



Dedicated Sustainability report

2022

DEDICATED.

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About this report

Welcome to Dedicated first-ever CSR report. CSR stands for Corporate Social Responsibility, but this report covers much more. It's a clear and honest picture of our mission and how we are working towards it.

This is the first of a long list of reports, as we will publish a CSR report annually. This way, we can follow our progress year after year together. As this is a first, we wanted to go deeper into some subjects that have been at the core of our business since day one, such as organic agriculture and Fairtrade. This report is complementary to all the information that you can find already on our website.

The graphic charts and data of this report are based on the 2022 financial year, apart from the logistics and carbon footprint data. As we started working on our carbon footprint end of 2022, and obtained the results beginning of 2023, we had to report on 2021 data. Later in 2023, we will publish an independent carbon footprint report on 2022 financial year.

We aim to build this report in accordance with the Global Reporting Initiative (GRI). The GRI is a series of standards for companies to "report on their impacts on the economy, environment and people in a comparable and credible way, thereby increasing their transparency and contribution to sustainable development"⁹. We still have work to do to call our first CSR report GRI-compliant, but this is a first step, and what we will use as a base for future reports.



**Where it all began –
about Dedicated**

1

The story

Dedicated business model started with using Fairtrade and Organic cotton, which was the core of the sustainability strategy. Later we extended our effort to the whole supply chain, with the help of certifications. Now we are trying to build a more holistic approach, adopting best practices throughout the whole value chain, from raw materials to end of use.

2006



Stockholm Tshirt Store – Creative Tshirts made of Fairtrade & Organic cotton.

2012



Dedicated Brand – Extended product range & wholesale channel.

2015



1st new fabric: Swimwear made of Recycled Polyester.

2017



2nd new fabric: Shirts made of TENCEL™ Lyocell by Lenzing.

2019



First Plant Friday campaign. Contract for distribution in Japan.

2020



Dedicated becomes GOTS certified.

2021



3rd new fabric: Mix Hemp Cotton for jerseys.

2022



4th new fabric: Recycled wool for winter coats.

Corporate Carbon Footprint Calculation.

FUTURE GOALS



Set science based targets. Become B Corp certified.



The brand

How it started

We started Dedicated in 2006 because we realized that the available, responsible clothing brands weren't fashionable in their design, and the fashionable brands weren't responsible in their production. So, with Dedicated, we took it upon ourselves to fix that.

Today's mission

Dedicated's mission is to lead the development of a more sustainable fashion industry, using low-impact fibers and responsible production, and to take market shares from the conventional fashion industry. Sustainability is not just a word we use. It's the core of our business.

Fashion vision

At Dedicated, we create great contemporary styles. Our collections provide you with all the key pieces you need for a more planet-friendly wardrobe – since we only use organic and recycled materials in our clothing. We've got your basics covered with organic cotton T-shirts, socks, and underwear. But we also have clothes to match your lifestyle and style preferences. Our puffer jackets are perfect for the dark, cold months (we are a Swedish brand, after all), and our flowy dresses and patterned resort shirts are simply must-haves on a warm summer day.



THE MANIFEST

- Focus on contemporary and expressive every day fashion to lower the hurdle for customers to switch to more sustainable clothing.
- Offer products at a price point that is accessible to the majority.
- Always design durable and practical clothing that can stay beautiful and in use for as long time as possible.
- Always use organic, natural fibers when possible, or recycled synthetic fibers when needed for the product's performance.
- Always use the strictest certifications available.
- Always ensure maximum traceability in our supply chain to minimize environmental and social risks.
- Always prioritize healthy profitability to secure the longevity of our business.
- Be respectful towards customers, colleagues, suppliers, and external stakeholders.
- From production to office management, always choose options that can minimize our carbon footprint.
- Use part of profits to cause political debate and thereby forcing other clothing companies to lower their negative impact.
- Always try to learn new things and have fun, since life is short.



The business

Let's talk about our business and structure.

Dedicated Sweden AB originated in 2006 as Stockholm Tshirt Store in Stockholm, Sweden. It started as a retail concept only and extended to wholesale and retail in 2012 as the brand was renamed Dedicated.

The company is privately owned by four people, three of which are working for the brand as CEO, CFO, and Print Designer. Our headquarters are still in the heart of Stockholm, and we have three owned shops: two in Stockholm and one in Gothenburg, Sweden.

All our styles are designed in-house by our talented team and manufactured in two countries: India and China. We also work with external artists and licenses to add to our collections. We do not own any factories; we work closely with a few trusted suppliers. We do not own warehouses either, all our garments are shipped to Vänersborg, Sweden to our partner's warehouse, and to Cologne, Germany, where we work with a loyal distributor since the start of our wholesale business.

**Dedicated is sold to 200 wholesale
retailers across 35 countries**

The turnover is divided in
46% wholesale costumers
54% physical and online shops

Top 3 Markets

1. Germany
2. Sweden
3. United Kingdom

18 employees in HQ
18 employees in our shops
7,9m eur turnover
+20 collaborations
with artists

1. Headquarter
2. Swedish warehouse
3. German warehouse



Understanding where to focus

We work in an industry that has become extremely important for the world's economy over the years. As the textile industry is growing, so does its impact on the people who work within it and on the environment that surrounds it, from cotton fields to landfills. In that context, we must know where to focus our efforts, if we want to minimize our company's impact. To do this, we continuously analyze our activity through the eyes of our stakeholders: what matters to them – and through a business perspective: what is important to our business, given the industry we evolve in. Our stakeholders are all the people that have an impact on, or are impacted by our business, whether it is internally such as Dedicated's employees, consultants, agents, or externally, our customers and suppliers. We also need to consider the other groups that play a role in our decision-making process, NGOs, industry organizations, and academics.



Over the years, we have collected feedback from them, directly or through research, and thus identified topics of importance:

Stakeholders	How do we collect feedback	Main topics of interest
Customers (BtoC)	Social medias, customer service, market research, store employees.	Shipment methods and timing, traceability, certifications, cruelty free garments, quality, price.
Retailers / Agents (BtoB)	Feedback surveys, meetings twice a year, tradeshows.	Traceability (availability of information); Deliveries on time, prices, Quality; Sampling; Communication means, Due diligence/ sustainability management in general.
Employees	Yearly interviews.	Working conditions (work environment and workload); Remunerations; Career development; Work/life balance.
Owners	Open door policy, owners are part of the work force.	Economic performance; Minimizing our impact; Change the industry's practices.
Manufacturing suppliers & Workers	Daily contacts, meetings, site visits, industry surveys.	Order quantities; Pricing; Lead Times; Communication; Meeting our material requirements; Quality; General due diligence.
Farmers	Fairtrade reports, visits with Fairtrade, academic research.	Wages; Working Conditions; Community.
Distribution centers and warehouse	Regular visits and emailing.	Deliveries; Communication; Planning; Stock/quantities.
Regulators	Surveys and public reports.	Traceability; Due diligence on social rights; Climate impact; Durability.
Academics	Website, emails.	Systemic change, waste pollution, wages.
NGOs	Surveys, hubs and forums, tradeshows, benchmarks.	Wages, Health and Safety, Freedom of Association, Chemical pollution, climate impact, Waste pollution.

To choose what to prioritize, we took two steps. First, we ranked the importance of each topic of interest from our stakeholders' point of view: what environmental and social topics come back the most? Secondly, we used a third-party risk assessment tool that highlighted how important these topics are for our business and at what stage of our value chain.

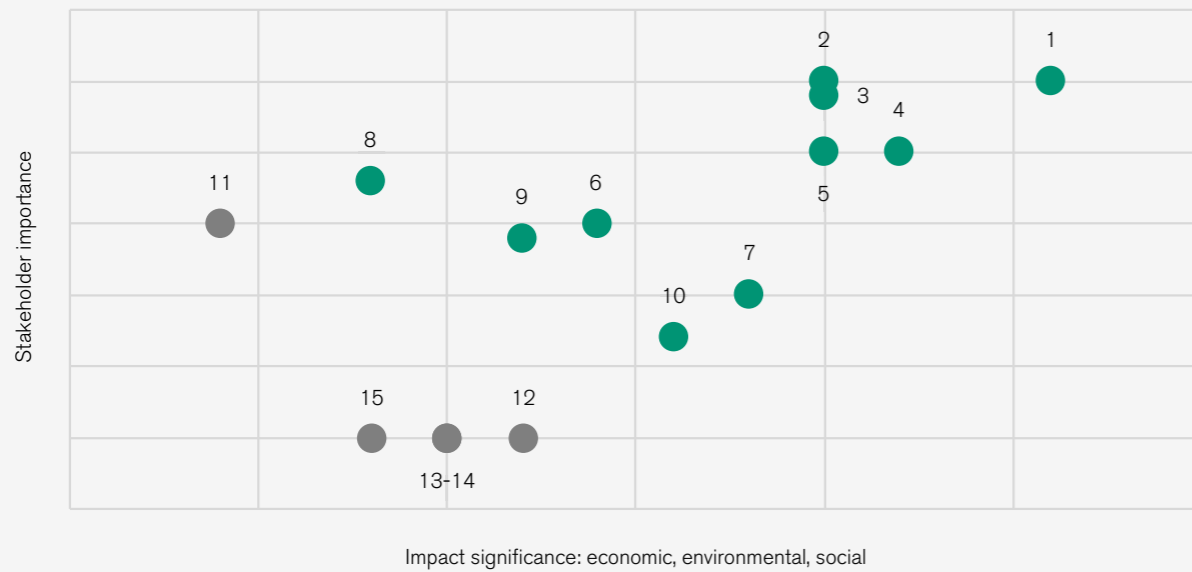
From there, we were able to create what is called a materiality Matrix. You can see it below: On the right side, the topics are ranked by importance, and on the left side, where they are most present in our value chain. In short, this matrix is a way to highlight the main subjects of interest for our company, where we can make the biggest difference. This methodology is based on the GRI Standards and allow us to connect these topics to bigger societal objectives such as the Sustainable Development Goals.

