



**CRAFT CIRCLE.  
OUR SUSTAINABILITY  
INITIATIVE.**



# **RUNNING IN CIRCLES IS THE ONLY WAY FORWARD.**

Circle is our initiative for sustainability, and an integral thread that runs through everything we do. From design to delivery and beyond. Its purpose is simple – to encourage conscious choices that minimize the environmental impact of our products. Now and in the long run. Going forward, we'll keep making apparel that inspires athletes on every level to reach their goals. With full consideration for our shared arena along the way.

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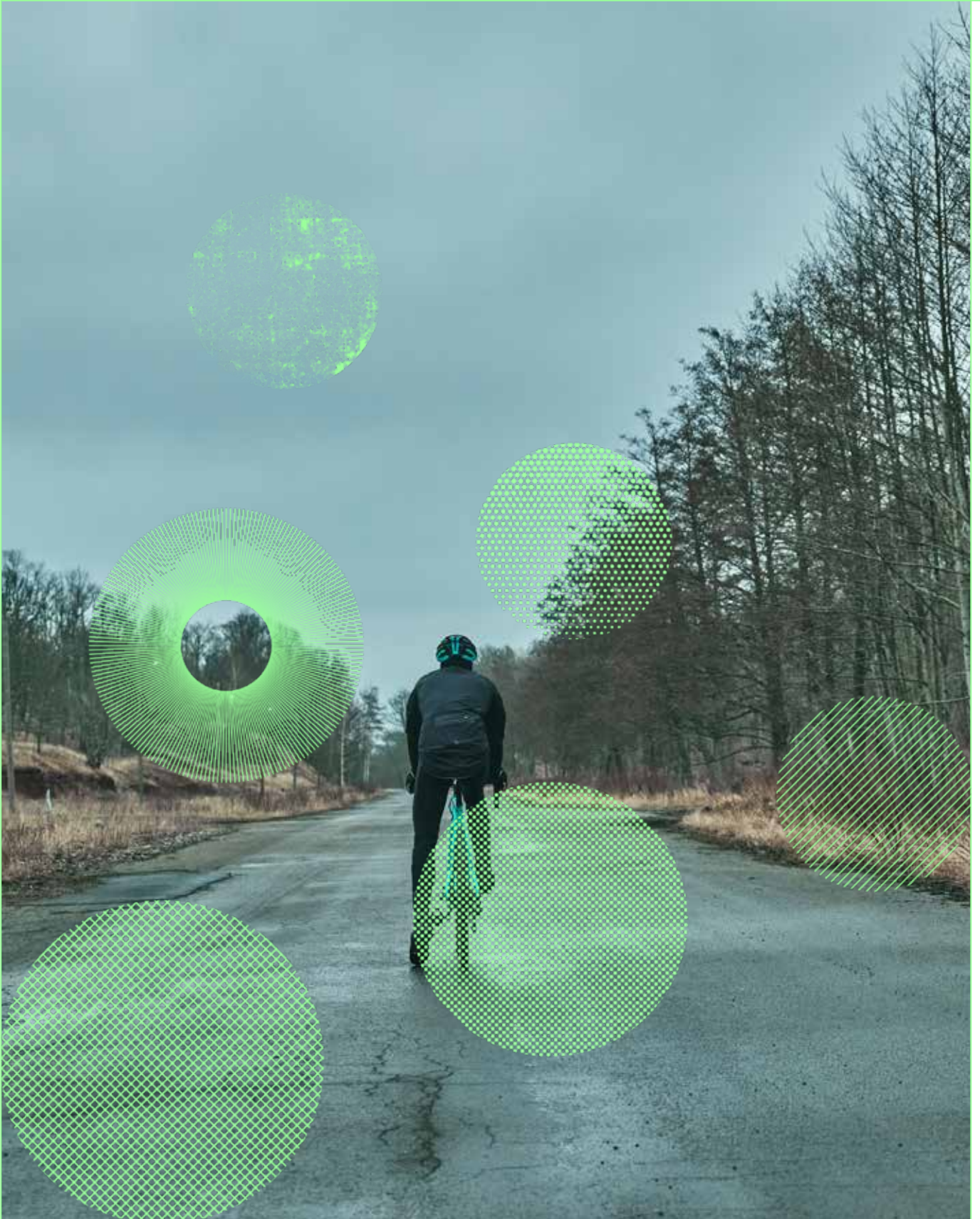
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# Overall goals





# SUSTAINABILITY IS A TEAM SPORT.

Our sustainability goals are connected to four of the Global Goals in UN's Agenda 2030, chosen for their relevance to our business and our chance to make a contribution towards them. They guide how we design, produce and distribute our garments, how we extend their lifecycle through circular options for renting, selling and buying and how we collaborate with partners and organizations for a more sustainable tomorrow.

