Apparel Impact Institute (Aii) Climate Solutions Portfolio (CSP) Application

Version 1.0 | Last Updated: 10/22/2025

Supplier applications are due on or before 17:00 January 2, 2026, US Pacific. Please follow the submission instructions on Aii's website.

Applications are confidential, and details will not be shared outside of Aii & the Advisory Council.

If you are successful, project learning and impact data will be communicated externally.

1. Supplier Electrification Grants

Following the publication of our Low-Carbon Thermal Roadmap, we have seen an increase in interest from brands and suppliers on the topic of electrification. It is clear that more practical examples of electrification and electrification-supporting technologies are needed in order to enable the scaled deployment of those technologies. Suppliers looking to implement these pilot or demonstration projects may apply for funding to support project capex.

For this reason, we have \$1.335m available in targeted grant funding for suppliers that are pursuing electrification or electrification-supporting projects. This application will open on November 3 and close on January 2.

Suppliers may apply for a maximum of \$250,000 per year of the project. Please note that funding is disbursed according to milestones achieved.

Priority Technologies

We are looking for certain electrification and electrification-supporting processing technologies that need pilots & demonstrations to enable scale by 2030.

We define electrification-supporting processing technologies as those that either electrify a process or significantly reduce the thermal need of a process.

Our aim is to support three to five of the following project types:

- Steam-generating heat pumps (provide steam above 120 degrees and good COP, aiming for greater than 2.5)
- Low-energy dyeing solutions
- Digital spray dyeing
- Spray dyeing
- Electrification of bleaching
- Electric singeing
- Digital dyeing & coating
- Foam dyeing

We are keen to learn about technologies we have not yet heard of, but please note that they must be aligned with the theme of this call for grants and have underlying data that proves their potential impact. The purpose of this grant is to pilot technologies in a factory setting.

Project Requirements

- The maximum funding amount is \$250,000 per year and/or 50% of the total project cost. If successful, grant funding will be given in installments of 50%, 30%, and 20% according to project milestones.
- Textile manufacturers must be prepared to share data, outcomes, and learnings from the project with Aii for dissemination to the sector.
- The project must be replicable across other facilities. While the risk of undertaking a pilot may be high, the solution should be close to or at commercialization, such that once the learnings are disseminated, they can be replicated by comparable textile manufacturers. (The solution's scalability refers to the technology itself not the enabling conditions, which we know will take time to be realized. For example, we recognize that ultimately replication will also depend on a facility's energy mix.)
- The applicant is not responsible for scalability, but should present a project scope such that other textile manufacturers can follow the learnings and implement the technology when the conditions are right for them to do so.
- All projects must deliver CO₂ savings. Applications must include projected savings data aligned to the feasibility study, with auditable baseline and projection data.
- Applications require a feasibility study and a pricing quote from a named vendor.

Applications are due on or before 17:00 January 2, 2026, US Pacific. Please follow the submission instructions on Aii's website. We look forward to reviewing your application!

1.1. CSP Advisory Council (CSPAC)

The CSPAC is composed of Aii staff, apparel/textile experts, and industry representatives. When the CSPAC's expertise is limited, it will engage subject matter experts to help evaluate applications.



Abhishek
Bansal
Head of
Sustainability,
Arvind
Arvind
Beth
Jensen
Director of
Climate +
Impact, Textile
Exchange



Sophie Mather Material Futurist and founder, Bio8vition



Kim Hellström Senior Sustainability Manager Climate, H&M Group



Kurt

Kipka

Chief Impact

Officer, Apparel

Lalit
Toshniwal
Senior Director
of Owned
Brands Raw
Materials, Target



Jimmy Summers Vice President of Environment, Health, and Safety and Chief Sustainability Officer, Elevate Textiles

1.2. Application Process

The application process will follow the following timeline. Please note: We will be in touch if we need additional information. All applicants will be notified of their status by the end of February.

Application Opens	Application Closes	Screening & Technical Evaluation	CSPAC Evaluation	Supplier & Vendor Calls	CSPAC Decision	Project Kick-off
November 3	January 2	January	February	February	February	March

- **Application Opens** Aii releases the CSP application to the public. Applicants review the materials and send any clarifying questions to CSPHelp@apparelimpact.org.
- Application Closes Applicants have two months to complete the application.
- Screening & Technical Evaluation Aii assesses the CO₂e reduction potential of eligible and complete applications through a deep technical review of the feasibility assessment and corresponding calculations. Applications are scored according to the process outlined in sections 2.2 2.5 of this document. The ranked applications are shared with the CSP Advisory Council.
- CSPAC Selection The CSPAC reviews the applications and decides which will move forward to the supplier & vendor call.
- **Supplier & Vendor Calls -** Selected applicants present their project alongside the vendor. The purpose of this call is to further understand the details of the project and its projected impact.
- CSPAC Selection The CSPAC reviews all materials to determine grantees.
- **Aii Executive Team Leadership Sign Off** CSPAC submits recommended finalists to Aii's Executive Leadership Team for approval and, subsequently, the Aii Board for sign off. Successful applicants are notified.

