

# Kappahl

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## Kappahl combines growth strategy with reduced climate impact

Kappahl's vision of a sustainable future is one in which people's clothing needs are in balance with their environmental impact. Kappahl has developed a climate strategy that is commercially viable and anchored within the fashion chain's ambitious growth plan. It is also environmentally realistic, as it is in line with The Paris agreement.

'We needed to ensure that our future ambitions aligned with our climate goals. For that reason we have drawn up a climate strategy where our calculations are based on us meeting our climate goals as well as our growth targets,' Kappahl's CEO Elisabeth Peregi reveals.

As part of its ongoing transformational journey, Kappahl is to transition to a sustainable business model. One important goal is to halve its absolute climate impact throughout the entire value chain by 2030. That this goal is absolute will involve Kappahl reducing its total annual emissions from around 200,000 tonnes (2017) to 100,000 tonnes (2030).

'That this goal is absolute and applies across the entire value chain stands out,' says Sandra Roos, Kappahl's Vice President, sustainability. 'Our climate goal has not been set relative to growth. An absolute goal means that we as a company have a climate budget that we have to keep within. And our growth plan can now accommodate this.'

Kappahl's climate goal also applies across its entire value chain – suppliers and customers alike – on top of emissions from its own operations.

'Kappahl's own operations currently represent seven per cent of the emissions across the entire value chain,' Sandra Roos explains. 'But we feel that we in the clothing industry need to take responsibility for the entire value chain. That includes everything from the energy used in cotton cultivation, fabric production, clothing production and transportation on the supplier side of things, to us needing to support our customers to make sustainable choices and also provide efficient transport solutions.'

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An intermediate goal in Kappahl's climate strategy is to halve emissions per product by 2026. The figures in Kappahl's latest sustainability report reveal that the average level of emissions per product is 4.3 kg CO<sub>2</sub> equivalents (2020).

## **Transparency, quality and knowledge are vital keys to achieving climate goals**

Kappahl currently employs a range of solutions across the entire company to help it reach its climate goals. The company's transition to a sustainable, circular business model is at the heart of its operations. Today 70 per cent of Kappahl's products are already made of more sustainable materials, and the goal is to reach 100 per cent by 2025.

Children's clothes from Kappahl's Newbie brand can be hired from the rental service Hyber, which makes the garments accessible to more people and also gives them a longer life. Newbie is about to launch a pilot project to test second-hand sales, and Kappahl also offers christening gown rentals.

Another solution is circular design – garments that are designed for a reduced environmental footprint throughout the product's life cycle. For example, Kappahl's brand kay/day is currently offering a collection of timeless designs in a recurring colour palette and fabrics that are made to last. Smart design with less wasted materials and lower-impact dyeing processes mean a reduced carbon footprint. And to ensure the products can then be recycled in the smartest way, they are made of 100 per cent cotton and without details like zips or buttons.

The Minorities brand rounds out Kappahl's children's section with a new unisex style. The designers' ingenious solutions mean the garments can be lengthened, so that fast-growing kids can enjoy them for longer. The pieces are made of more sustainable materials and in responsible conditions, in close collaboration with a few select, named suppliers.

At Kappahl's production office, efforts to promote sustainability revolve around a dialogue with suppliers, to facilitate increased energy efficiency and a transition to renewable energy in production. Kappahl has also completely phased out conventional cotton and uses only organic cotton or cotton grown in line with Better Cotton Initiative's principles. The logistics department have also come up with their own solutions, including a ban on flying in products from production countries.

In stores, Kappahl's Care for Your Clothes products, such as laundry bags and care labels, make it easy for customers to look after their garments and make them last longer. Once the customer has finished wearing each garment, they can deposit them at Kappahl's textile collection points, to give every product the chance of a longer life or to be repurposed through recycling.

'The whole company is involved in our transformational journey. We are also seeing that Kappahl as a workplace and our five brands – Kappahl, XLNT, kay/day, Newbie and Minorities – are strengthened by us offering fashion with a smaller environmental impact than the equivalent goods in the same price segment,' says Sandra Roos.

## **More on Kappahl's environmental work**

Responsible Fashion is Kappahl's umbrella term for the various sustainability initiatives that run throughout its business. Its overarching goal is to achieve a sustainable and circular business model. The following are a few examples of important tools in this work:

Kappahl uses [The Higg Index](#) global standard to measure climate impact at both company and product level, ensuring quality and transparency.

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Kappahl is co-founder of the industry initiative STICA (Swedish Textile Initiative for Climate Action), an action learning network in which members collaborate to share knowledge and implement solutions that promote sustainable change. Any Swedish textile and fashion company can join STICA, on condition that it commit to reducing its greenhouse gas emissions in line with the 1.5°C target and the Paris Agreement. The GHG (Greenhouse Gas) Protocol is a global standard for measuring, managing and reporting greenhouse gas emissions. The GHG Protocol divides emissions into three different 'Scopes'. Scope 1 covers direct emissions from the company's own operations, such as company cars. Scope 2 relates to indirect energy emissions for electricity, heating and cooling, while Scope 3 covers the remaining indirect emissions from suppliers and business travel, for example. Kappahl and other members of STICA set climate goals that cover all three Scopes.

You can follow Kappahl's progress towards its climate goals and other sustainability initiatives in its annual [sustainability report](#).

**For more information, please contact**

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**Kappahl** exists to celebrate diversity in everyday life. We want to [help to change perspectives on fashion](#), and broaden the definition of diversity to include many different ways of living – empowering people to always stay true to themselves.

Founded in 1953 in Gothenburg, Sweden, the Kappahl Group is a leading fashion chain in the Nordics, with around 370 Kappahl and Newbie stores, and Shop Online in Sweden, Norway, Finland, Denmark, Poland and the UK.

The Kappahl team consists of some 4,000 colleagues at 400 workplaces in ten countries, all with different backgrounds, ages, skills and styles. Their common motivation is to offer fashion that fits a wide variety of people and lifestyles – a responsible fashion that feels right, for the wearer and for the world we live in. Today, 70 per cent of our assortment is made of more sustainable materials. Our goal is for 100 per cent to be made of more sustainable materials by 2025.

For more information, visit [www.Kappahl.se](http://www.Kappahl.se)