As a company, they have inspired us to set our own ambitious goals for the future. By 2030, our goal is to reduce our total carbon emissions by 30%. By the same year, our goal is that 20% of our products will be offered through circular programs. To help us reach our goals, a dedicated sustainability team will oversee processes and report on our progress from 2022 onwards.

UN's Global Goal no. 03

**GOOD HEALTH AND WELL-BEING**

UN's Global Goal no. 12

**RESPONSIBLE PRODUCTION AND CONSUMPTION**

UN's Global Goal no. 13

**CLIMATE ACTION**

UN's Global Goal no. 17

**PARTNERSHIP FOR THE GOALS**



### 01. Climate Action

Moving forward means taking action. By 2030, our goal is to reduce carbon emissions from our total operations by 30%. To reach it, we are focusing on decreasing emissions emanating during the production and transportation phase. In order to measure our progress towards this goal, we are actively working with STICA, The Swedish Textile Initiative for Climate Action, for the purpose of tracking our carbon footprint today and per year.

### 02. 20% of all garments rented, reused or resold

Our products are made to last, and the more we can prolong the functional life of each garment, the less its impact on the environment will be. To do so, we will introduce circular offers that align with future consumer needs, such as letting athletes pass on old apparel when they elevate their game, or introducing options for renting garments for certain occasions.

### 03. Good health and well-being

Making people move is at the core of what we do. We exist to inspire athletes on every level, at every age, to take active part in their personal health and well-being.

### 04. Responsible production and consumption

We strive to make better use of the earth's resources to minimize our overall impact on the environment. To us, that means creating products that last and keep their functionality longer, made sustainable methods that carry significantly lower environmental impact at the start of the product's lifecycle.

### 05. Partnership for the goals

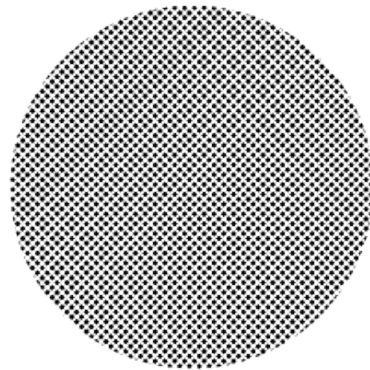
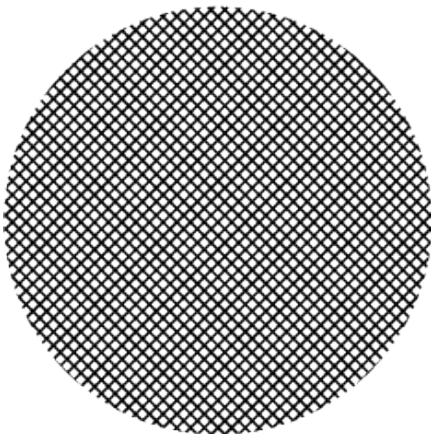
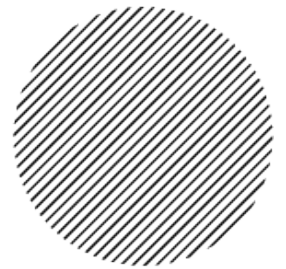
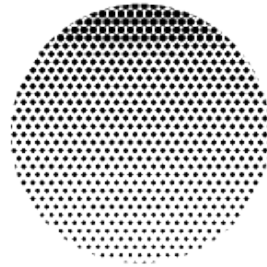
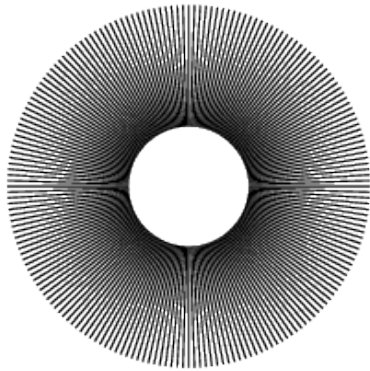
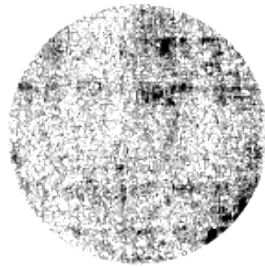
We realize that true change comes from collaboration. To make a difference now and in the long run, we are active partners with a number of local and global sustainability initiatives, such as amfori BSCI, FLA, International Accord on Fire & Building Safety, Clean Shipping Index and STICA.