Materiality matrix

	GRI	SDG	Raw material	Fabrics	Manu- facturing of end garment	Own operations	Downstream activities
1 Climate & energy	302 305 301	13 7	■	■	■	■	■
2 Product quality	301 201 202	12			■	■	■
3 Working conditions and wages	401 403 407	8	■	■	■		
4 Water consumption & water availability	303	6	■	■	■		■
5 Waste	306	15 12		■	■		■
6 Biodiversity & deforestation	304	15	■		■		■
7 Air pollution	305	3		■	■		
8 Hazardous chemicals	416 403 306	3 12			■		
9 Soil & (ground) water pollution	306 303	14 15			■		■
10 Impact on the local community	413	1 11 16	■	■	■		

11: Animal Welfare 12/13: Illegal employment, 14: Corruption, 15: Land use & property rights

Materiality analysis



● Low to no impact ● Significant impact ● High impact

The bigger picture – Sustainable development goals

The 2030 Agenda for Sustainable Development was adopted in 2015 by the United Nations Member States. The agenda is a plan of action for people, the planet, and prosperity, setting specific goals that all organizations should work on.

As a purpose-driven brand, our strategy, and the tools we work with are directly connected to the SDGs. They are all interconnected but the targets shown here are the ones most related to our activity. Throughout our report, you will read more about the concrete ways we contribute to these goals. It's about seeing the bigger picture, and the SDGs help us to connect our strategy with global societal objectives.



Building a more conscious society

We started in 2006 with one type of fiber: 100% Organic and Fairtrade cotton in jersey and sweat fleece. During the following years we expanded to 4 more: recycled polyester, TENCEL™ Lyocell, recycled wool, and hemp. We have informed customers, suppliers, and fellow brands about the advantages of low-impact fibers. We work with organizations and companies to raise awareness and change behaviors.



- 12.6** Encourage companies to adopt sustainable practices and sustainability reporting.
- 12.8** Promote a universal understanding of sustainable lifestyle.



- 17.17** Encourage effective partnerships.
- 17.16** Enhance the global partnership for sustainable developments.

TARGETS

Monitor and reduce social risks

The fashion industry is an example of globalization pushed to its extreme, exploiting the differences in regulations and costs, to the expense of people. We must face these risks, and try to reduce inequalities at our scale, with the support of specialized certifications such as Fairtrade.



- 1.2** Reduce poverty by at least 50%
- 1.A** Mobilize resources to implement policies to end poverty.
- 1.1** Eradicate extreme poverty.



- 8.8** Protect labor rights and promote safe working conditions.
- 8.7** End modern slavery, trafficking, and child labor.

TARGETS

Reduce environmental risks and restore resources

Today most garments are made without consideration for our planet's boundaries. From water pollution to energy use, there are plenty of areas to work on. We make garments using waste, organic agriculture, sustainable forestry, and non-toxic inputs. We measure our impact and set objectives in line with scientific recommendations.



- 15.2** End deforestation and restore degraded forest.
- 15.3** End desertification and restore degraded land.



- 6.4** Increase water-use efficiency and ensure freshwater supplies.
- 6.5** Implement water resources management.



- 12.4** Responsible management of chemical waste.
- 12.5** Substantially reduce waste generation.

TARGETS

Highlights of 2022

2

Highlights

New Fiber: Hemp & Recycled wool

Diversifying our materials is a way for us to show that garments can be done differently without using conventional synthetic fibers. We also increase the demand for low-impact alternatives, to help the industry move forward. We have introduced Hemp and Recycled wool because these allow us to offer more versatile garments. Read more: [The benefits of our fabrics.](#)

Retraced: better CSR management and communication online

Having a good map of our supply chain is key to making changes; but managing all this data in a different format can be challenging. Additionally, more customers want to see transparency and information at the product level. Retraced is a young innovative company, that offers a platform to store and efficiently use all the CSR data we gather and then display it on each product on our webshop. Our partnership was a real improvement for CSR management.

Supplier visits and trips with Fairtrade


Due to the pandemic, we couldn't travel as scheduled, but in 2022, we could finally go back to India and visit our suppliers. This is not a new company practice, but we still want to highlight it here. For the first time, the Head of CSR went along with the production team, making these visits even more useful for the brand's sustainability development. Also, long overdue, we reconnected with the most important step of our supply chain: cotton cultivation. Our CEO went on a trip with Fairtrade Sweden to some certified farms, reminding us of all the important work Fairtrade does for the community.

SDGs strategy

As a purpose-driven company in a controversial industry, we must include bigger environmental and social goals in our strategy. It's about seeing the bigger picture. The Sustainable Development Goals are an example of objectives that should be achieved for a healthier and more equal world. We now have formalized the targets we are contributing to in our strategy, and the ones we want to focus our work on.

Mapping our Greenhouse gas emissions (GHG)

We started the process of mapping our emissions in 2022, a project that was fully finalized in early 2023. For that project, we chose to work with a carbon footprint expert, to have a robust report and analysis of our emissions. This is a very big milestone in Dedicated's sustainability journey. Read more about it in [Climate Impact](#).

A woman with long brown hair, wearing an orange t-shirt, is holding up a large white fabric against a clear blue sky. She is looking upwards and to the right. The fabric is draped and appears to be made of a soft, natural material.

Diversifying our materials is a way for us to show that garments can be done differently without using conventional synthetic fibers.



Planet-friendly wardrobe

3

The strategy behind our fabrics

A sustainable garment starts with a good choice of fiber. About 38% of the fashion industry's carbon footprint comes solely from material production¹. But there are a lot of things to consider when defining a low-impact fiber: how is it grown or made, how is the fabric manufactured, is it chemical-heavy, does it solve an issue or add value to our offer, how durable is it, will it create toxic waste, is it available at our scale...

So, to help all decision-makers at Dedicated to stay on the right track, we created a fabric classification. And even if we know our fair share about fibers, we also base this classification on industry tools and benchmarks², to keep it more neutral.



CLASS A

- Regenerative Organic Certified Cotton
- Certified recycled cotton & other recycled natural fibers
- Certified organic + Fairtrade cotton
- Organic bast fibers (linen, hemp, jute)

CLASS B

- Certified organic cotton & in-conversion cotton
- Certified recycled polyester/nylon
- Conventional bast fibers
- Innovative natural fibers (Pinatex, Kapok)
- TENCEL™ Lyocell

CLASS C

- Innovative bio-based polyester
- Innovative bio-based nylon
- FSC and PEFC-certified viscose

CLASS D

- Virgin polyester & other conventional synthetics
- Generic Viscose
- Conventional & BC cotton

UNCLASSIFIED

- Virgin animal fibers & silk

Preferred choice: promote durable agriculture practices, reuse already existing resources, can be biodegradable, encourage innovation

To avoid when possible. Some of our garments still contain conventional elastane for performance and durability.

The benefits of our fabrics

Dedicated started with Organic and Fairtrade cotton back in 2006. This was our way to support farmers from extreme poverty and encourage a more durable agricultural system. Later, the brand grew to a full clothing range that we wanted to be made sustainably. That meant new types of garments, made of new fabrics.

To make durable swimwear and outerwear we started using recycled polyester. To make breathable and soft shirts, dresses, and blouses, we chose TENCEL™ Lyocell. For more performant and durable winter garments, we added recycled wool to our fabric mix. We always want new fibers to add value to our garments, this is also why we started working with hemp to make more durable t-shirts with a neater structure. For our socks, we use polyamide for resistance and durability, but thanks to a new supplier we were able to switch from virgin to recycled polyamide.

But these materials also have real environmental benefits compared to their conventional alternatives, some can even restore the environment.



Organic and Fairtrade cotton

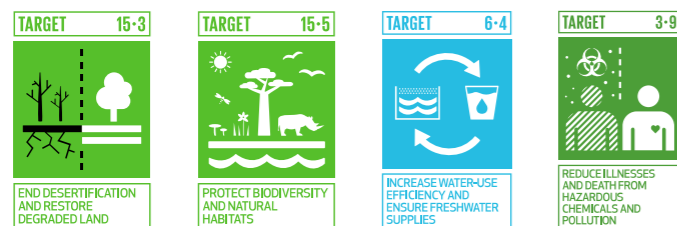
Organic agriculture works with nature. No genetically modified seeds or toxic inputs are added, only natural management of pests and insects. This guarantees healthy soil and a preserved ecosystem. Together, they will retain much water and absorb CO₂. That's nothing innovative, that's just how nature was made to work in a sustainable manner. However, conventional farming effects are just the opposite, the soil is dried out, and biodiversity disappears, resulting in the necessity for an enormous amount of water and toxic chemicals to sustain the system.

