



REI 2025 GREENHOUSE GAS INVENTORY REPORT

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1. Introduction

REI's Scope 1, 2, and 3 greenhouse gas (GHG) emissions calculation methodology is based on *the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard* and the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. REI's Scope 3 GHG emissions are calculated by category in accordance with the Greenhouse Gas Protocol's minimum boundary requirements and relevance criteria for identifying significant Scope 3 categories.

2. Descriptive Information

Information	Company Response
Company	Recreational Equipment, Inc. (REI)
Company description	REI is a specialty outdoor retailer, headquartered near Seattle. The nation's largest consumer co-op, REI is a growing community of 25 million members who expect and love the best quality gear and outstanding customer service. In addition to the co-op's many stores across the country, outdoor enthusiasts can shop at REI.com, REI Outlet or the REI shopping app. Everyone is welcome to shop REI, but members who join the co-op enjoy a range of benefits. REI is a purpose-driven and values-led company dedicated to enabling life outside for all.
Consolidation method	Operational control of owned and leased retail, distribution, and office sites, including international offices in Shenzhen, China and Ho Chi Minh City, Vietnam.
Reporting period	01/01/2025 - 12/31/2025
Description of the businesses and operations included in the company's organizational boundary	REI reports Scope 1 and Scope 2 GHG emissions from all owned and leased sites, owned and leased vehicles, dedicated service vehicles by other companies, HVAC refrigerant losses during service, and reimbursed employee vehicle travel. REI operates retail stores only in the U.S. Scope 3 GHG emissions are reported for all REI Co-op brand products as well as those of other brands that REI retails, and all other relevant categories based on REI activity. Relevant Scope 3 GHG emissions categories that are part of REI's Scope 3 GHG emissions inventory are listed below.

Scope 3 activities included in inventory	Category 1: Purchased goods & services (including: REI Co-op products; products from brands that REI retails; non-product purchases for operations, offices, etc.) Category 2: Capital goods Category 3: Fuel- and energy-related activities (not included in Scope 1 or 2) Category 4: Upstream transportation and distribution Category 5: Waste generated in operations Category 6: Business travel Category 7: Employee commuting Category 9: Downstream transportation and distribution Category 11: Use of sold products Category 12: End-of-life treatment of sold products
Scope 3 activities excluded from inventory, with justification for their exclusion	<i>Category 8: Upstream leased assets</i> – Leased space and long-term leased vehicles are treated as under REI’s operational control and accounted for as relevant under Scopes 1 and 2. REI has no other upstream leases. <i>Category 10: Processing of sold products</i> – REI does not calculate or report emissions from processing of sold products, as REI does not sell intermediate products intended for further processing. <i>Category 13: Downstream leased assets</i> – This category is not relevant to REI, as REI does not have downstream leased assets. <i>Category 14: Franchises</i> – This category is not relevant to REI, as REI does not own or operate franchises. <i>Category 15: Investments</i> – This category is not relevant to REI, as REI maintains its treasury in a mix of safe investments (primarily fixed income instruments).
Emissions reduction target	Reduce GHG emissions across REI’s own operations and value chain by 47% by 2030.
Base year of emissions reduction target	2019 – In 2019, REI completed its first full, Greenhouse Gas Protocol-compliant and independently verified (by Apex Companies, LLC) emissions inventory, to serve as a baseline for subsequent emissions accounting and reduction strategies.
Scope 1 emissions in base year (tonnes CO₂eq)	5,739
Scope 2 emissions in base year (tonnes CO₂eq)	26,083 (location-based) 0 (market-based)
Scope 3 emissions in base year (tonnes CO₂eq)	832,313 (location-based) 828,214 (market-based)
Base year emissions recalculation policy	REI will recalculate our base year emissions when changes to REI’s calculation methodology result in changes to calculated GHG emissions that exceed a 5% threshold, or following any major corporate divestitures or acquisitions.
Base year emissions recalculation activity	In 2025, we recalculated REI’s 2019 base year emissions due to improvements in product carbon methodology and capital goods accounting that resulted in changes to our emissions that exceeded our 5% threshold. REI is continuing to rebase emissions for 2020–2024 using the updated product methodology and will report the updated results once finalized. We received independent verification of the 2019 Scope 3 Category 1 and 2 restatement from Apex Companies, LLC. The emissions data in our 2025 Impact Report reflects the recalculated data.
Reporting period verification details	REI’s 2025 GHG inventory was independently verified under limited assurance by Apex Companies, LLC.