# Sustainability objectives for 2030





# Production process

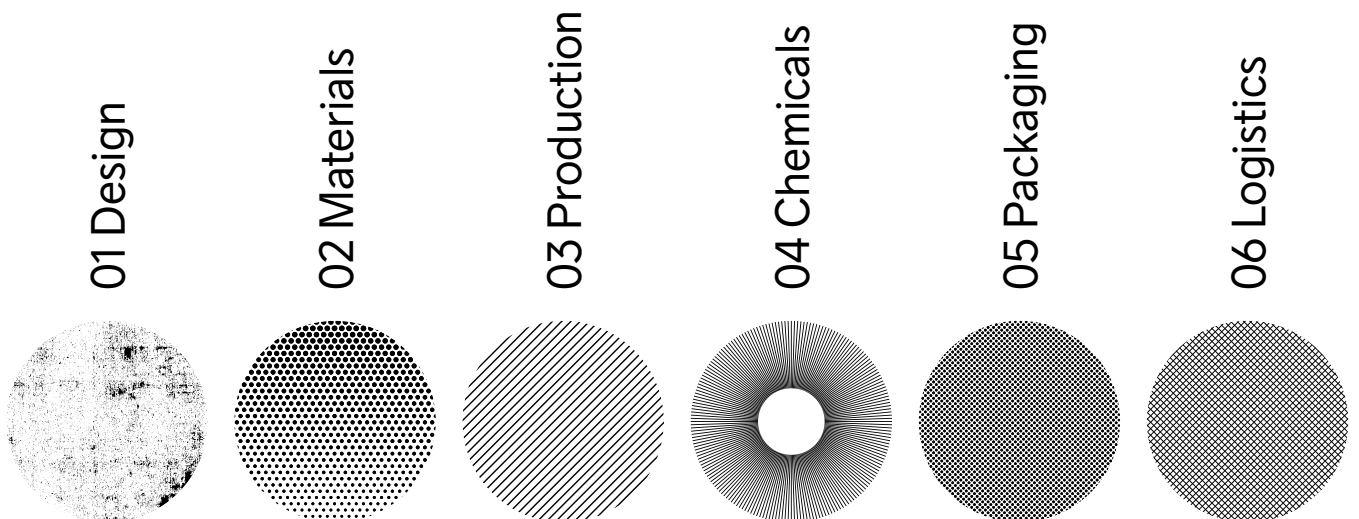




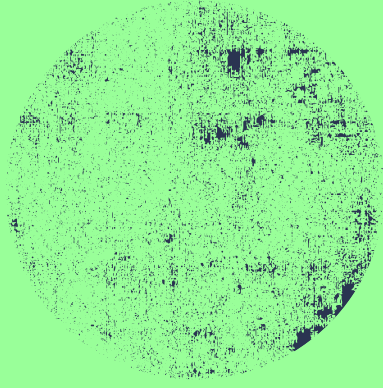


# Connecting the dots from design to delivery.

To us, a sustainable garment is one that's tirelessly functional day after day, year after year. However, the start of its lifecycle still represents the major part of its environmental impact. Here's how we all pull together to actively reduce it.



# 01 Design



# DESIGN. MADE FOR THE LONG RUN.

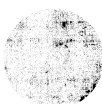
Longevity is an integral part of our design process. Starting at the drawing board, the choices we make at the beginning of a product's lifecycle not only shape how a garment looks, feels and performs. They also determine how long the garment will keep up with the athlete wearing it, and how it can be repurposed at the end of its natural lifespan.