As for conventional cotton farmers, they are in debt, dependent on a less and less reliable climate, and have serious health issues. That's when Fairtrade comes into action. Often coupled with organic practices, Fairtrade empowers farmers, so they and their families can live off their activity. They also become more resilient to climate change, thanks to agricultural practices that are in line with nature, as it's supposed to be done. Read more: Focus on Fairtrade.

To go beyond organic, we would like to invest in regenerative organic agriculture. This is something that our team highly believe is a key to restoring nature and arable land in a long-term perspective. There is only one framework that defines and promotes this method: Regenerative Organic Certified (ROC). Dedicated is working on becoming part of that movement.

The organic farming process requires up to 91% less water, 62% less energy, and emits 46% less Co₂ compared to conventional cotton farming.⁴

Today only 1.5% of all cotton in the world is organic or Fairtrade.³



Additionally, we want to promote better alternatives. The fashion industry is dominated at 64% by synthetic fibers³, because they are cheap to make, and easy to decline in different feels and functions. But there are plenty of more durable alternatives that are not made of crude oil in a pool of chemicals. Incorporating different natural or recycled fibers, such as hemp, in our colorful and versatile garments is a way to show what's possible, and that alternatives are out there.

Recycled wool, polyester, and polyamide

Reusing already-made fibers is always a good choice. Especially if the material would originally be made from oil, like polyester and polyamide. Studies⁹ show that the production can save a lot of energy, water, and CO₂ compared to conventional polyester.

As for wool, we wanted its durability and self-cleaning properties for our winter garments, without having to work with wool farms. We found a good alternative: recycled wool. It is usually mixed with synthetic fibers, recycled in our case.

Our challenge here is that even recycled, synthetic fibers shed micro-plastics when being washed. That's why we try to use them for garments that don't need frequent laundry.



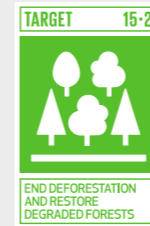
TENCEL™ Lyocell, by Lenzing

TENCEL™ Lyocell is a more environmentally friendly version of viscose, made by the Austrian company Lenzing. Lenzing sources 99% of its wood from FSC and PEFC-certified forests, eliminating the risk of deforestation.

To make pulp from wood, viscose is usually very chemical and water-intensive, but Lenzing developed a closed-loop system reusing 99% of the non-toxic solvents and water.

Additionally, the Austrian production sites are powered by renewable energy.

Here we make sure our suppliers' source from Lenzing offices in India, so they buy from a stock of fiber that was shipped efficiently in bulk from Europe to India.



Hemp

Hemp is one of the most versatile and durable fabrics around. It's also one of the fastest-growing, most environmental-friendly fibers to cultivate, even conventionally. The high-yield crop can require up to 90% less water than regular cotton and it's naturally pest-resistant, which means that farming doesn't require any synthetic inputs or genetically modified seeds. Hemp also has anti-erosion properties and can drain soil from poisonous substances and heavy metals.



The fabric certifications

Our suppliers source the materials as per our requirements. To be sure that the fabrics are made of the right raw material, and to back up the benefits we claim they have, we work with strict certifications.

Organic & Fairtrade Cotton

We are GOTS certified (certified by IDFL-015691) because it's the only label that goes beyond the raw material phase. Growing cotton organically is even better if the rest of the supply chain is also free of toxic chemicals and managed sustainably. With GOTS, every manufacturing stage is audited against strict environmental (chemical restrictions, water management...) and social rules. However, it is an administrative heavy process, which also requires distribution centers and warehouses to be certified. That's how GOTS can guarantee traceability, but that is also why we haven't been able to use the logo on our garments. In 2022, labeling garments became a mandatory requirement, and one of our most important objectives for 2023.



Fairtrade is a unique certification working for cotton farmers directly on the field, to improve their agricultural practices and livelihood. Read more about their work in Focus on Fairtrade.

Recycled Polyester, Recycled Wool, Recycled Polyamide



We require our suppliers of polyester garments to source GRS-certified fabric. Combined with traceability work, it is the only way we can make sure our garments are made of actual recycled fabric. Most of the recycled polyester we use is from post-consumer PET bottles. Dedicated is not certified GRS as a brand, but we verify that our production has been made according to the requirements. However, we cannot publicly use the logo.



PETA Approved Vegan is a label that shows that our garments are made without the use of animal-derived substances. It applies to our suppliers and the products they make for us that are compliant. Our suppliers must read and confirm they do not use any of the animal-derived substances in our production, as per PETA's prohibited list of substances.



In numbers: our production and challenges

New fibers and certifications' complexity

We are proud of using new fibers, but they represent a small quantity of our production in volume. First, we have only used these new fibers for one season in 2022 production, for a total of 7 products. But also because it can be hard as a small company, to work with new fibers.

Recycled wool: Together with our current heavy knits manufacturer, we spent a long time searching for a recycled wool yarn supplier, but this supply is limited or sold in too big quantities for our production. Also, a lot of options had a very low amount of wool compared to synthetic fibers in their mix, and we wanted the best quality possible.

Hemp: It's not grown in India, where we make our clothes, and it is a tricky plant to grow in some places because it is the same family as Cannabis Sativa. This makes it hard to find. In fact, our supplier found the fabric from a distributor, but they haven't been able to trace its origin for us. We are trying to work out better traceability for 2023 production.

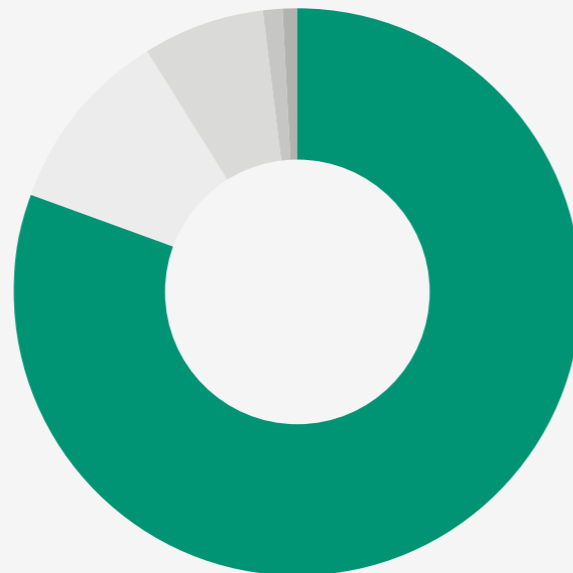
Another challenge is the remaining "non-certified" percentage of our production. This is due to the elastane we use in a big part of our swimwear (13% of fabric composition) and in some of our garments (5% of fabric composition maximum). These garments require some flexibility to be comfortable and last over time. But we haven't yet found a better alternative to elastane that is available for our quantities. Regarding our socks, we used to use virgin polyamide, but we now found a supplier able to make our socks from organic cotton and recycled polyamide.

Then there's the issue of the administrative and financial burden of certifications for our suppliers. We tried to work with certifications with smaller suppliers, but they don't always have the time and resources to comply with all traceability requirements. This remains a very small part of our production, but something we want to improve over time.

Overall, our most popular products are still the ones we started with: Our Organic and Fairtrade cotton jerseys. Cotton remains by far the fiber we use the most and the one we focus our efforts on.

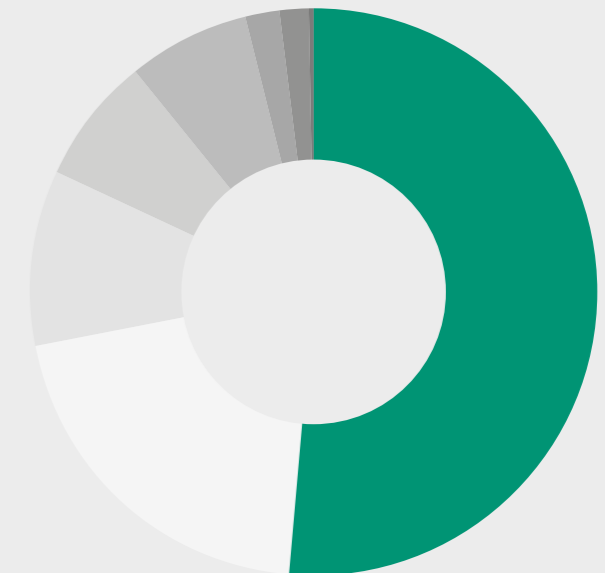
VOLUME PRODUCED PER FIBER IN 2022

- 80,8% Cotton
- 10,5% Polyester
- 6,9% TENCEL™ Lyocell
- 1,2% Nylon & elastane
- 0,6% Wool & hemp



VOLUME PRODUCED PER SUSTAINABLE ATTRIBUTE IN 2022

- 51,5% Fairtrade + GOTS
- 20,6% GOTS organic
- 9,9% Recycled cotton / polyester mix (custom production)
- 7,4% GRS recycled polyester / wool / polyamide
- 6,9% TENCEL™ Lyocell
- 1,9% Non-certified
- 1,6% Organic cotton mixed
- 0,2% Hemp



Chemical management

This was a 2021 goal that we accomplished: going beyond certifications for our chemical management. By carrying out our own tests with a third party, we show our suppliers that we are proactive and that they must follow our explicit rules. We are limited in the number of tests we can carry per season, but that's why we do a careful risk assessment where we choose what is potentially the riskier production.