3. 2025 Greenhouse Gas Inventory

Table 1A – GHG Emissions by Scope (tonnes CO₂eq), Location-based

Inventory Scope / Category	tonnes CO ₂ eq	% of Total
Scope 1	5,739	0.7
Scope 2	26,083	3.0
Scope 3	832,313	96.3
<i>Scope 3 Category</i>	tonnes CO₂eq	% of Scope 3
Category 1—Purchased goods & services	568,305	68.3
<i>REI Co-op product</i>	<i>104,058</i>	<i>12.5</i>
<i>Product from external brands</i>	<i>439,969</i>	<i>52.9</i>
<i>Non-product purchases</i>	<i>24,278</i>	<i>2.9</i>
Category 2—Capital goods	8,651	1.0
Category 3—Fuel- and energy-related activities	8,179	1.0
Category 4—Upstream transportation	14,800	1.8
Category 5—Waste generated in operations	3,911	0.5
Category 6—Business travel	1,386	0.2
Category 7—Employee commuting	17,502	2.1
Category 9—Downstream transportation	174,716	21.0
Category 11—Use of sold products	16,478	2.0
Category 12—End-of-life treatment of sold products	18,385	2.2
Grand Total	864,136	100%

Table 1B – GHG Emissions by Scope (tonnes CO₂eq), Market-based

Inventory Scope / Category	tonnes CO ₂ eq	% of Total
Scope 1	5,739	0.7
Scope 2	0	0
Scope 3	828,214	99.3
<i>Scope 3 Category</i>	tonnes CO₂eq	% of Scope 3
Category 1—Purchased goods & services	565,948	68.3
<i>REI Co-op product¹</i>	<i>101,707</i>	<i>12.3</i>
<i>Product from external brands¹</i>	<i>439,963</i>	<i>53.1</i>
<i>Non-product purchases</i>	<i>24,278</i>	<i>2.9</i>
Category 4—Upstream transportation ¹	13,057	1.6
GHGP-aligned rest of categories	249,209	30.1
Grand Total	833,953	100%

¹ In addition to reporting a Greenhouse Gas Protocol-aligned carbon footprint, REI discloses the impact of market-based interventions that support emissions reductions within our value chain, reported in our Scope 3 emissions. In 2025, these interventions included sustainable aviation fuel (SAF) and sustainable marine fuel (SMF) certificates procured through DHL's GoGreen program and ZEMBA and applied to upstream transportation; international renewable energy certificates (I-RECs) procured through Powertrust and applied to REI Co-op Brands; and N₂O abatement environmental attribute certificates (EACs) to address Nylon 6,6 emissions. The N₂O abatement credits were independently assessed with support from ClimeCo in alignment with the AIM Platform Association Test and Intervention Quality, Accounting, and Reporting (QAR) Standard and Guidance, and applied to relevant REI Co-op Brands and external brands emissions. In FY25, the emissions reduction benefit from the purchased SAF and SMF certificates, I-RECs, and N₂O abatement EACs are 1,743 tonnes CO₂eq, 2,310 tonnes CO₂eq, and 47 tonnes CO₂eq, including 41 tonnes CO₂eq applied to REI Co-op Brand products and 6 tonnes CO₂eq applied to external brand products, respectively. These emissions reduction benefits are reported separately from location-based emissions and included in totals only where explicitly noted.

