Carbon Performance Improvement Initiative (CPI₂)

Shanghai, 22 October 2013





CPI₂ is an initiative of European retail companies to take action in climate protection

HSE24























TOM TAILOR GR



On behalf of

Ernsting's family

Von fröhlichen Familien empfohlen.







of the Federal Republic of Germany





Reducing carbon emissions in the supply chain on factory level is a must for any retailer



Climate change is one of the **major challenge**s of our time



Customers expect retailers to take responsibility



Factories experience increasing energy costs and supply shortages

CPI₂ supports factories to reduce energy use by providing practical and concrete advice





An online tool for textile and footwear factories starting with a self-assessment







Immediate recommendations to improve energy efficiency







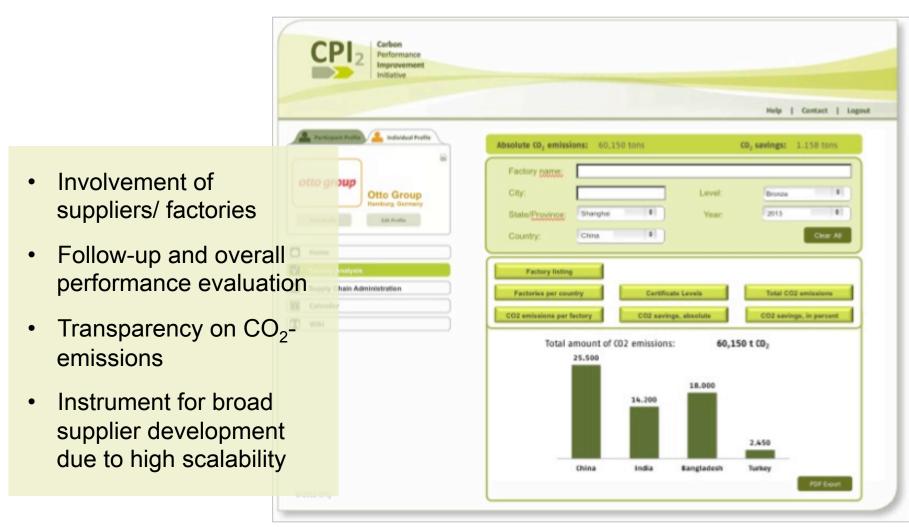
Motivation and benchmarking through Gold-Silver-Bronze rating



- Start with basic measures (minimum costs and easy to implement)
- Advanced measures and Best-Practices on top level
- Continuous improvement process

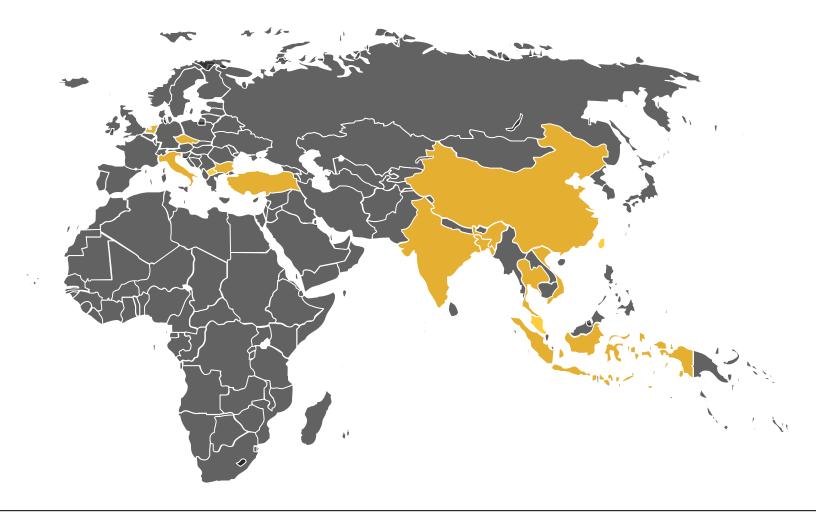


CPI₂ allows retailers to manage carbon performance among their suppliers





320 factories in 13 countries already use the CPI₂-Online-Tool







Example of a CPI₂-factory from Turkey (1/2)

- A jeans manufacturer in Istanbul, Turkey, was visited during a
 CPI₂ test run in March 2012 and received CPI₂-recommendations
- Running costs for energy (Electricity, gas, diesel): ca. USD 1.6 million
- Considerable increase of fuel and electricity prices for the factory in the past years, e.g. gas price rise by 24%(!) in 2012





Example of a CPI₂-factory from Turkey (2/2)

Measures taken in 2012 as result of CPI ₂ -evaluation			Payback
T	Management	New purchasing policy for equipment	immediate
	Compressed Air	Improved leakage detection	immediate
	Transport Vehicles	Improved Management and Maintenance	immediate
(4)	Process Heat	Heat recovery from rinse water	2 years
	Electric Motors	Advanced motors	4 years



Total saving of 160,000 USD and 700 tons CO₂ in 2012





CPI₂: Systematic reduction of CO₂-emissions with a joint effort

- Systematic evaluation of improvement potential
- Action driven with practical guidance, focus on quick-fits to initiate an ongoing process
- Easy participation, tailor-made for textile and footwear factories
- Development, motivation and awareness raising CPI₂ is not a compliance system
- Carbon Performance is part of OTTO's supplier development

