



2020

Knickey Impact Report



Our Commitments - 5

Material Innovation - 8

Environmental Impact - 16

Beyond the Brief - 24

Looking Ahead - 27



Knickey has been sustainable from the start: sourcing earth-friendly materials, partnering with ethical suppliers, and closing the loop on our supply chain with the world's first undie Recycling Program.



On our journey to clean up fashion from the inside-out, we map all of our activities as a company to measure progress and reduce our overall impact.

We're looking back at what we achieved in 2020, and have identified ways in which we can do even better — because we're in this for the long haul.





Our Committments

This past year we got specific on what we value most, and put pen to paper to create the Knickey Sustainability Pillars.

These commitments guide our thinking and ensure that we prioritize what's most important to us – and you – as we grow.





YOU CAN COUNT ON US TO:

1.



Drive Material
Innovation

2.



Minimize
Environmental
Impact

3.



Certify our
Claims

4.



Support our
Communities

5.



Always be
Learning

The background of the slide is a high-angle, aerial photograph of a dense, lush green forest. The trees are packed closely together, creating a textured canopy of various shades of green. The lighting suggests a bright day, with some areas of the forest appearing slightly brighter than others.

Guided by commitments to both people
and our planet, here's a look at what we
accomplished this year – and what we're
planning for the future.



Material Innovation



Undies

We're committed to Organic Cotton

We've stuck to our roots and continued our mission to support and expand the production of this amazing crop - that's better for you, the farmers, and our land.

In order to better measure the benefits of organic cotton, this year we retained a third-party to conduct a Life Cycle Assessment - aka a measurement of the impact of our products, from farm to end of life.



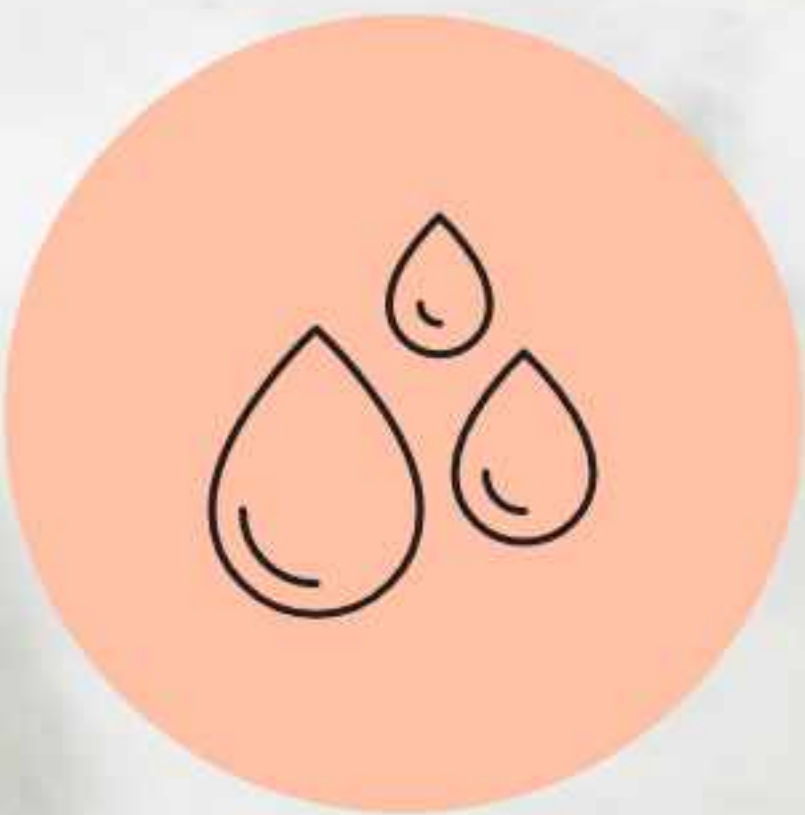
2020 Highlights

- ✓ We conducted a Life Cycle Assessment for all of our products to better communicate the benefits of organic cotton to our customers
- ✓ Now on product pages, you can see the impact of our organic cotton products compared to their conventional alternatives