We have created a Chemical Policy to **explicitly communicate our requirements to our suppliers**, beyond certifications. They know we can decide to test fabrics when they don't pass our risk assessment. Our Restricted Substance List (RSL) is based on industry recommendations from Greenpeace Detox Campaign⁵ to ZDHC⁶.

We cover the cost of the tests and build a database with the results, which help us evaluate the chemical risk for future new fabrics.

**Manufacturing Restricted Substance List*

CERTIFICATION VERIFICATION	CHEMICAL POLICY	CODE OF CONDUCT	INTERNAL RISK ASSESSMENT
<ul style="list-style-type: none"> GOTS: MRSL*+ RSL for all production stages. Compliant with Greenpeace Detox Campaign GRS: RSL compliant with REACH and ZDHC Oeko-Tex Standard 100 	<ul style="list-style-type: none"> RSL: GOTS 6.0 + AFIRM RSL V05 MRSL: ZDHC/GOTS/GRS Corrective Action Plan in case of non-conformity 	<ul style="list-style-type: none"> Environmental section: must read and sign our chemical policy. 	<ul style="list-style-type: none"> Seasonal assessment to choose what products need to be tested. Based on certifications used in production and supplier's track record.



**Together for a better
tomorrow**

4

Our suppliers

Our supply chain is small but classic in its structure. We work directly with our garment manufacturers and inform them of our requirements, and they source from their own suppliers, where they know they can find the fabrics and qualities we want. A lot of our suppliers carry out several production steps in-house, further simplifying our supply chain.

We try to have a collaborative relationship with them. First, because they are experts in garment making, but also to create a two-way dialogue. We want our suppliers to feel free to discuss issues with us.

This isn't always easy, as the fashion industry has been based on very impersonal business relationships, with factories doing everything they can, sometimes beyond legal regulations, to satisfy the client's request. This is precisely what we want to avoid. Thanks to an experienced buying and production team, and carefully selected suppliers we created collaborations that allow good production time and quality management.



The Open Supply Hub is a non-profit organization that creates an open-data tool, mapping facilities worldwide by linking them to the brands they work for. The main value is that if there are social issues in a factory, it is easier to inform the related brands and push for change. We share a list of all our suppliers, to the best of our knowledge at least yearly⁷. It's the best comparable database, neutral, collaborative, in short: transparent with a purpose.

We face several challenges in our supply chain. Bigger factories will have more resources to follow our strict requirements in terms of production processes and will follow regulations more strictly, minimizing the risks of non-compliance. But it's not always worth it for big factories to handle our small orders. Smaller factories can handle our production but not all the processes we work with.

That is why choosing our suppliers well is key, and we have implemented policies over the years, to make sure we can build long-term relationships that are a win-win.

Having few suppliers is also useful to maintain transparency. Transparency is the key to identifying social and environmental risks in our supply chain and taking meaningful actions. A supplier that understands our mission as a brand is a supplier that will be willing to share with us useful information and adapt their practices if needed.

0 Dedicated owned factories. 2022 direct suppliers:

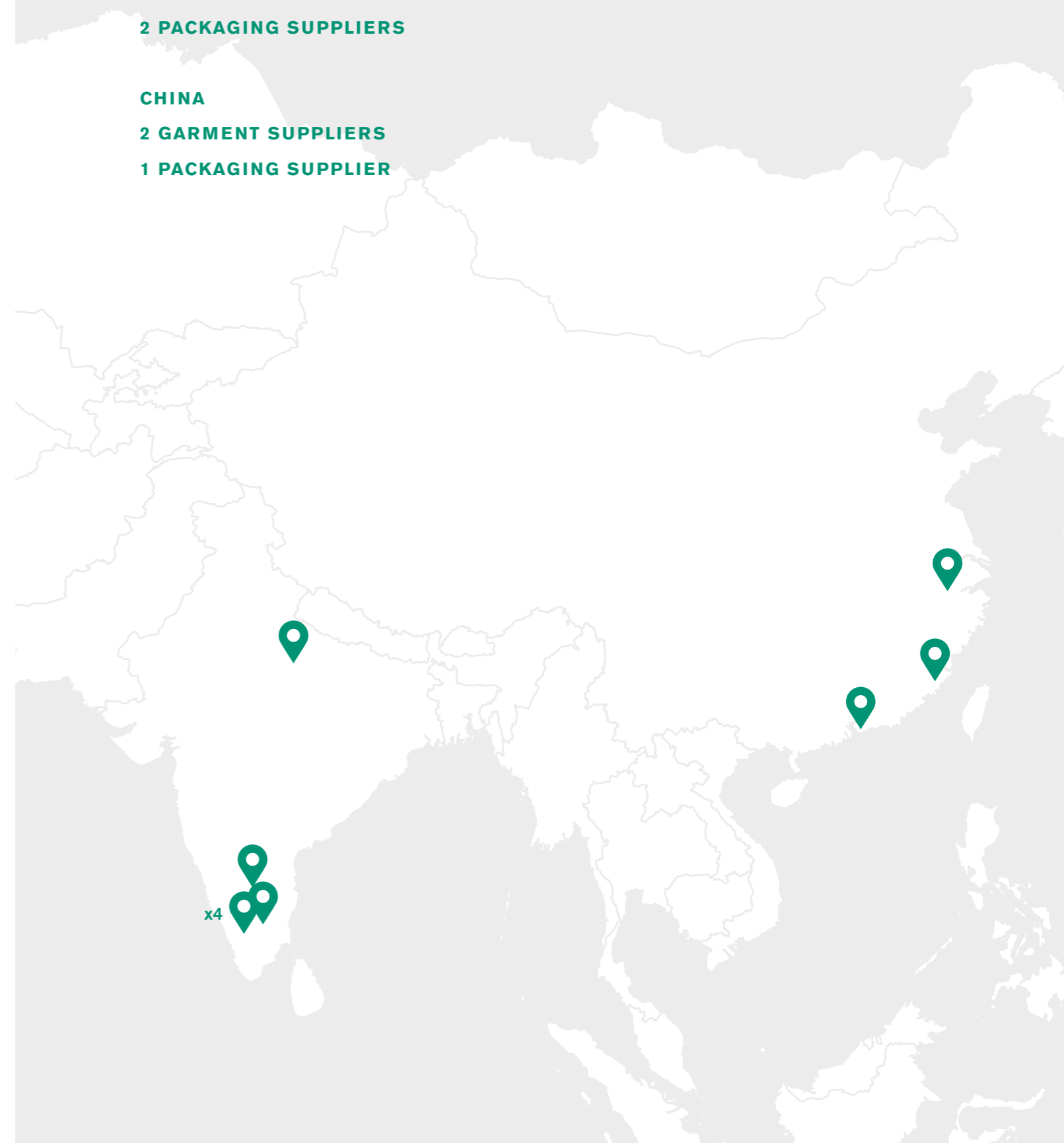


INDIA

- 6 GARMENT SUPPLIERS
- 1 SOURCING AGENT
- 2 PACKAGING SUPPLIERS

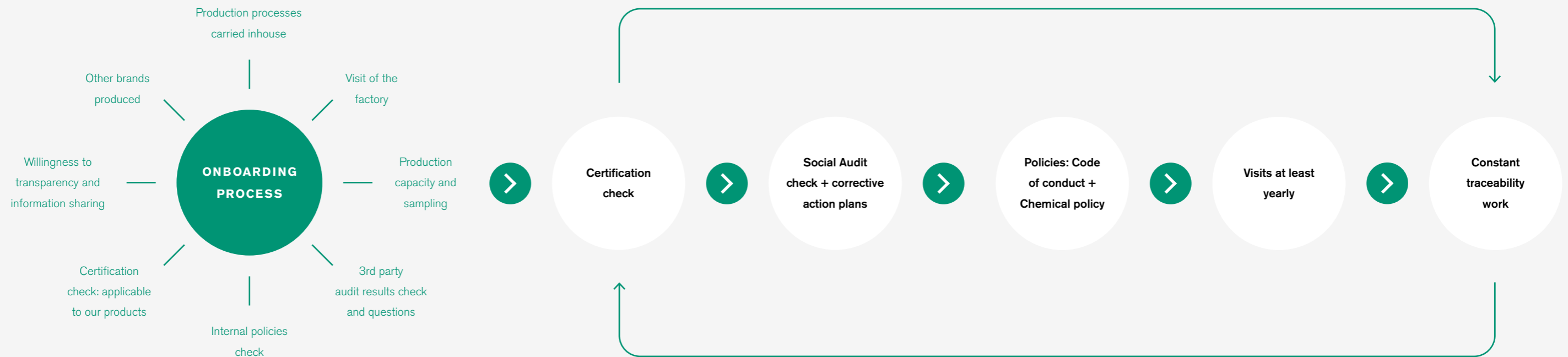
CHINA

- 2 GARMENT SUPPLIERS
- 1 PACKAGING SUPPLIER



Supply chain management

When we identify a potential new supplier, we have an onboarding process to assess if the supplier can work with our production and sustainability requirements. If we start working with this supplier, we perform regular checks with the help of third-party audit reports and we keep visiting the factories yearly.



