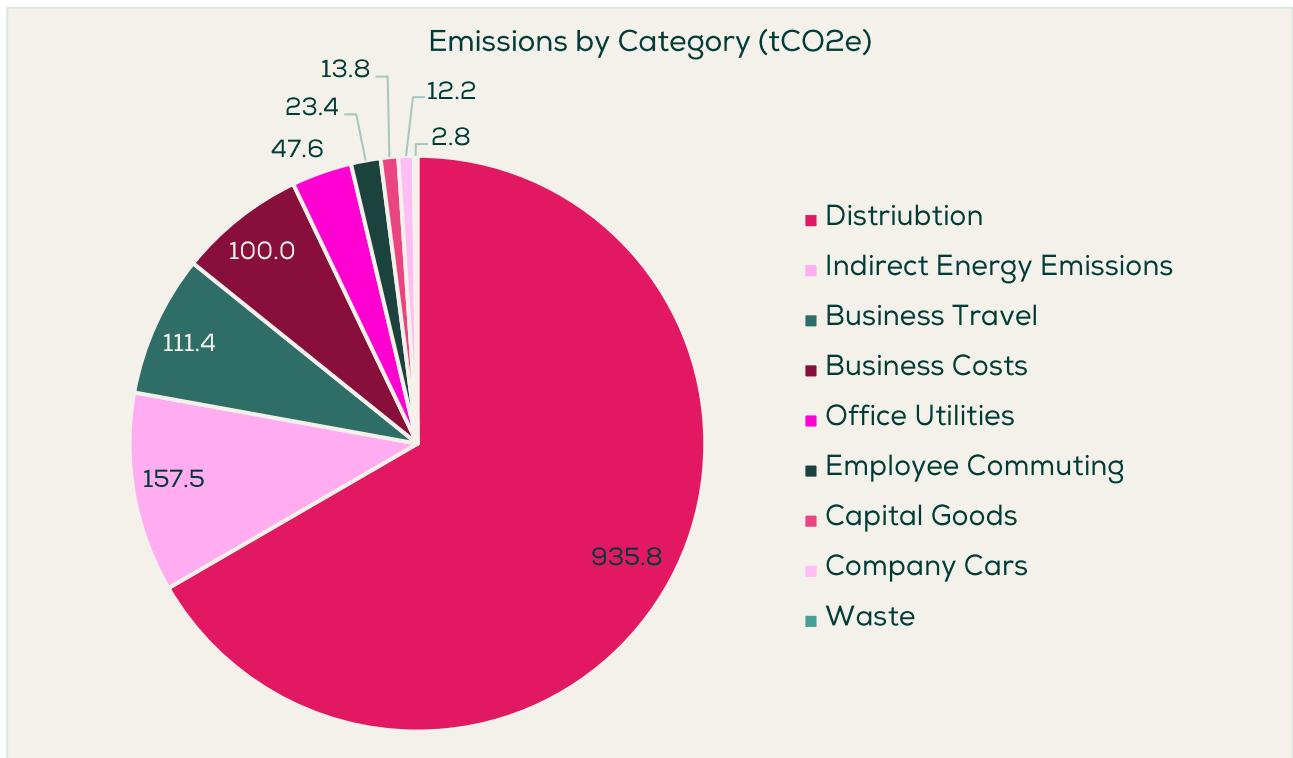
Carbon Emissions Breakdown

The cradle-to-gate emissions of finished products purchased from our manufacturer made up the majority of our footprint. This year, we estimated these emissions using a basic spend calculation that estimates emissions based on the main material of each pair of footwear and the price. One of our priorities for the year ahead will be to improve upon this calculation so that we can measure the effect of any sustainable choices we make when it comes to material and design. Emissions were estimated to be around 20,418.6 tCO₂e; split between leather shoes, rubber shoes (e.g. wellies) and textile shoes (e.g. canvas shoes).



Our remaining scope 1, 2 and 3 emissions were estimated to be 1,404.3 tCO₂e. Distribution (which includes both incoming and outgoing goods shipped across all modes)

is estimated to be the second biggest contributor to the footprint after products. This was followed by indirect energy emissions, which are emissions that occur upstream of energy use e.g. in business travel we will account for the combustion of fuels but in the indirect energy emissions category we account for the well-to-tank emissions (e.g. mining, processing and transportation) that occur before the fuel reached the tank. In this category, we also measure transmission and distribution loss emissions, which are the generation emissions of electricity lost in the transmission and distribution system. These emissions will decrease as energy use decreases, and as improvements are made to our energy distribution systems.



Business travel emissions, which include emissions from employees travelling in their cars, hire cars, or via taxi, train or air for business purposes, as well as hotel stay emissions were estimated to be 111.4 tCO₂e. This was followed by business costs (100 tCO₂e), office utilities (47.6 tCO₂e), employee commuting and homeworking (23.4 tCO₂e or 0.4 tCO₂e per employee), capital goods (13.8 tCO₂e), company cars (12.2 tCO₂e) and waste (2.8 tCO₂e).