A Craft garment should be a perfect combination of timeless style and tireless functionality, a philosophy that guides every design decision we make. We choose colours and patterns that won't go out of style anytime soon. We select long-lasting materials that ensure that the garment will keep up with the athlete wearing it. We reinforce areas of wear and tear. We source quality details like buttons and zippers. By emphasizing functionality in the long run,

our design process is decidedly on the slow side of fashion, which in turn translates into more kilometers, washes and workouts down the road. This is one reason why every Craft baselayer will come with a lifetime guarantee from the AW 2022 season.

Every product we design is made for a purpose, and the longer it fulfills it, the lower its climate footprint will be. Research shows that a garment that stays in use twice as long decreases its environmental impact by 49%\*. Making our garments over-achievers in the long run is one way of offsetting the carbon cost at the start of the lifecycle. The next step is to make a conscious effort to minimize them by developing a method for evaluating the climate consequences of every design by 2023.

\* Source: *Mistra Future Fashion, The Outlook Report 2019*





# Design KPIs:



Baselayer lifetime guarantee program

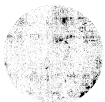


Develop The Craft Design Checklist for all new styles by 2023



Track carbon footprint for all new products by 2023

01 Design

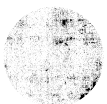




Malin Caron  
Concept Designer

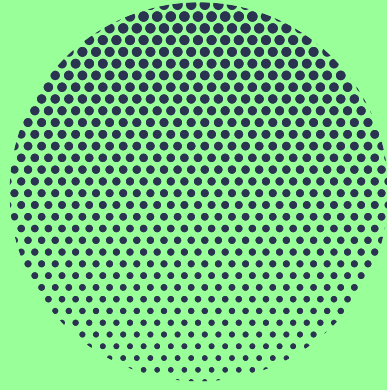
”A garment that stays in use twice as long reduces its carbon footprint by 49%\*.”

\*Source: *Mistra Future Fashion, The Outlook Report 2019*



**DON'T BUY A  
RUNNING JACKET.  
INVEST IN ONE.**





## 02 Materials

# MATERIALS. REUSE TO REDUCE.

Turning five empty soda bottles into a t-shirt isn't just a clever trick. It's also a great way of reducing our dependency on petroleum and helping the world turn the tide on plastic waste. Today, it's estimated that 8 million tons of plastic end up in our oceans every year. A mere 10% of the global plastic waste is recycled and put to use again.

That's why we've taken sight of an important milestone going forward. By 2023, all new Craft garments and footwear will be fully or partially made from sustainable materials. This means fabrics that are recycled, recyclable or produced in a way that optimizes the earth's resources. Today, we're halfway there, as about 50% of our running, training, cycling and skiing apparel contain reused and repurposed fibers and materials.

By 2027, our goal is that every Craft garment will be made from 100% sustainable materials. By 2030, all Craft products will be made from fossil-free materials. Choosing recycled material over new have other benefits besides the issue of waste. Recycled polyester takes roughly half the energy to produce and generates 79% less carbon emissions compared to virgin polyester\*. When working with natural materials such as cotton or wool, our policy is to only use fabrics that are produced in accordance with the Global Organic Textile Standard or the Responsible Wool Standard.

\* Source: Common Objective  
[commonobjective.co/article/fibre-briefing-polyester](https://commonobjective.co/article/fibre-briefing-polyester)







# Materials KPIs:



All products fully or partially made from sustainable fabrics by 2023

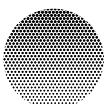


All garments made from 100% sustainable materials and/or production methods by 2027



All products made from fossil-free materials by 2030

02 Materials

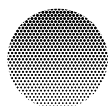




Tommy Bäcklin,  
Head of Product

”Recycled polyester generates  
79% less carbon emissions  
compared to virgin polyester\*.”