How do we maintain a good collaboration?

We email daily and organize online meetings anytime needed or regularly when we start a new collaboration. We have a Product Lifecycle Management software for design and production developments, that our suppliers can use freely with our help, and where they can communicate directly with designers for quality control. We have a quality manual to make sure all quality checks are done equally in our office and at our suppliers. Our production team requests quality checks regularly especially when we work with new suppliers or new fabrics. This whole process allows better collaborative issue management and less waste of time for both sides. And when our production team visits the suppliers' factories, they go over all these tools together.



In numbers: how does it look in practice?

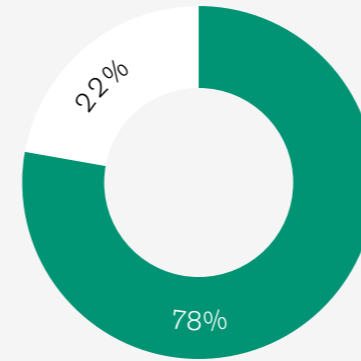
These are the social audit performed by our suppliers and their requirements.

- No Child Labor
- No forced or Compulsory Labor
- Health and Safety
- Freedom of Association and Right to Collective Bargaining
- Discrimination
- Disciplinary Practices
- Working Hours
- Fair Remuneration
- Management System: compliance with laws and regulations

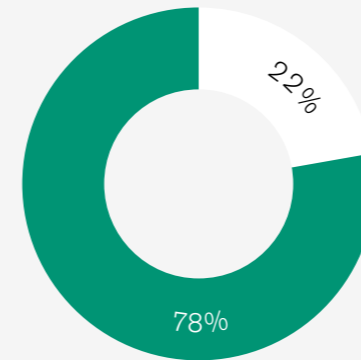


These requirements are in line with our Code of Conduct. They also usually require certified factories to assess their own suppliers, against these requirements, which is important for us since we do not have the possibility to audit all tiers. This is also why working with GOTS, a certification that guarantees compliance with ILO-aligned requirements all along the supply chain is key to minimizing the risks.

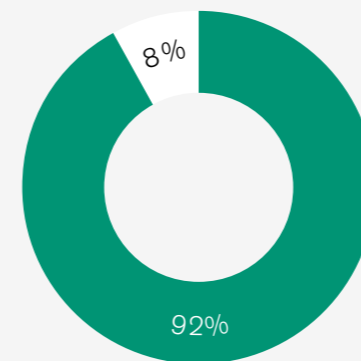
We don't usually have the leverage necessary, in terms of financial weight in the factories we work with, to push for changes. That is why choosing suppliers well from the start is key. When we spot non-compliances, we try to understand where it comes from, as it could also be due to our practices, and we try to improve the situation together.



Manufacturers with a social audit = 78%



Manufacturers visited 2022 = 78%



Production per country 2022
92% India • 8% China



2022 supply chain situation

- **One change of supplier**

Our headwear manufacturer in China stopped our collaboration. We had to find a new factory in India in a rush. The factory isn't certified GOTS so we have put them in contact with another of our fabric suppliers, to source GOTS-compliant fabric for our headwear.

- **Limited visits to China**

Due to pandemic restrictions, we haven't been able to visit our suppliers since 2019. We hope to be able to visit the factories soon.

- **Two new suppliers**

We are trying to work with smaller factories for special qualities, the challenge here is to see if a smaller factory can work with our sustainability requirements and production processes which can be complicated. This partnership has to be viable for both sides.

- **One social audit was carried out at our request**

We make custom productions for clients wishing to offer more sustainable products, at a small factory in Tirupur. To be compliant with both our and the client's requirements we requested the factory to carry out a WRAP audit, which we helped finance.

- **Two factories with non-conformities in working hours**

Upon our visit to India and the verification of a social audit report of a factory in China, we noticed non-conformities in the amount of overtime in two factories. We are working with these to identify if this is exceptional and if there is something we can do as a client to help them plan the production lead time better.



Retraced, is our solution to maintain good sustainability data management, and accurate transparency. It can be hard to keep track of all the changes and certifications status. If you click on the green icons on our product pages, you will find more information about our suppliers, their certifications, the fabrics, and more. That is thanks to our partnership with retraced. An innovative company that helps us to collect and efficiently store useful data from our

supply chain. Using blockchain technology it guarantees accurate and comparable data, so we can identify information gaps.

We choose to show the traceability for all our products via retraced on our webshop, even when we don't have all the information we wish. This is a way to push us to do better and hold us accountable.



Focus on Fairtrade

Fairtrade has been one of our first commitments to make sure we bring positive value to those most at risk in our supply chain. It is the only label that actively works with cotton farmers on the ground, to provide the support they need, professionally and in their community.

Fairtrade isn't just a fair minimum price to protect farmers against volatile market prices. Although, it's unique and extremely important.

When buying Fairtrade, we pay a higher cost, to finance the Fairtrade Premium. Fairtrade encourages farmers to gather in cooperatives and provide training on better agriculture practices and community management. This Premium is then used based on democratically made decisions between farmers, to invest in essential infrastructure for the community and/or agricultural tools. Fairtrade is the most concrete certification that exists to empower farmers in the global south.

“Fairtrade is unique in being the only certification scheme whose primary aim is to tackle poverty through better terms of trade as well as giving farmers greater power within their trading relationships.” – Cotton Commodity briefing, Fairtrade 2020

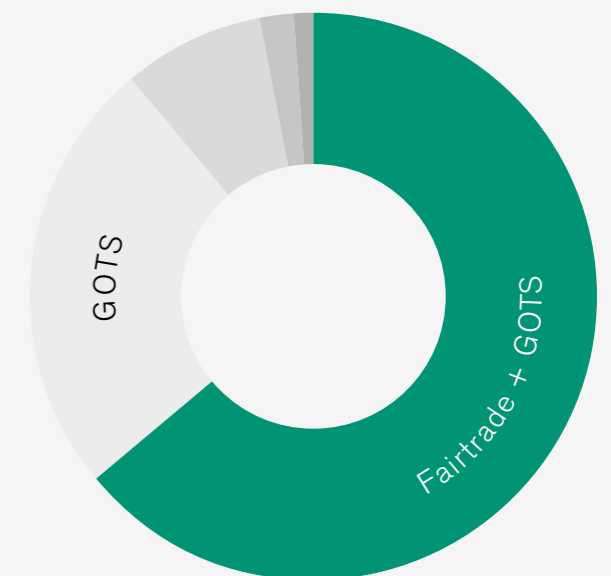
Challenge

For some products, it is hard to remain competitive while buying Fairtrade-certified cotton. The point isn't to promise purchases to our suppliers if we cannot sell them. Secondly, there is a limited supply of Fairtrade cotton, specifically in some qualities that were added to our range in the last few years. Since we started the brand with only Fairtrade-certified products, this resulted in a decreasing share of Fairtrade-certified cotton in our collections. We are working on maintaining and increasing Fairtrade purchases.



**% OF OUR COTTON PRODUCTION
PER CERTIFICATION IN 2022**

- 64% Fairtrade + GOTS
- 25% GOTS Organic cotton
- 8% Recycled cotton mix
- 2% Other organic cotton mix
- 1% Non-certified



In November 2022, our CEO and founder Johan Graffner went on a trip to visit some Fairtrade-certified farms and ginning mills together with Fairtrade Sweden. They visited training centers for farmers that are aiming to convert their farming methods to thus of organic and Fairtrade-certified standards. There, they learn how to make and use natural pest management methods such as vinegar traps or “catch crops”, that will repel pests without using synthetic pesticides.

He also visited the research and development project supported by Fairtrade. Fairtrade and organic standards prohibit the use of genetically modified seeds, but in India alone there is a 95% monopoly on the seed market, in favor of GM seeds. In order to support farmers' access to good quality non-GM seeds, Fairtrade has been supporting a long-term project to develop non-GM hybrids that are pest-resistant, drought tolerant, and meet the fiber parameters of the industry. These seeds are commercially produced and made available to farmers at a lower price than the market price.

Fairtrade encourages these long-term sustainable practices, because they help preserve the ecosystems but also to help farmers to be less reliant on costly external inputs.

As for the more social projects, Johan also went to a school that was entirely financed by the Fairtrade Premium, where 363 pupils are now studying for a (50%) lower fee than the region's average. Year after year, Fairtrade has noticed improvements in the livelihood of the farmers they support and their families.

We are proud to represent such a unique movement since day one and grateful for all the work Fairtrade does.



Fairtrade's objectives are aligned with the following SDGs:



“Dedicated is a pioneer in sustainable fashion and their commitment to Fairtrade started already in 2011. We are proud to be working with Dedicated to improve the lives of our Fairtrade cotton farmers in India.”