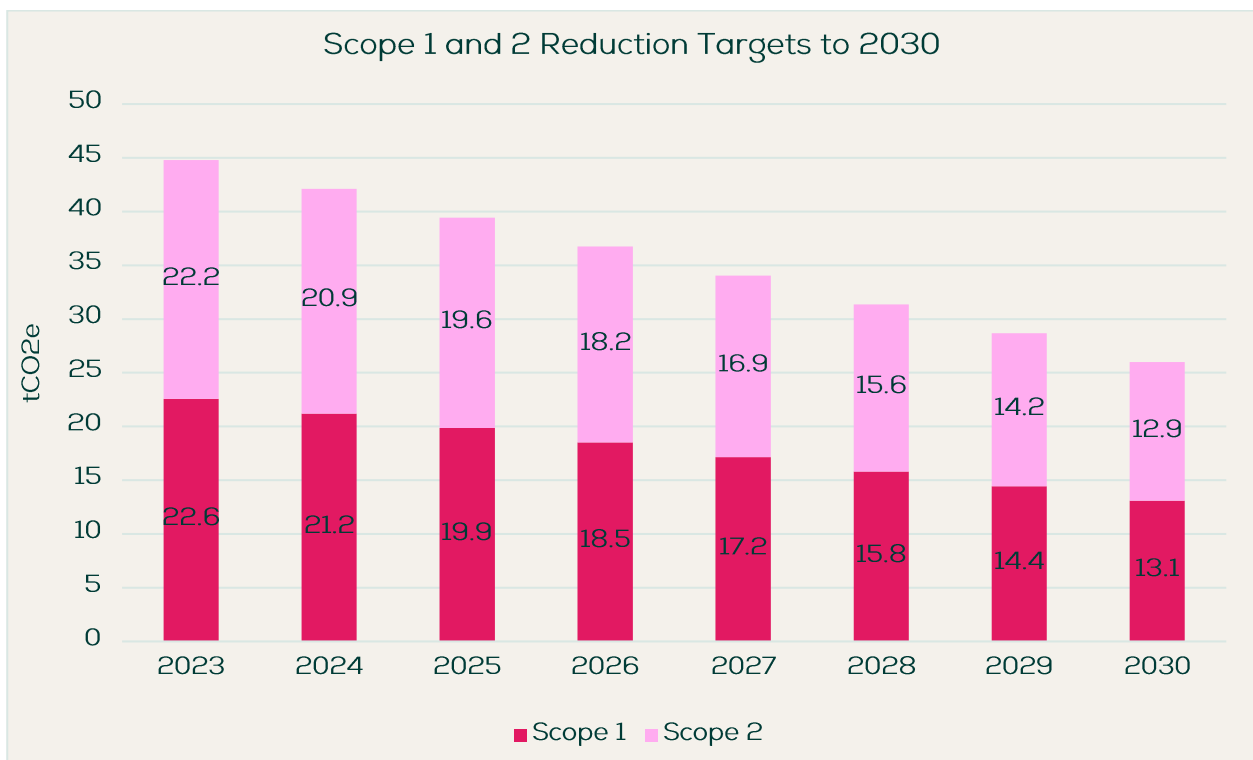
Carbon Reduction

Our Net Zero targets

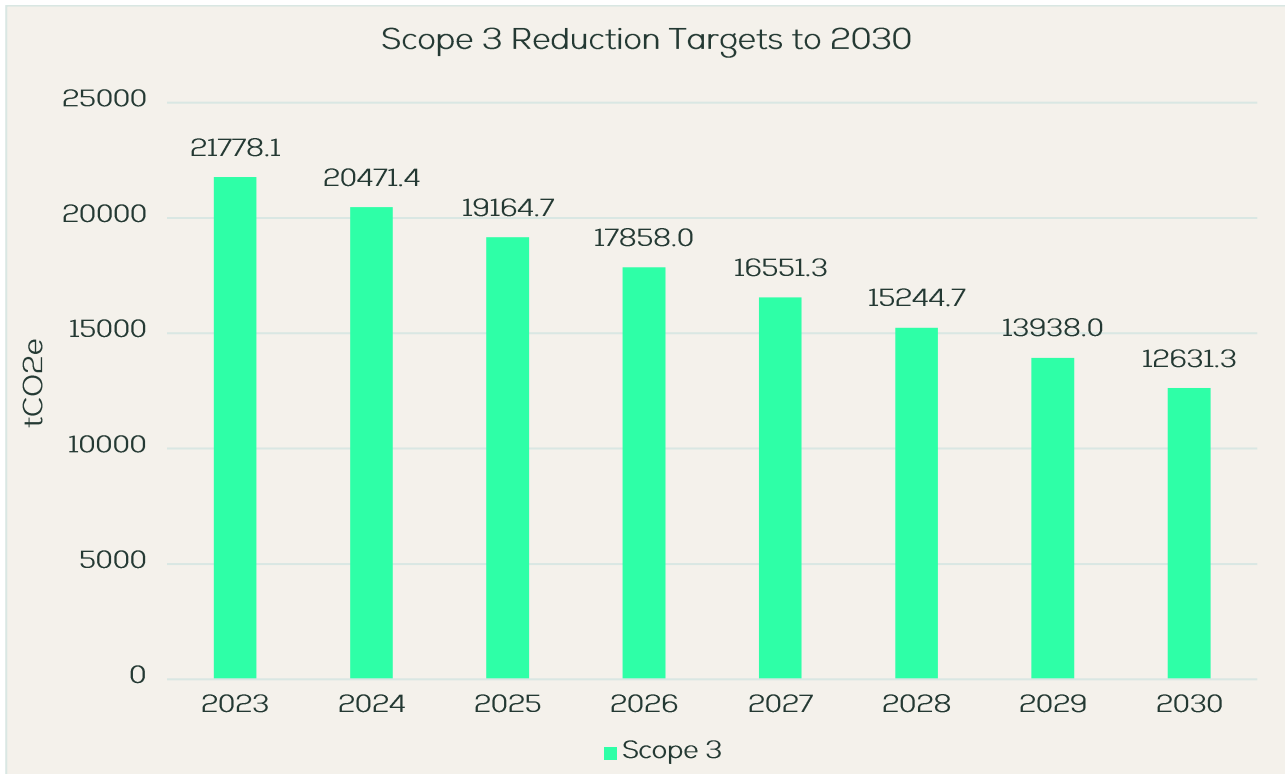
Overland Shoes is committed to achieving Net Zero by 2050. To keep us on track with this target, we have also set the following near-term targets to 2030:

- Reduce scope 1, market-based scope 2 and scope 3 emissions by 42% by 2030.
- Measure all scope 3 categories by 2025.

Reduction Targets to 2030



To reduce scope 1 and 2 emissions by 42% by 2030, we will be looking to reduce emissions in each category by 6% each year; this will require a scope 1 reduction of at least 1.35 tCO2e annually, and a scope 2 reduction of at least 1.33 tCO2e annually.



To reduce scope 3 emissions by 42% by 2030, we will be looking to reduce emissions by 6% of baseline emissions each year, this will be a reduction of at least 1,306.68 tCO2e annually.

Progress

There are no previous existing carbon emission reduction targets against which to report progress.

Completed Carbon Reduction Initiatives

As this is our first reporting year, we have yet to implement any carbon reduction initiatives since measuring our baseline other than committing to measuring our carbon footprint year on year.

Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

| Activity No. | Activity | Target Date | Category |
|--------------|---|-------------|---|
| 1 | <p>Over the next year, we will work to collect the data required to measure the carbon impacts of our products. In this measurement, the cradle-to-gate emissions of finished products were estimated using spend with manufacturers by the main material of the product; but to measure the impact of sustainable design choices, we will need to calculate the emissions of different products using more detailed data about materials and the manufacturer that makes them.</p> <p>Five of our manufacturers are reporting to the Higg Index so should already have data to supply to us for this measurement.; this will help us to estimate the emissions from the actual manufacturing of our products. We will put together a material profile for groups of products and use weight-based factors to calculate the emissions cradle-to-gate emissions of the materials used.</p> | 2024 | Purchased Goods & Services |