4. Biogenic Carbon Emissions – Not relevant to REI

5. Description of Scopes 1 and 2 Data and Methodologies Used²

Scope	Types and sources of data used to calculate GHG emissions	Methodologies, allocation methods, and assumptions used to calculate GHG emissions
1	<i>Activity data (primary data):</i> Quantities of natural gas and propane consumed on-site in the reporting year were obtained from REI utility bills. Gallons of diesel and gasoline consumed by on-site vehicles, as well as personal vehicle mileage, were obtained from service supplier reports and REI internal business units. Refrigerant consumption was obtained from supplier reports. <i>Emissions factors (secondary data):</i> Emissions factors for natural gas, propane, gasoline, and diesel consumption from the EPA’s Greenhouse Gas Emissions Factors Hub (2025) were used. A refrigerant emissions factor in 100-year GWP was also used from EPA Hub (2025).	Primary consumption data were multiplied by emissions factors based on emissions per mmBtu of natural gas and propane consumed, and gallons of gasoline and diesel consumed, to arrive at associated tonnes CO ₂ eq emissions.
	Estimate of data quality	Good
2	<i>Activity data (primary data):</i> Data on grid electricity consumed (kWh) in the reporting year at each REI site were obtained from utility bills. <i>Emissions factors (secondary data):</i> Site-specific EPA eGRID subregions and their associated 2025 total output emissions factors were used.	Amounts of grid electricity consumed by site were multiplied by the appropriate location-based eGRID emissions factor to arrive at associated tonnes CO ₂ eq emissions.
	Estimate of data quality	Good

² Data quality is estimated as: Good if data quality indicators (Precision, Completeness, Temporal, Geographical, and Technological representativeness) are estimated as Good to Very Good quality. Fair is used if any indicator is rated fair.

6. Description of Scope 3 Data and Methodologies Used

Category	Types and sources of data used to calculate GHG emissions	Methodologies, allocation methods, and assumptions used to calculate GHG emissions
1 – Purchased goods & services	<i>Activity data (primary data):</i> Product-level material composition, product weights, and supplier production volumes were obtained from REI internal product lifecycle management, supply chain, and inventory systems. <i>Emissions factors (secondary data):</i> Material-level cradle-to-gate emissions factors were obtained from the Higg Index Materials Sustainability Index (MSI), Worldly's Product Impact Calculator (PIC) Materials Library, and Ecoinvent, as applicable. Spend-based emissions factors, inflated to 2025 U.S. dollars, were obtained from the Exiobase database for categories where spend-based estimation was required.	Product emissions are calculated using a product-level, mass-based methodology that applies material-specific emission factors to product-level material composition and weight data and calculates results using production volume. Beginning in 2025, REI transitioned to Worldly's Product Impact Calculator (PIC) to model product emissions, incorporating updated material emission factors, supplier facility data where available, and standardized life-cycle modeling aligned with industry best practices. For product categories that cannot be modeled in PIC due to data limitations, REI applies its legacy recipe-based approach to ensure full product coverage. The same approach is taken for modeling external brand products; however, proxy material and supplier data are used in place of product-specific data. As part of this transition, REI incorporated a small percentage of product-level emissions data from select external brand partners that participated in Worldly's PIC pilot. Where complete, quality-checked PIC-calculated data were provided by brand partners, those product-specific emissions replaced REI's proxy estimates. REI discloses the impact of market-based interventions including international renewable energy certificates (iRECs) applied to REI Co-op Brand manufacturing and N₂O abatement environmental attribute certificates associated with low-carbon nylon 6,6 production. These interventions are reported using a dual-ledger approach that presents emissions with and without the application of these contractual instruments. Additional detail on market-based emissions is provided above in Table 1B. REI continues to monitor evolving standards and guidance to ensure transparent, credible accounting and disclosure of market-based mechanisms as best practices continue to develop. For non-product spend on packaging, operational supplies, and services, Exiobase spend factors were multiplied to total spend for each category to arrive at associated tonnes CO₂eq emissions.
	Estimate of data quality	Good