— Elisabet Lim, Product manager at Fairtrade Sweden



Responsibilities

5

Climate impact.

Mapping our emissions

It all started as a wish to compensate for part of our emissions to reduce our climate impact. But to make sure we would compensate properly, we needed to know the baseline: what is our carbon footprint, and what emissions can we reduce first?

Calculating a carbon footprint must be done according to standardized rules and principles, set by the Greenhouse Gas Protocol. Only by following a strict methodology can we produce a real Greenhouse Gas (GHG) emissions map. We decided to work with an expert to start this highly regulated project. Together with ClimatePartner AB, we set the framework: we will start with calculating our Corporate Carbon Footprints (CCFs), including the footprint of all our garment production. The CCF is the sum of the CO2 emissions released by the company within the defined system boundaries over a specified period of time. And since we started this project end of 2022 our Carbon Footprint results refer to 2021.

Scope 1 includes all emissions generated directly by Dedicated Sweden AB, for example by company-owned equipment or vehicle fleets.

Scope 2 lists emissions generated by purchased energy, for example electricity and district heating.

Scope 3 includes all other emissions that are not under direct corporate control, such as employee travel or product disposal.



We chose ClimatePartner AB for their 15 years of expertise, 500+ climate experts, and their local team in Stockholm. The first calculation is always the trickiest, and we needed reliable support. ClimatePartner AB's mission is in line with global climate targets, they are about methodology and actions before communication. Their solution includes tools and services we can use in the long term, and they are supporting us with the after mapping: communication, reduction, and compensation. These pages were reviewed by their team to ensure that we do not oversell our carbon footprint project.



Greenhouse gas emissions

- Purchased electricity, steam, heating & cooling for own use



- Use of raw materials
- Purchased goods and services
- Fuel and energy needed for production
- Transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting

- HQ & Stores

- Processing of sold products
- Use of sold products
- End-of-life treatment of sold products

UPSTREAM ACTIVITIES >

REPORTING COMPANY >

DOWNSTREAM ACTIVITIES >



Climate impact. The results

The process of calculating our CCFs with ClimatePartner AB

This process required very close collaboration between the Head of CSR, the production team, the accounting department, and our suppliers. ClimatePartner AB provided us with tools and regular check-ins to follow up on our progress and difficulties. We understood how valuable it is to know our supply chain well and to have close contact with our suppliers who could understand the meaning of this project and why their help is crucial to building up accurate results. For the textile calculations, we were able to mainly work with primary data, which gave us more trustworthy and detailed results.

This was by far the biggest sustainability project of the company, and we realized how difficult it can be to collect data when we do not have the right tools. ClimatePartner AB helped us to collect the best information available, and when needed, complemented it with secondary data from highly credible sources¹⁰.



Define the boundaries: what do we include.

List of data to collect per scope and how to collect it in the best way.

Actual data collection: collaboration with all suppliers, warehouse, production team, accounting department.

Visits to India: explanation of the project to our suppliers to get technical textile information.

Regular check-in with ClimatePartner AB to verify the data accuracy and format.

Handover the data to ClimatePartner AB + meetings to verify the information.

Calculation of our CCFs by ClimatePartner AB and review of the results.



Corporate Carbon Footprints.

The results

It did not come as a surprise that the big majority (99.8%) of our emissions come from scope 3 and more specifically emissions linked to the manufacturing of our purchased goods. However, transportation has a lower impact on our CCFs than we thought. Many stakeholders think that transportation is a hot spot of our industry's carbon footprint, and rightly so. But we do not own many shops, and we produce only two collections per year – even if the production takes place in Asia – so logistics emissions represent only 14% of our total emissions. Read more about our logistics strategy in Logistics.

Naturally, it is when looking into the emissions linked to the different manufacturing stages of our products ("Production materials and consumables") that we get the most interesting insight. Since it represents more than 80% of our carbon emissions, this is clearly where we need to act in order to take the most significant measures.

For example, the results show that our historic choice to work with low-impact fibers is paying off. If we look at the shares of emissions for the manufacturing of our products, which shows data from the raw material to the finished products, the share of emissions resulting from the raw material

production is very low: 4,2% of the total emissions.

It is in fact much lower than the industry averages, where usually that stage accounts for more than a third of the garment's carbon footprint¹.

But more importantly, this graphic shows the need to start acting at the later stages: yarn, fabric, and dyeing.

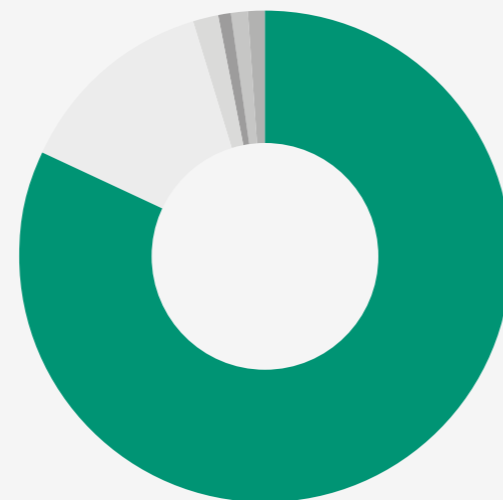
If we look closer into the different types of fabrics we use, the shares of emissions between the manufacturing stages can vary a lot.

For cotton jerseys such as T-shirts, it is the yarn production that accounts for most of the footprint, with more than half of the total emissions. Whereas for cotton wovens such as shirts or TENCEL™ jerseys, it is the making of the fabric that has a higher impact, between 45 and 85% of the total emissions. This type of information helps us look into what the best solutions could be to reduce our carbon footprint, depending on the supply chain. However, the biggest challenge when working with factories in developing countries is the energy sources, which are still often non-renewable.

Again here, working closely with suppliers who also care about the impact of their production will be a great asset to find solutions together.

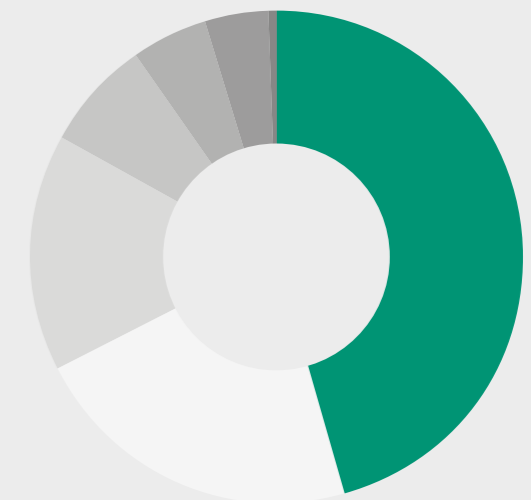
LARGEST CO₂ EMISSION SOURCES

- 82,2% Production materials and consumables
- 13,1% Inbound logistics
- 1,7% Packaging materials
- 1,0% Product disposal
- 0,9% Outbound logistics
- 1,1% Remaining emissions



CARBON EMISSIONS PER MANUFACTURING STAGE (kg CO₂ eq.)

- 45,8% Emissions from yarn production
- 21,9% Emissions from dyeing process
- 15,5% Emissions from fabric production
- 7,3% Emissions from finishing
- 4,9% Emissions from manufacturing
- 4,2% Emissions from fibers
- 0,4% Emissions from components

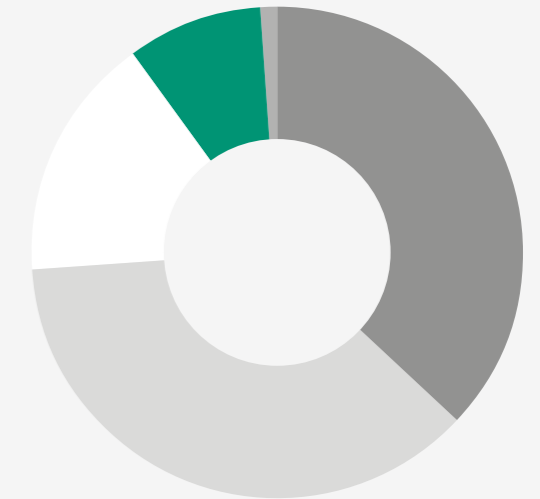


Additionally, even if they represent a very small part of our footprint, it's interesting for us to see the emissions shares at our headquarters and store level. Acting on these emissions factors might not represent the greatest impact, but it is motivating for our team, to improve our visible scale.