2.Application Questions

In this section, we list all of the application questions and guidance on how to respond to them. Please refer to this guidance as you fill out the application form. **We have also included the scoring matrix for this application.**

2.1. <u>Organizational information</u>

Contact Information
1. Textile manufacturer submitting application:
2. Textile manufacturer website:
3. Factory address:
4. Higg ID
5. Joint applicant/sub-grantee organizations:
6. Primary contact full name:
7. Primary contact email:
8. Primary contact phone number:
9. Primary contact location (city, country)
10. Other relevant personnel associated with the Solution (include email contact information if you want them included in follow-up
communication from Aii):

2.2. Eligibility Criteria

The eligibility criteria for the CSP ensure funding is only given to suppliers that reach minimum standards of social and environmental performance. It also supports evaluating supplier maturity in performance to help us objectively assess applications and compare them against one another.

Question	Explanation	Response & Scoring
11. Please confirm that you are not aware of any plans or government actions that would require your facility to relocate.	Ensures longevity of measurable impact. Especially relevant for Dhaka- and China-based suppliers.	Cannot confirm: 0 Can confirm no movement for 5 years: 1 Can confirm no movement for >5

		years: 2
12. Please upload evidence that demonstrates minimum standards of human rights have been met.	Factory to share one or more valid social audit(s). Accepted formats: SMETA, Amfori BSCI, verified FSLM, SCLP, Sedex/SMETA, WRAP, Better Work, brand audits, and similar. Minimum standards to be met are no forced labor, no child labor, and safe working conditions.	No valid social audit available/valid social audit not meeting minimum requirements: Ineligible for grant Valid social audit with major Non Conformities: 1 Valid social audit with minor/ no Non Conformaties: 2
13. Please upload evidence that demonstrates minimum environmental standards have been met.	The factory already provides VFEM data to support the minimum data baseline. The upload should show the VFEM level achieved, with Level 1 reached in all topics as the minimum requirement. The onsite ETP must be assessed as fully functional through ZDHC testing as part of the VFEM process.	No Higg/ Failed onsite ETP: Ineligible for grant VFEM above level 1: 1 VFEM above level 2: 2

2.3. Solution Overview

All applications require a feasibility study completed with the vendor of the technology/equipment. This feasibility study will be reviewed in detail to ensure the technical specifications align with projected energy and emissions savings.

The study should be created by an accredited engineering firm and/or approved by your factory's head of engineering.

Please make sure the feasibility study includes the following:

- Summary of the project overview of the technology and how it works; objectives of implementation; summary or expected CO₂e, energy, and cost savings
- Baseline assessment current technology being used and baseline emissions assessment
- Detailed overview of the project process map, description of how the solution works, scope and boundaries of the project

- Engineering analysis anticipated risks and challenges, compatibility (or lack of compatibility) with existing infrastructure.
- Energy & CO₂e savings (saved in a separate document) boundary, emission factors, baseline, and assumptions that drive the projected emissions savings
- Economic assessment technology capex, opex, ROI, any economic co-benefits.

Question	Explanation	Response & Scoring
14. Please select the technology category of the grant application:	The purpose of this call for grants is to accelerate electrification progress and learning. We have justified the scoring according to the projects we believe are most urgent.	Steam-generating heat pumps (provide steam above 120 degree and good COP, aiming > 2.5) (2) Thermal energy storage (2) Digital spray dyeing (1) Spray dyeing (1) Low temperature dyeing (1) Electrification of bleaching (1) Electric singeing (2) Digital dyeing & coating (1) Foam dyeing (1) If selecting other, please specify
15. Please state the vendor of the technology and the equipment's name/specifications.	Only applications with a feasibility study and a confirmed quote from a named vendor will be accepted. If your application progresses to the next round, the vendor will join a meeting to discuss and evaluate the project.	Vendor name: Equipment specifications:
16. Please describe the project.	What process or equipment will the project change or replace? How will this reduce emissions? How does this	This will be scored 1-3 based on how innovative and