2 – Capital spend	<i>Activity data (primary data):</i> Monetary value of capital goods purchased in the reporting year were obtained from REI internal business data management systems. <i>Emissions factors (secondary data):</i> Supply chain emissions factors for spending on capital goods were obtained from Exiobase and inflated to 2025 U.S. dollars.	Emissions associated with REI’s capital goods expenditures were estimated by assigning REI spend categories to appropriate Exiobase spend factors, and multiplying spend data by the spend factors. For example, REI spend category “Building Improvements” was assigned the Exiobase spend factor for “Construction Work.” An updated Completed Assets report was implemented in 2025 because it captures the full capitalized cost of assets at the point they are placed into service. This approach was applied to the baseline and 2020 – 2024.
	Estimate of data quality	Good
3 – Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	<i>Activity data (primary data):</i> Quantities of fuel and energy (electricity) purchased in the reporting year were obtained from REI utility bills and internal business data. <i>Emissions factors (secondary data):</i> Emission factors for cradle-to-gate emissions were calculated for fuels and electricity from Ecoinvent factors. The grid-related loss factor was taken from the EPA eGRID data on the EPA Hub (2025).	Amounts of fuel purchased and amounts of grid electricity consumed were multiplied by the appropriate upstream, cradle-to-gate factor to arrive at associated tonnes CO₂eq emissions.
	Estimate of data quality	Good
4 – Upstream transportation and distribution	<i>Activity data (primary data):</i> Data on shipment weight, distance traveled, and transit mode were obtained for all product transport paid by REI from logistics providers. Wheel to Tank emissions for REI product was used where provided. <i>Emissions factors (secondary data):</i> EPA Hub (2025) transportation emissions factors for truckload vehicle-mile and Less-Than-Truckload ton-mile transportation were used.	Emissions from transporting REI Co-op product inbound to REI distribution centers (DCs) were calculated by the logistics provider, using product weights, shipping lanes and distances, and all transport modes from the port to REI’s DCs. Data on shipment weights and distances were provided for all other supplier’s products by REI’s U.S. logistics providers. For full truckload (FTL) shipments, EPA vehicle-mile factors were applied. For less-than-truckload (LTL) shipments, ton-miles were calculated for each shipment and the appropriate EPA factor applied. For some shipments of product to customers, the carrier was unable to provide detailed weight and distance shipping, so average per-shipment weight and distance factors were calculated based on order data and applied to the total number of shipments. REI also procured Sustainable Aviation Fuel (SAF) certificates and Sustainable Marine Fuel (SMF) certificates through DHL’s GoGreen program and ZEMBA, which were applied to upstream transportation emissions. The impact of these certificates is disclosed separately from location-based emissions and reflected in market-based results where explicitly noted.
	Estimate of data quality	Good

5 – Waste generated in operations	<i>Activity data (primary data):</i> The amount of waste to landfill was obtained from billing data based on service levels (volume of containers and frequency). Actual weight data were available for compactors and baled materials. <i>Emissions factors (secondary data):</i> Emissions factors for municipal solid waste to landfill and organics composting were obtained from the EPA Hub (2025).	Waste amounts were calculated from service level volumes and industry best practices. Where service level data were unavailable, such as for stores with shared services provided by the landlord, the waste was estimated based on sales volume. Compost was reported as billed. Some locations have compactors which report actual tonnage values, and commodities such as baled cardboard are also provided in actual weights.
	Estimate of data quality	Good
6 – Business travel	<i>Activity data (primary):</i> Trip mileage for air travel and hotel nights data were obtained from REI’s travel management provider. Rental car mileage data were provided directly by vehicle rental companies. <i>Emissions factors (secondary data):</i> Emissions factors for short-, medium-, and long-haul flights and emissions factors for car travel were taken from the EPA Hub (2025). Average fuel economy of the U.S. car fleet from the EIA was used to convert miles driven to gallons of fuel consumed.	Air travel was reported by REI’s travel services provider as total segments flown, with mileage per segment. EPA Hub emission factors based on haul length were applied to arrive at tonnes CO₂eq emissions associated with business air travel. Rental car mileage and/or gallons of fuel used per rental were reported by REI’s rental car providers. Average fuel economy of the U.S. car fleet from the EIA (or fleet-specific mileage from rental car providers, where available), along with EPA emissions factors for motor gasoline were then applied to arrive at tonnes CO₂eq emissions associated with business vehicle travel. Hotel nights were reported by REI’s travel services provider. An emissions factor for hotel-nights was calculated using an EPA study on emissions from events & travel; factors for kWh electricity and mmBtu natural gas associated with the “Midscale with Food & Beverage” hotel stay category were used to arrive at tonnes CO₂eq emissions associated with business hotel stays.
	Estimate of data quality	Good