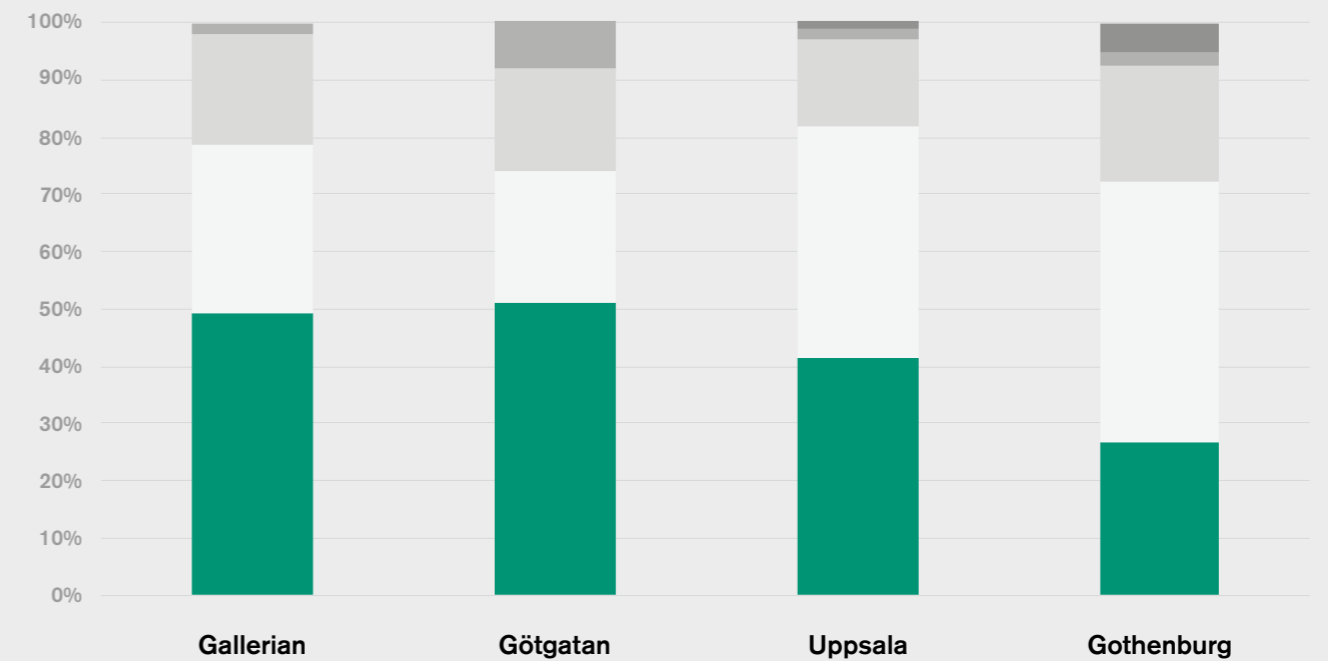
For both our stores and the HQ, employee commuting account for a big share of our emissions. That says a lot because in both cases most of us commute via public transport, bike, or foot. The areas where we can make changes to reduce our carbon footprint are lowering our use of heating and electricity and the purchase of consumables. Through insulation of our premises and a stricter buying policy for food and drinks, we could reduce our impact. Again, these changes won't impact our corporate footprint as significantly as changing our production processes or our logistics strategy. However all reductions count, and help sensitize our teams and customers with relatable measures.

EMISSIONS FROM HQ

- 37% From business trips
- 37% From purchased goods and services
- 16% From heat & electricity
- 9% From employee commuting
- 1% From end-of-life / waste



EMISSIONS FROM STORES



● Employee commuting ● Heat & electricity ● Purchased good & services ● End-of-life / Waste ● Business trips

The next steps

Although calculating our CCFs was a first step, it was not the final objective. Getting this baseline was essential to understanding where to focus for the real finality of this calculation: reducing our carbon footprint. As we write this report, we are analyzing the results internally and with the help of ClimatePartner AB. Together we will set reduction objectives that are realistic but impactful and we will track the results over the years. 2022 was the year for the calculation, and 2023 is the year for setting up a plan. We do not want to rush that step and will communicate our objectives later this year. However, from the results, we can already see where most of our work will reside.

We will focus our reduction strategies on the manufacturing of the products. Absolute reductions will be hard as we are still growing, but intensity targets or reductions at product level would already be encouraging. We will also have a serious thought about our transportation strategy, as we have more possibility of action there.

Finally, we are considering financing climate projects to take action as soon as possible. Reduction measures require fundamental changes and will show results in the future. It is important for us to know that we already contribute to reducing the amount of CO₂ in the atmosphere through credible climate projects. This is also why we chose to work with ClimatePartner AB, which provides access to verified climate projects. Their portfolio also includes projects that have other benefits beyond strictly environmental ones, which can contribute to our SDGs targets efficiently.



Packaging

Let's focus on the pet peeve of the industry here: plastic bags. Plastic bags have a function, they protect the garments from being damaged in transportation and allow easy custom control.

When the products arrive at our warehouse, they must be in good condition. Any damaged goods mean unnecessary use of materials and even more waste, so reliable packaging from the factory to the end consumer is vital. For us, there's no point in shipping the products wrapped in plastic, and then changing that plastic for paper just for the sake of how it looks. So, we researched better solutions.

For polybags, we're working with a Swedish company, Rudholm & Haak AB, that owns factories in India and Hong Kong and makes GRS-certified polybags made of 100% recycled plastic. These are enhanced with the BDP™ patented technology which accelerates the biodegradation of the plastic in an environment limited in oxygen. This product will biodegrade in a few years as opposed to regular plastic, which can take a hundred to thousands of years.

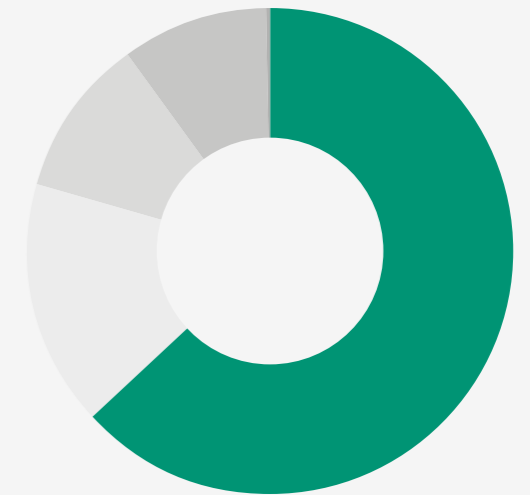
List of our all packaging

- On-product labeling: hangtags, care labels
- Product specific: socks hangers and boxes, underwear boxes
- E-com packaging: cardboard boxes and plastic bags
- Transportation packaging: cardboard boxes and polybags
- In-store packaging: hangers, shopping bags

Challenges: things we need to work on, to have better control and find better alternatives

- Find common suppliers with better solutions, used by all the factories
- Being able to prove the claims about our packaging solutions
- Track the consumption of our transportation boxes
- Find lower-impact packaging since the volume won't decrease as we grow

ON-PRODUCT PACKAGING IN VOLUME, PER CERTIFICATION IN 2022



Rudholm & Haak

Working with one company for our polybags ensures that all our suppliers use the same polybags with the same benefits. This way we control our impact and can safely claim the benefits of our packaging.

We are working on producing more of our packaging to Rudholm & Haak in the future.

Packaging policy

We have a policy with a restricted list of packaging that we will never use. Everyone in charge of sourcing new packaging or labels in the company must follow these requirements.

The policy also set rules on how to pack in our warehouse and encourages all employees to reuse or at least recycle all packaging.



Logistics

Inbound shipments – from factories to warehouses

We make two collections per year. For the manufacturing of our cotton and polyester garments, all steps from raw material to finished products are carried out in one country each (India for cotton and China for polyester). The bulk production, meaning the shipment of our fully finished collections, is then shipped to our warehouses in Sweden and Germany.

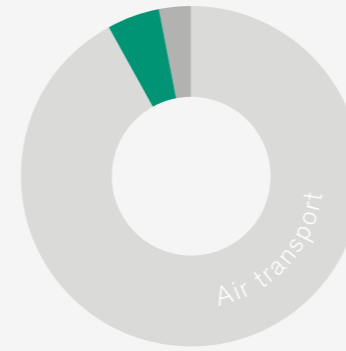
We prioritize boat shipments for our bulk productions. To favor the sea option, our design and production teams follow a strict yearly calendar, which matches our suppliers' production lead times and the boat transportation time. Our suppliers always get a special mention on their orders: *"Freight Forwarder: Due to our environmental policy, our default mode of transportation of bulk orders is always by sea. Please make sure to always use our nominated forwarding company."* However, in 2021, we still had to fly 20% of our goods in volume. As stated in our Logistics policy, we use air transportation only in case of a delay that could cause cancellations from our clients. Delays often happen because we produce in small quantities and because we are not prioritized by the factories we work with, in the same way as bigger clients are. This is despite the thorough production schedule planned together.

The calculation of our carbon footprint highlighted the need to reduce the air transportation as much as possible, given its disproportional share in our emissions.

Outbound shipments – from warehouses to customers

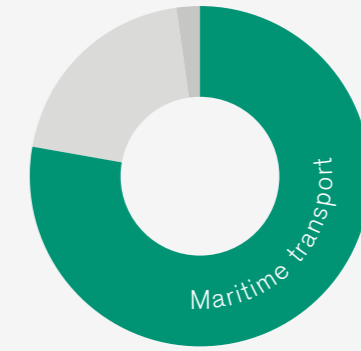
From our warehouse, we ship all orders, BtoC (online and in our own shops) and BtoB (retailers). We work with external partners, and therefore have limited control and data on the transportation mode. We must be able to collect data if we want to visibly improve our transportation strategy. This is something we are working on, with the help of third party logistics solution providers that can centralize our outbound shipments under one company and give us a clear picture of the situation. Even if the outbound shipments represent less than 1% of our whole carbon footprint in 2021, this emission source will have a higher impact as we are selling more on our web shop every year. This is something we need to prioritize.