| 2 | <p>We will look into switching to renewable energy tariffs for all sites. Where we do not pay for electricity directly, we will pressure the landlord to also look into switching tariffs. Where electricity is purchased through a 100% renewable tariff, market-based scope 2 and scope 3 leased asset (electricity) emissions, will be zero.</p> | 2024 | Purchased Electricity, Upstream Leased Assets |
| 3 | <p>We will look to engage the wider workforce and increase awareness of our carbon impacts and reduction plans by providing training opportunities and allowing them to</p> | 2024 | All scopes and categories |


| | | | |
|---|--|------|--|
| | contribute to the plan via a survey or focus group. | | |
| 4 | <p>We will work to amend and improve our data collection and storage systems so that high-quality data is readily available for future measurements. This year, we will focus on utility and fuel data:</p> <ul style="list-style-type: none"> - Electricity: should be submitted in kWh - Gas: should be submitted in m3 or kWh - Waste: should be submitted by weight, type, and destination (e.g. 5 tonnes of general waste diverted) - Water: should be submitted as m3 - Fuel: should be submitted in litres | 2024 | Stationary Combustion, Mobile Combustion, Purchased Electricity, Waste & Water |

Declaration and Sign-off

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and use the appropriate Government emission conversion factors for greenhouse gas company reporting².

This Carbon Management Plan has been reviewed and approved by Overland Shoes Executive Team.

Signed on behalf of Overland Shoes:



Name: CATHRYN WIDDOWSON

Position: Materials and Sustainability Consultant

Date: 30 May 2024

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>