Hamburg, November 5th 2015

Responsible Design and Consumption (via closed-loop operations across global supply-chain and product lifecycles)

Tchibo will implement a Responsible Design and Consumption system (1) based on comprehensive EPR (2) that will

a) Conduct an analysis of product categories and their relevant properties in order to define the potential to close loops for each product category (clothing and textiles), including an analysis on end-of-life collection and recycling systems by no later than 31 March 2016. Generic results will be publicly shared.
b) Develop a project plan to "take-back our products that we produce and / or sell" programme (clothing and textiles) (3) for customers across companies by no later than 31 March 2016, as a first step to implementing a responsible "closed-loop" life cycle for all products we produce and / or sell. Implement a project team beyond company borders by 31 December 2016. Based on this setting, identify possible solutions for collecting textiles and identifying their material composition across businesses and assess these solutions regarding their feasibility by 31 December 2017. Enable a take-back system across businesses for clothing and textiles close to customers' homes to start closing material loops by 31 December 2018.
In the course of this programme, it is planned to test a company-specific take-back system for a product range selected from the hard goods assortments by 31 December 2016 to build up experience with regard to logistics, consumer acceptance, cost and pricing effects, recycling opportunities, integration of already existing services as well as competitiveness. Communicate progress on the project on a regular basis, at least once a year, starting at the end of March 2016.
c) Initiate a global sustainable consumption system to encourage and enable customers/users to purchase and/or use products in ways compatible with the Responsible Design and Consumption business model. Implement learning projects, for example on high quality materials, recycling, repair services and further opportunities which reach as many consumers as possible. As a first step, implementation of two learning projects by 31 December 2016 and of one additional project by 31 March 2017. Learning projects will be extended and products produced for a responsible life cycle will be increased (designed for long life span – based on EPR including necessary high material and product quality) starting by no later than 30 June 2017.
d) Raise consumer awareness and change attitudes and demands/expectations regarding modes of use and ownership of clothing (focus on specific product categories) and the need to work towards eliminating "linear/non circular" and "disposable" (designed for short lifespan) products. For example by communicating/ advertising the benefits of closed loop learning products and services (building skills and functional understanding beyond just providing more information) by 31 December 2016 and extend the learning projects starting by 30 June 2017.
e) Further develop a competence system that enables the organization to learn closed loop approaches and integrate them in organizational routines. Monitor these learnings and resulting effects regarding changes in skills and understanding of new modes of use and ownership by no later than 31 December 2016. Challenges, progress and results regarding the competence system will be published on a regular basis, at least once a year. First communication activities will be carried out by 31 December 2016.

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(1) Responsible Design and Consumption business models are systems of products and services that are designed to meet consumer needs, with reduced resource consumption and waste production. They take into account the full life cycle of a product and aim to close material loops as described below (EPR), e.g. by considering - on basis of LCA-driven knowledge - responsible design, production, product use, reuse and recycling. Closed loop systems should give preference to local solutions where possible.

(2) Extended Producer Responsibility shall support and catalyse that a company takes over due diligence responsibility for its products over the whole lifecycle (raw material sourcing, production, use, end-of-life processes), thereby also addressing all three dimensions of sustainability (social, environmental, economic).

Hence, EPR on the global scale has the target to

- protect the well-being of the natural environment, stay within planetary boundary limit and support the socio-economic well-being of workers and local communities;
- ensure that the system for end-of-life processes maintains or upgrades product and material quality through effective collection, re-use, disassembly or recycling;
- ensure that systems for reuse (or any life-extension of the product), recycling and final treatment incentivise changes in design by the product designer both financially, through internalization of differentiated end-of-life costs into the company business model, and through information feedback, including to other actors in the extended life-cycle;
- support and implement fully circular resource use and full resource stewardship (recognizing that natural resources are not ‘owned’ but ‘borrowed’ to meet a need).

(3) Take-back programmes shall enable an effective reuse and recycling of materials through suitable collection structures. These structures shall favour responsible second life options for products (aim: maintaining or upgrading material quality). Effective and responsible reuse and recycling solutions shall be considered already in the product design process. Not reusable or recyclable materials shall be treated in an environmentally-sound way. Take-back programmes shall ensure that the products are taken back to and by the original producer, the retailer, accredited service providers, cross-company initiatives or public collection systems based on legal regulation; whichever is the most feasible.