In the meantime, we still try to widen our delivery options with better alternatives. In 2022 we started working with partners such as Budbee that offer climate-neutral deliveries to pick-up points which avoids multiple individual deliveries.



EMISSIONS PER TYPE OF TRANSPORT (INBOUND 2021)

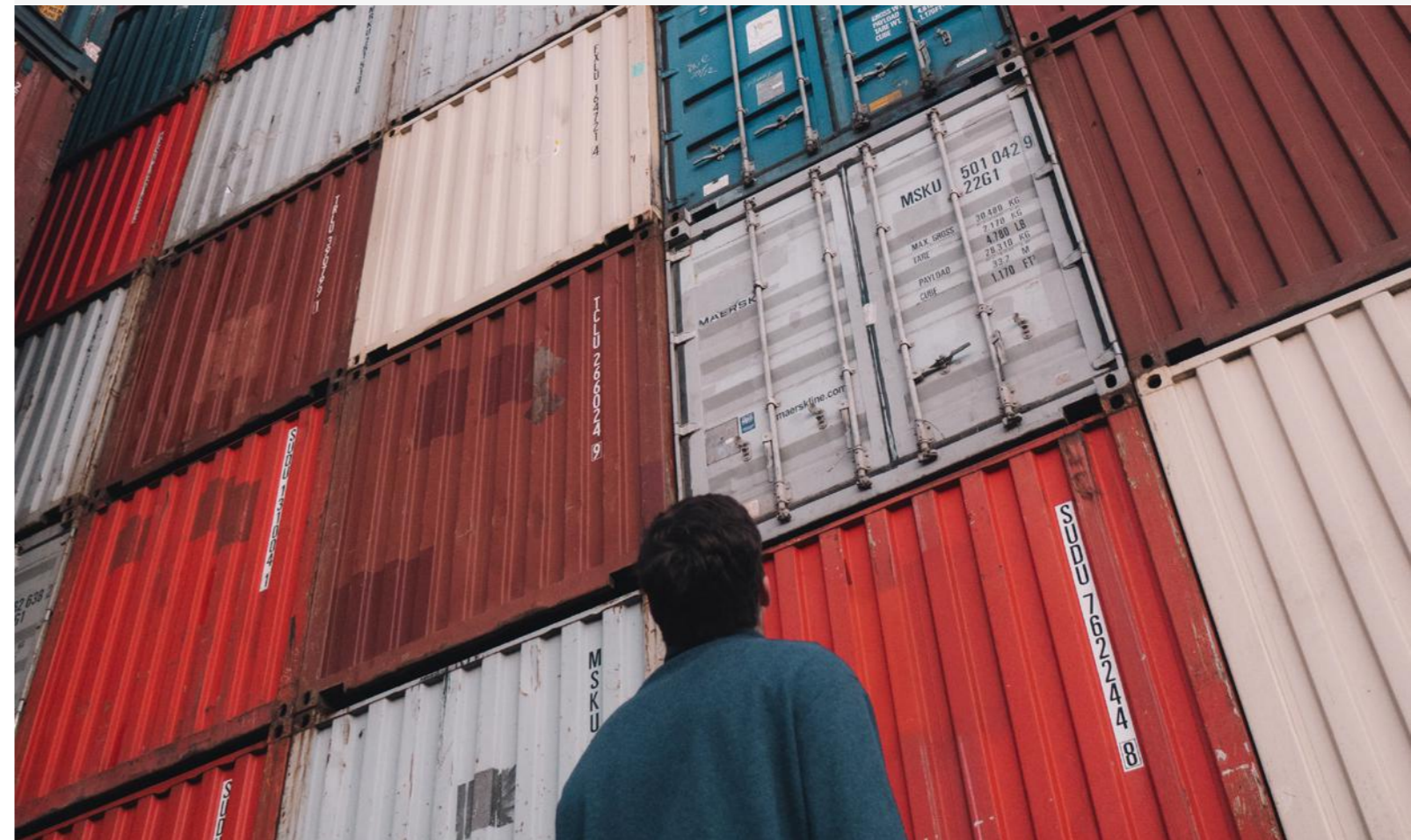
- 5% Sea
- 92% Air
- 0,02% Train
- 3% Road



TRANSPORTATION MODES (INBOUND 2021)

- 78% Sea
- 20% Air
- 2% Train

Note: this is for the upstream transportation from our suppliers to our warehouse, in weight in 2021. In the Transportation modes figure, the weight transported by road is included in the Sea transportation as it is complementary.



Internal efforts

We know that our actions have more impact if they take place in the production process. But sustainability is at the core of our business, so we must do as we preach, even at the scale of our own operations: our office and stores, and as a brand. Whether it is to involve all employees and partners in our strategy, to help the industry collect data about production and projects, or to improve our environmental impact, our actions are not limited to the supply chain.

We bring structure to our efforts with several policies used internally to help conscious decision-making

- Environmental Management System
- Social Policy
- Employee Handbook
- Packaging Policy
- Logistics policy

We voluntarily report data about our production and practices to external companies working to improve the industry and increase transparency

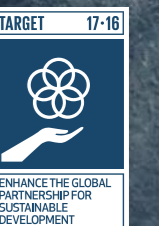
- Textile Exchange CFMB
- Open Supply Hub
- Sustainable Brand Platform
- Clear Fashion (France)

As part of our infrastructures and employees management, we have adopted specific measures

- Stores and office powered by renewable energy only.
- Employees and commercial agents' training about our sustainability strategy and actions
- All new employees receive a sustainability training.
- New office in 2022: changes in the infrastructure to improve energy use
- Office supply policy: only buy vegetarian food and organic and fairtrade certified when possible.
- CEO and Head of CSR participate in conferences or student research anytime they can.

We work with external brand assessments to identify risks and areas of improvement in our strategy. These go beyond the supply chain management; they help us with standardized methodologies and resources to implement best practices

- B Impact Assessment (B Corp)
- Higg Brand and Retail Module (Higg Index)



Future goals

6



Our objectives

We want to use our sustainability report to publicly keep track of our objectives. Here you can read what we aiming for in the midterm. Year after year we will report on our progress, whether good or bad with explanations, and present our next goals. This is our way to stay on track and to be held accountable for our promises.

Objective	Timeline	Comment
70% of our cotton production is certified Fairtrade and/or ROC	2025	We want to invest in Regenerative Organic Certified Cotton without reducing our volume of Fairtrade-certified production. ROC is the only label that exists for Regenerative Organic agriculture, something we strongly believe in and want to support.
10% of all our fiber production is made from recycled content	2025	Whereas it is through our own production on custom productions to external brands, we want to increase our share of recycled materials, whereas it is polyester, wool, polyamide, or cotton.
15% of all our fiber production is TENCEL™ Lyocell	2025	TENCEL™ Lyocell is a very versatile fiber with a production that is less and less impactful thanks to the research and development done by Lenzing. We want to continue supporting this effort.
Diversify our fibers: reach 5% of our fiber production made of new preferred materials	2025	Diversifying our fibers is a goal to promote new alternatives in the industry and for the consumers.
Increase risk monitoring in our supply chain by performing due diligence in 95% of our Tier 2 and 50% of our Tier 3.	2026	Mainly through social audit checks, and corrective action plans, with the help of our Tier 1 suppliers. We will prioritize the supply chains where we produce most of our garments, as it can be hard to leverage change in factories where we produce very small quantities. Lower tiers (fabric and yarn suppliers) can change regularly based on availability, therefore we cannot promise 100% control at all times.
Becoming a B Corp certified	2024	We started working on the B Impact Assessment and would like to submit it for verification by the end of 2023. Becoming B Corp certified is more about the journey than the certification, so we will make sure to take the time necessary to achieve our goal in the most sustainable way.
Publish a 2022 CCFs report + Set up reduction measures for our CCFs	2023	This is a short-term objective for now, as we will publish a CCFs report for the year 2022 in 2023, and with it we will determine mid-term and long-term reductions targets.



References

- 1 Fashion on Climate, McKinsey Company & Global Fashion Agenda, 2020
- 2 Fabric classification based on Made-By Environmental Benchmark for Fibers, the Higg Material Sustainability Index (MSI) and the Textile Exchange's Preferred Material Benchmark.
- 3 Preferred Fiber and Materials Market Report, Textile Exchange, 2022
- 4 Secondary data from LCA, Quick guide to organic cotton, Textile Exchange, 2017
- 5 Greenpeace Detox My Fashion, [here](#)
- 6 ZDHC, Road Map to Zero, [here](#).
- 7 Open Supply Hub, Dedicated suppliers' list
- 8 Preferred Fiber and Materials Market report 2019, Textile Exchange
- 9 globalreporting.org/standards
- 10 In case of secondary data used: "Emission factors were taken from scientifically recognized databases such as ecoinvent and DEFRA." – ClimatePartner AB CCFs report.

Thank you for reading. If you have questions, comments, or if you want to discuss the content of this report, you can contact Margaux Schleder, Head of CSR: margaux.s@dedicatedbrand.com