\*Source: Common Objective  
[commonobjective.co/article/fibre-briefing-polyester](https://commonobjective.co/article/fibre-briefing-polyester)





# Sustainable materials

To us, a sustainable material is one that helps the garment stay functional year after year, and is sourced with consideration for its environmental impact. When we design garments, footwear and packaging, we primarily rely on these materials:

## Recycled polyester

Made from used PET bottles, recycled polyester is a strong, durable fibre with a much smaller ecological footprint than virgin polyester. By using recycled polyester, it's estimated that 70%<sup>1</sup> less energy is needed in the production process. Sourcing recycled rather than virgin polyester also decrease the fabric's carbon emissions with 70%<sup>2</sup>.

*Source: 1) Natural Resources Defense Council 2011.*

*2) Textile Exchange [textileexchange.org/2025-recycled-polyester-challenge](https://www.textileexchange.org/2025-recycled-polyester-challenge)*

## Solution dye

A coloring method where the dye is fused with the synthetic fibre rather than added to the finished fabric. Solution dye requires 75% less water in the production process and reduces energy consumption and carbon emissions by 30%. By adding the color granules to the liquid polymer solution, there is no need for additional dyeing, rinsing and drying. The result is a colorfast, UV-resistant fabric that won't stain or bleed.

## SEAQUAL marine plastic

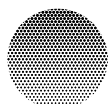
A sustainable, fully-traceable raw material made from marine litter, such as end-of-life fishing nets and other plastics used in aquaculture. SeaQual Initiative is a community of individuals, organizations and companies working together to clean our oceans. The plastic collected from oceans, lakes and rivers are sorted by polymer type. The different plastics are then upcycled by shredding them into pellets or chips, that can be remade into yarns and molded shapes.

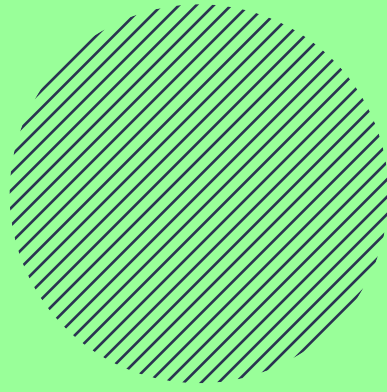
## Cotton

A natural, renewable fibre that can be recycled or biodegraded at the end of the products's lifecycle. As conventional cotton production can come with negative environmental impacts such as excessive use of pesticides, fertilizers and water, our policy is to only source cotton produced in accordance with the Global Organic Textile Standard (GOTS). The worldwide standard relies on independent third-party certification of the entire textile supply chain from farming to finished fabric.

## Wool

A natural, renewable fibre made from the coats of sheep, goats and similar livestock. Our policy is to only use wool produced in accordance with the Responsible Wool Standard (RSW), a global program focused on promoting environmental sustainability and animal welfare in the wool industry.





## 03 Production

# PRODUCTION. MOVING FORWARD THROUGH COLLABORATION.

Today, 80%\* of a garment's environmental impact originates in the production phase. In other words, there's a lot to gain from making the beginning of the lifecycle a priority.

Our sourcing offices are located in China, India, Vietnam and Bangladesh close to suppliers, textile mills and production facilities throughout Asia. The day-to-day contact with the production chain makes it easier to ensure that our environmental directives, based on the United Nations' global goals for sustainability, are met by our suppliers. As a member of the amfori BSCI initiative, we also share reports and findings with thousands of other affiliated companies, and demand that every supplier submits to third-party audits and onsite

inspections. Our goal is that 100% of our suppliers must meet our Code of Conduct and be open to unexpected factory visit by independent observers at any time. Today, the number is at 96%. To keep moving forward, we'll extend the goal to include Tier 2 suppliers by 2025.

As production facilities consume a lot of power, our goal is that our main suppliers use energy from renewable sources such as solar, wind, hydro and biomass by 2030. To reduce the need for long-distance transports, we have also set a goal to produce 50% of all garments closer to market by 2030.