	electrify or support the electrification of your operations?	sectorally relevant the technical review believes this project to be. 150-word limit.
17. Why is this technology difficult to implement? How will this grant help to solve those difficulties?	Please provide a clear explanation of the challenge(s) to implementation.	New technology Permits Equipment delay Land acquisition Training staff Other, specify
18. How will emissions savings be measured?	Does the equipment being replaced already have dedicated energy metering, or is the factory area itself metered? Can the new investment be suitably metered to give confidence in impact claims?	No existing meters Factory area is metered Specific equipment already metered Equipment cannot be
	If you do not have meters in place, please mention this in the grant request.	metered, Not Applicable) We will install meters for this project
	This question gives us an indication of data quality and where meters still need to be installed.	

19. Please upload a Feasibility Study that includes technical project design, estimated tCO ₂ e savings, ROI, and cost.	These may be separate documents; however, all of this information must be captured and formally presented with support from the vendor or the technology for which you are requesting the grant. This will be reviewed by an engineer and scored according to the strength of the study and project. We will contact you if there are any questions or opportunities to improve. As this question is a core part of the application, is more heavily weighted than other questions.	Weak project/feasibility study: 0 Good project/feasibility study: 2 Great project/feasibility study: 4
20. Please upload a quote from the technology vendor associated with your capex request.	We will confirm that the funding ask, quote, and feasibility study are consistent.	
21. What is the estimated project timeline from purchase order to machine operation?	Please take a conservative approach when predicting the timeline to give us an indication of the project length. Include equipment delivery and installation, as well as work your team will need to complete to make the equipment operational. Please note the timeline will also be included in the grant contract.	In months

2.4. <u>Impact</u>

Question	Explanation	Response & Scoring
22a. What is the % reduction in GJ from	This should come from the feasibility study and	
heat energy use? 22b. What is the % reduction or increase in	calculations from the vendor.	
GJ from electricity energy use?		

22c. List the processes/ sub-processes this project impacts. 22d. What is the project's estimated emissions reduction (tons CO ₂ e/year)? 22e. What % of the facility's annual emissions does this project's savings represent?	22c: For example: polyester fabric dye wash off or cotton continuous dye application & wash off.	
23. Please upload a spreadsheet that shows your baseline energy usage and carbon emissions and the projected energy and carbon savings as a result of installing the equipment.	Please attach a file that clearly demonstrates the baseline emissions of your factory or process line/machinery if you have submeters. In this document, we wish to clearly see the emission factors, assumptions used, and methodology to arrive at the emissions projections. These will be audited in detail and form part of the contractual agreement, if the application is successful. Please make sure this matches the information on the feasibility study.	
24a. What percentage of renewable electricity do you use today? Which sources? 24.b What will the percentage be at the end of the project and from which sources?		24a. 0-49% regardless of source - 0 points 50-100% iRecs - 1 point 50-100% PPA, Solar, Green Tariff - 2 points 24b. 0-49% regardless of source - 0 points 50-100% iRecs - 1 point 50-75% PPA, Solar, Green Tariff - 2 points

	76-85% PPA, Solar, Green Tariff - 3 points 86-100% PPA, Solar, Green Tariff - 4 points
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2.5. Funding Request

Below, applicants must specify details on the requested grant funding. Please provide a summary of the funding request (in USD), duration, and added value it may generate (e.g., match funding from other sources). Proposals with anticipated or existing matched funding will receive preferential consideration. Please include any exchange rate, tax, and travel needs in your pricing as decisions can only be made based on the full funding amount. If invited to pitch, the applicant will be asked to provide line-item costing for detailed auditing of the funding request.

Question	Explanation	Response & Scoring
25. What is the total project capex cost (USD)? Please include both equipment and supporting infrastructure costs.		
26. What is the project's Return on Investment (ROI)?	How many years is the payback for the project?	3, 4, 5, 6, 7, or 8 years (this question is not scored)
27. Please list your funding request by project year and category.	Maximum funding amount is \$250,000 per year and/or 50% of total project cost. Successful applicants will receive the grant funding in installments of 50%-30%-20% A table will be provided to split the funding request into: • Solution capex • Personnel costs • Solution opex • Hard expenses (e.g., fabric)	

28. How will you fund additional capex needed for the project?	Please list any other funding sources secured for this project in the table. If you need financing, Aii can explore support.	Balance sheet, loan, brand, etc.
29. If your solution has any other benefits - such as reducing water consumption, chemical usage, or social issues- please describe these here.		