7 – Employee commuting	<i>Activity data (primary data):</i> Number of employees per REI location. Estimated commute travel distance is based on King County commuting surveys for REI’s headquarters (HQ) and Seattle, Washington flagship store. Commute mode was estimated by calculating percentages of participation in alternate commutes modes for employees at REI headquarters, distribution centers, and retail locations. <i>Emissions factors (secondary data):</i> Emissions factors for passenger vehicle, bus, vanpool, and train travel were taken from the EPA Hub (2025).	REI Human Resources maintains a list of employees per site as of each month end. Travel distances were developed based on commuting survey data for REI’s HQ office and Seattle flagship store, required by King County. Average roundtrip distance for HQ as reported in the survey was used for HQ, distribution center, and non-urban store employees, and the Seattle store distance for urban store employees. Percentage of employees using public transit was obtained from REI Human Resources data on employees receiving a transit subsidy and REI’s commute survey data. Employees designated as Work From Home (WFH), including HQ employees, were assumed to have zero commuting emissions. Full-time retail employees were assumed to work 5 days/week (one round trip per day), 4.33 weeks per month. Part-time employees were assumed to work 50% and thus incur half the commute travel of full-time employees. EPA Hub factors (2025) for passenger-mile travel by car, carpool, vanpool, bus, and rail were used to calculate associated tonnes CO₂eq emissions.
	Estimate of data quality	Fair
9 – Downstream transportation	<i>Activity data (primary data):</i> Data for customer trips to store (included in REI’s GHG inventory as an optional data point) were obtained from REI customer data (count and average distance to store). <i>Emissions factors (secondary data):</i> Emissions factors for air and vehicle travel were taken from the EPA Hub (2025).	REI exited our Experiences business in late 2024 and therefore we included no activity data in the 2025 inventory related to this line of business. This change was evaluated as organic decline under the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard guidance. Emissions from customer trips to REI stores were estimated based on REI data on average distance from customer residence to closest REI store, along with a count of total visitors to REI stores in the reporting year. Primary data from customer behavior surveys were used to adjust number of visitors to account for multiple-person parties and assign appropriate emissions factors based on transit mode taken by customers. Note that accounting for Category 9 emissions from activities such as customer trips to retail stores is not a mandatory practice under the Greenhouse Gas Protocol. However, REI voluntarily chooses to include them in our GHG inventory because we believe it is important to acknowledge and account for such significant categories of emissions across our wide range of business offerings.
	Estimate of data quality	Good

11 – Use of sold products	<i>Activity data (primary data):</i> Use phase emissions were calculated for three product categories: apparel, electronics, and fuel-based (e.g., pressurized gas canisters for cooking). Data on units of products sold were obtained from REI business systems. <i>Emissions factors (secondary data):</i> Use-phase emissions factors for apparel were obtained from a fashion study by Quantis. EPA eGRID U.S. average grid emissions were used to calculate emissions from electronics charging. EPA Hub (2025) factors for combustion of propane and butane were applied to calculate emissions from fuel-based products.	<i>Apparel:</i> Assumptions around wash frequency and item lifespan were made for major categories of apparel (e.g., shirts, pants) and sleeping bags. An emissions factor per kg of washing was obtained from the World Apparel & Footwear Life Cycle database. The weight of total units sold was determined by individual SKU weights and total units. <i>Electronics:</i> For small electronics, U.S. grid average emissions factors were applied to an assumed lifetime kWh consumption value over a 3-year life. For electric bikes, U.S. grid average emissions factors were applied to an average battery size of 400-500Wh and an assumed weekly charging cycle over a 5-year life. <i>Fuel-based:</i> Units of cooking gas sold were assumed to be fully combusted, and EPA emissions factors for propane and butane combustion were applied to arrive at tonnes CO₂eq emissions associated with full combustion.
	Estimate of data quality	Fair
12 – End of life treatment of sold products	<i>Activity data (primary data):</i> Total amount of products sold (units and mass) were obtained from REI business systems. <i>Emission factors (secondary data):</i> EPA Waste Reduction Model (WARM) factors for landfill and composting were obtained from the EPA Hub (2025).	Total weight of products sold in the reporting year were calculated from units sold and SKU-level item weights. We liberally assume that all products sold ultimately end up in landfill. The EPA factor for landfill emissions was applied to arrive at estimated tonnes CO₂eq emissions.
	Estimate of data quality	Good