\*Source: *Mistra Future Fashion The Outlook Report 2019*





# Production KPIs:



Full traceability for all products by 2025



100% of Tier 2 suppliers subject to third-party audits by 2025

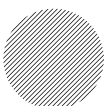


Main suppliers using renewable energy by 2030



50% of garments produced close to market by 2030

03 Production

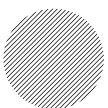




Daniel Högling  
Product & Marketing Director

03 Production

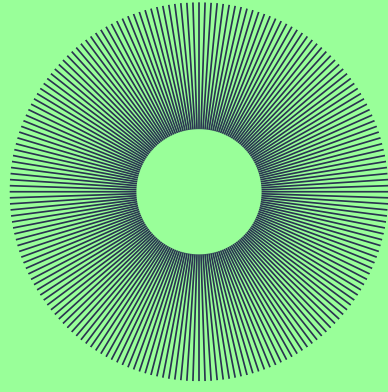
”We work together to demand more from the supply chain”





**DESIGNED  
TO GO THE  
DISTANCE.**





## 04 Chemicals

# CHEMICALS. DOING MORE WITH LESS.

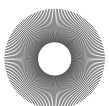
In the textile world, chemicals are a necessary part of the production chain. Used to dye and treat fabrics to make them resist the elements better, many of them do so by causing harm to the environment itself.

To prevent hazardous chemicals from entering our production process, we have created a Restricted Substance List, designed in accordance with legislation such as REACH (European Union chemical legislation) and other industry standards. The list prohibits the use of dangerous and unnecessary chemicals in the production of Craft garments, and is mandatory for all our suppliers to follow.

Our goal is that every garment should live up to the demands specified in the OEKO-TEX Standard 100 product class 2 by 2023. Today, roughly half of our garments meet the specifications of the product class, which regulates chemical use for products that come into contact with skin. To ensure that our suppliers live up to our standards, we regularly

test our products for traces of restricted chemicals. In addition, we also demand that our suppliers use chemicals in closed loop systems designed to prevent hazardous leaks and contamination of the surrounding ecosystem, which we check by onsite inspections at production facilities.

Even though some substances are allowed by law, they may still carry unwanted effects on the environment. To keep track of the chemical's real-world effects, we actively share knowledge and findings with the RISE Chemical Group, a network of companies, scientists and government agencies. What's more, we also work together with our suppliers to find new compounds and alternative production methods. A good example of the latter is spundyed polyester, where the color pigment is added to the fiber instead of dyeing the finished garment. A technique that reduces the need for coloring agents by up to 75%.





# Chemicals KPIs:

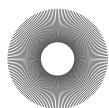


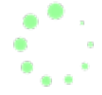
All garments live up to  
OEKO-TEX Standard 100  
product class 2 by 2023

04 Chemicals



Active partnership with  
RISE Chemicals Group

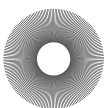




Anni Sandgren  
CSR and Sustainability Manager,  
New Wave Group

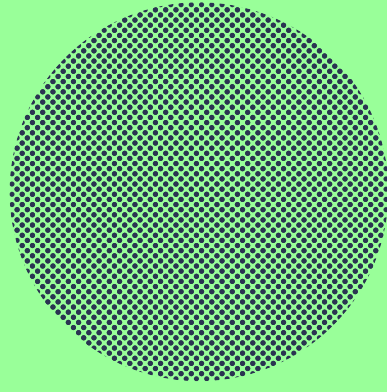
”Our products should let people experience nature without harming it.”

04 Chemicals





**SLOW FASHION.  
DESIGNED FOR  
RECORD SPEEDS.**



## 05 Packaging

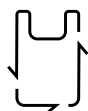
# PACKAGING. CONSTRUCTED TO BREAK DOWN.

Unlike our apparel, our packaging is not meant to last. To minimize the longterm effects of everything that protects our garments, shoes and accessories during the journey to our customers, we make a conscious effort to use recycled or recyclable material that leaves as little trace as possible.

This means that we use only 100% sustainable materials for all packaging, for every product and in every market. An example is that we have moved away from traditional plastic, instead using biodegradable plastic that can be collected and broken down into organic matter at the end of its lifecycle. Our goal is that all packaging should be 100% recyclable after serving its purpose.

As for paper, all labels, boxes and tags that come with our garments are printed on 100% FSC®-certified paper, that's sustainably sourced materials and has an audited trail from harvest to delivery.

But moving towards more sustainable packaging is not only about the materials used. In 2020, we launched a new, simplified system that eliminates the need for differentiated packaging by introducing three sizes that fit all: small, medium and large. A modular way of thinking that translates into less waste, as outdated boxes won't have to be discarded, and more efficient use of space throughout the entire logistics chain.



