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New Sustainability Report from KappAhl

KappAhl has now published its Sustainability Report for the extended reporting period 1 September 2019 to 31 December 2020. The year was characterised by the impacts of Covid-19 and focus on corporate responsibility for business operations, employees, customers and other stakeholders. However, this was also a year in which the future KappAhl began to take shape.

In the Report, President and CEO Elisabeth Peregi sums up the previous year: *“Despite the pandemic, KappAhl recorded a stable financial performance as a result of its strong team efforts. Our stable performance demonstrates KappAhl’s strength and reliability. We are now readying our business for future growth.”*

She also comments: *“I take pride in the fact that KappAhl has fulfilled its agreements with our suppliers. Despite a challenging year, we also continued our efforts to integrate sustainability in our main business strategy to underpin KappAhl’s further strength and reliability going forward.”*

Performance highlights

- KappAhl measured continued commitment among its employees. In the annual employee survey, the company scores 77 (out of 100) on the question as to whether the respondent would recommend KappAhl to friends and acquaintances as a place to work.
- During the pandemic, KappAhl fulfilled all agreements with its suppliers.
- The company secured a stable financial result which enables continued responsible growth. Profit after tax was SEK 199 million for the extended financial reporting year 2019/2020.

Key sustainability activities

- In 2020, KappAhl resolved to reduce its greenhouse gas emissions in line with the Paris Agreement. In absolute terms, this means that the fashion chain intends to halve its emissions by 2030.

PRESS RELEASE

- The share of the product range made using more sustainable materials and/or by more sustainable methods has increased to 70 (58) percent. The goal is for this to be 100 percent by 2025.
- Three key goals of the Responsible Fashion sustainability strategy were achieved:
 - 100% more sustainable cotton in KappAhl's range (achieved in 2020)
 - 100% more sustainable denim in KappAhl's range (achieved in 2019)
 - 100% renewable energy in own agreements (achieved in 2020)
- KappAhl's used textiles take-back scheme has received 377 tonnes of textiles, of which 85 percent were sent for recycling.
- Over the financial year, KappAhl together with its customers donated SEK 6.2 (5.5) million SEK to organisations addressing key sustainability issues, primarily aimed at children, hunger and the environment.

Sustainability progression

"We are continuing our crucial sustainability efforts, and also advancing our position. Going forward, we will be directing greater focus at extending the useful life of garments, from design to manufacturing and wear. In the spring, we launched "Care for your clothes", a concept to inspire our customers to look after and extend the life of their cherished garments. We are also continuing our efforts on our ongoing partnerships in support of the major transitions ahead," says KappAhl's Head of Sustainability Sandra Roos.

- KappAhl is continuing to reinforce its position with responsible and affordable fashion suited to the different ways we live our everyday lives.
- KappAhl is continuing to develop its design strategy with additional longer-lived collections. This includes, for example, season-less garments, smart kidswear solutions for growing children and advice and inspiration for consumers under the "Care for your clothes" concept concerning garment care and how garments can be given a longer useful life through more wearers.
- KappAhl employees continue to inspect all supplier factories to ensure that they are capable of complying with KappAhl's Supplier Code of Conduct.
- For several years now, the names of KappAhl's suppliers have been published on the [fashion chain's website](#).
- KappAhl is continuing its commitment to [industry-wide initiatives](#), such as Higg Index and STICA, in order to increase transparency and sustainability throughout its value chain.

KappAhl's Sustainability Report meets the requirements of the Swedish Annual Reports Act and the GRI Standards core option. The Report is available to download from [KappAhl's website under Sustainability/Sustainability Report](#).

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For more information and images

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KappAhl was founded in 1953 in Gothenburg, Sweden. The fashion chain offers affordable, responsible fashion simply and sustainably at around 370 KappAhl and Newbie stores as well as Shop Online in Sweden Norway, Denmark, Finland, Poland and the UK. The KappAhl team is made up of some 4,000 colleagues with diverse backgrounds, ages, skills and dress style at 400 workplaces in ten countries.

At KappAhl, we are committed to offering Responsible Fashion that feels right for those wearing the clothes and for the world we live in. Today, 70% of our products are made of more sustainable materials. Our goal is for 100% of our range to be made of more sustainable materials by 2025. These vital efforts in aid of a circular fashion industry are ongoing in every part of our business. For more information, please visit www.kappahl.se/hallbarhet.