## Biodegradable plastic

Plastic that can be decomposed by the use of living organisms, usually microbes, into water, carbon dioxide, and biomass at the end of its lifecycle. Made from biobased raw materials such as corn, sugar or cellulose



# Packaging KPIs:



All bags used for packing garments made from sustainable materials

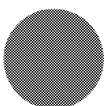


All labels, tags and packaging made from FSC®-certified paper



All packaging made to be 100% recyclable

05 Packaging



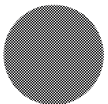


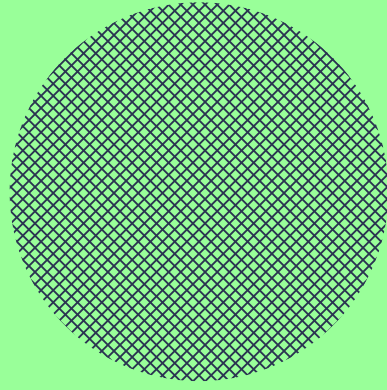


Daniel Högling  
Product & Marketing Director

“The packaging we use should leave as small a mark as possible.”

05 Packaging





## 06 Logistics

# LOGISTICS. SUSTAINABLE SHORTCUTS ONLY.

At any given time, thousands of our garments are en route to retailers and athletes all over the world. By sea, by land, but almost never by air.

Our stated goal is to minimize greenhouse gas emissions resulting from our daily operations. To achieve this, we select the most sustainable transportation method suited to the distance. As air freight carries a significantly larger carbon footprint compared to shipping by boat or by train, we are working diligently to keep our containers from ever getting airborne. For 2025, we have a goal of creating zero emissions due to air freight, by carefully coordinating major deliveries and making customers demanding air freight compensate for the increased carbon cost.

To phase out air freight, we will actively select long-haul train freights as the preferred option for bulk shipping. The vast majority of our goods, though, is shipped by boat. As a member of Clean Shipping Index, an initiative aiming to push carriers to use cleaner vessels, we are actively working to reduce the impact of shipping on the world's oceans.

However, the most sustainable journey is often the shortest one. That's why we strive towards reducing the need for shipping physical samples and producing more items closer to market in the future. Today, we have production facilities on all continents, and our long-term ambition is to increase the percentage of local and regional manufacture.





# Logistics KPIs:



0% emissions from  
air freight by 2025

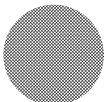


Increase the percentage  
of train freight by 2025



Active partnership with  
Clean Shipping Index

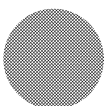
06 Logistics





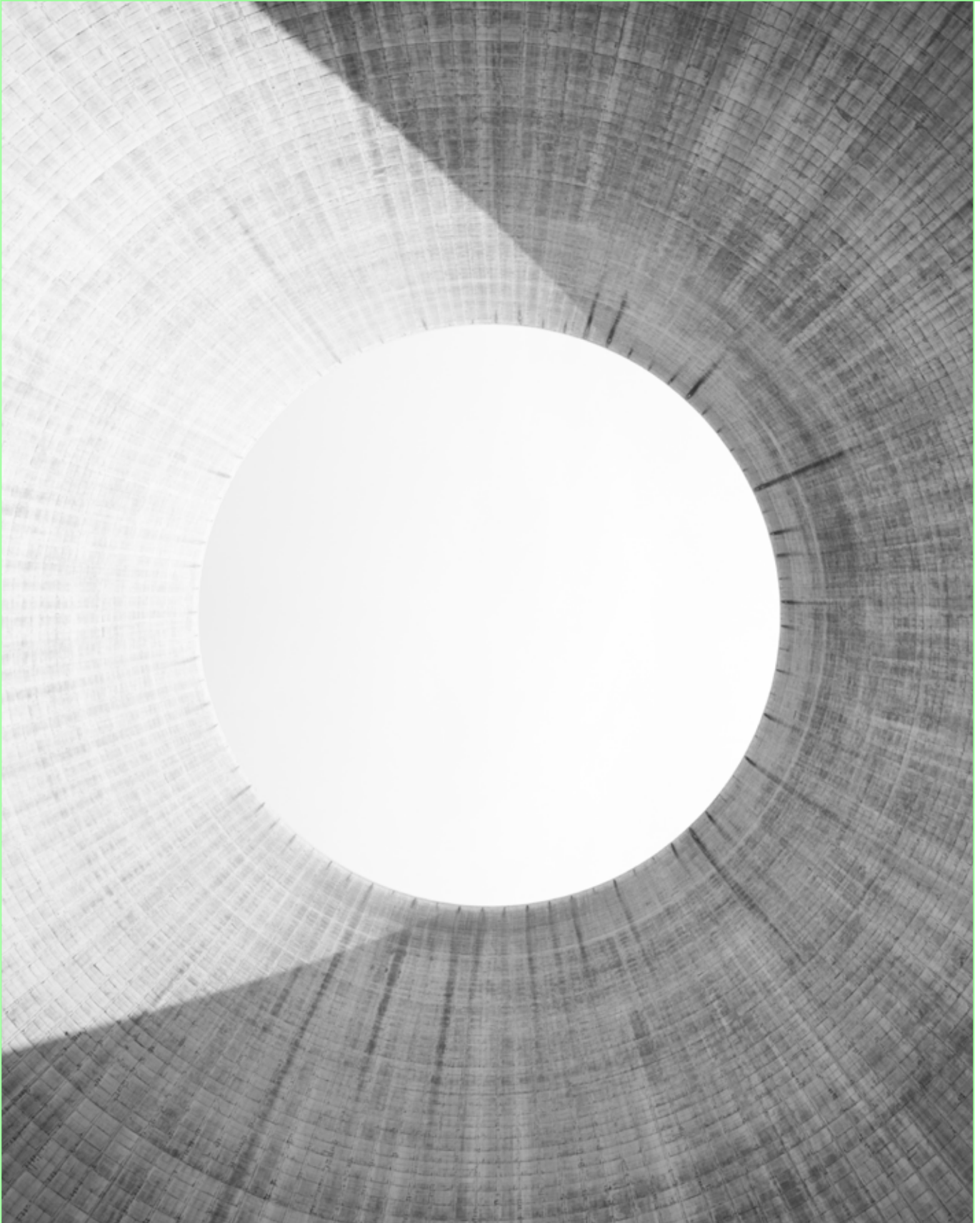
Marie Nohlborg  
Commercial Manager

”Shipping by boat rather than air reduces CO<sub>2</sub> emissions by 20-30 times.”





# New business models





# Circular options for all athletes.

Our apparel is designed to go the distance. Starting in 2022, we'll introduce circular models that further extend their lifecycles. Like letting our customers hire the functionality they need when they need it, or pay their trusty training companions forward when it's time to elevate their game.



**PRE-WORN  
AND PRO-WORN  
APPAREL WITH  
MILES TO GO.**

**USED  
GEAR**



**LET SOMEONE  
ELSE'S JOURNEY  
START IN YOUR SHOES.**





# Partnerships & associations





## STICA

The Swedish Textile Initiative for Climate Action is a non-profit organization dedicated to creating a roadmap and action plan for the Swedish apparel and textile industry with the aim of reducing greenhouse gas emissions beyond the 1.5°C warming target.

## amfori BSCI

An initiative of the Foreign Trade Association (FTA), the leading business association of European and international commerce that brings together over 1,500 retailers, importers, brands and national associations to improve the political and legal framework for trade in a sustainable way.

## RISE Chemical Group

A network run and coordinated by RISE, The Swedish Research Institute, in collaboration with experts from universities and governmental bodies dedicated to sharing knowledge and findings to prevent the occurrence of unwanted chemicals in the production process.

## Fair Labor Association

A collaborative effort of universities, civil society organizations and companies dedicated to protecting workers' rights around the world.

## Clean Shipping Index

The Clean Shipping Index (CSI) is a non-profit organization offering a voluntary environmental label providing market incentives for clean shipping to achieve environmental progress in the shipping industry.

## International Accord

The International Accord for Health and Safety in the Garment and Textile Industry is a binding contract with the purpose of increasing safety in the textile industry in Bangladesh and beyond. The contract stipulates regular electrical and building inspections, and mandatory training and education in fire safety.



**CRAFT** 



Craft Circle 1.0