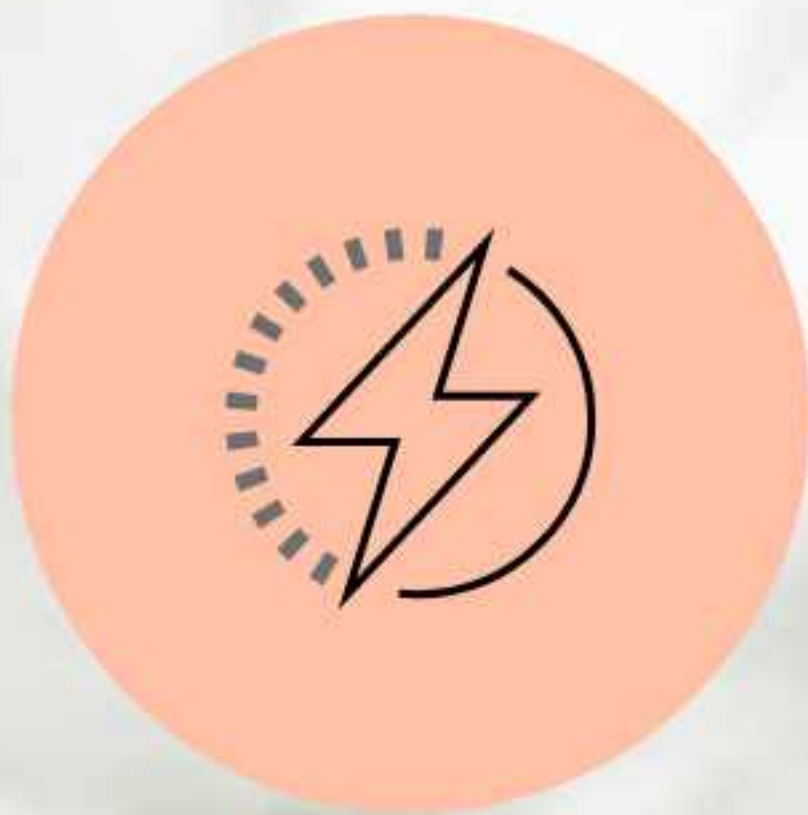
ORGANIC COTTON VS. CONVENTIONAL COTTON

Here’s how certified organic cotton compares to its conventional counterpart in an industry-wide Life Cycle Assessment conducted by the [Textile Exchange](#)



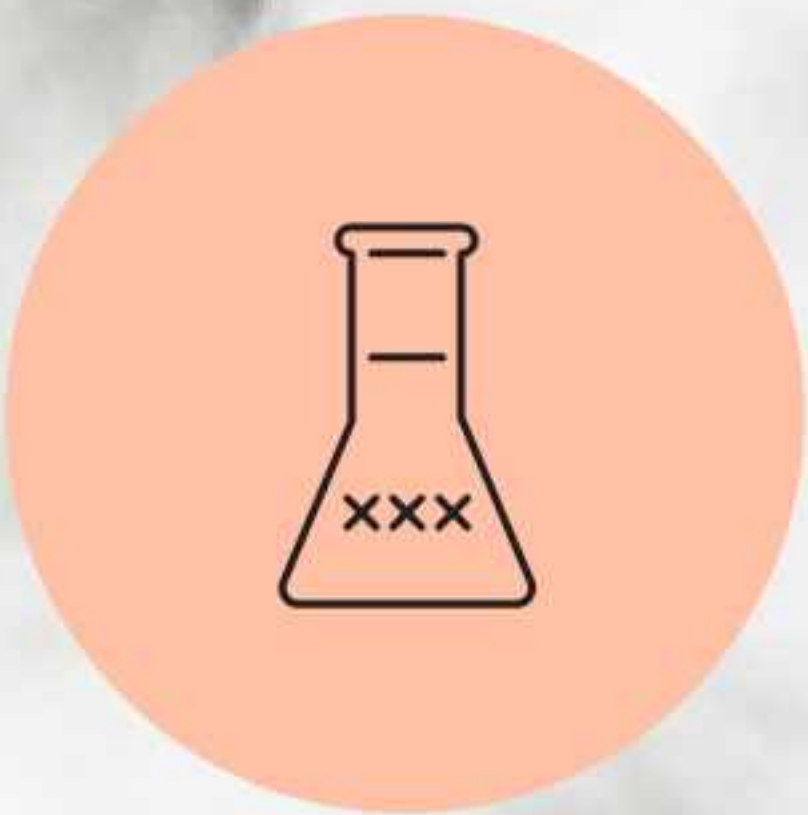
45%

GHG Emissions Savings



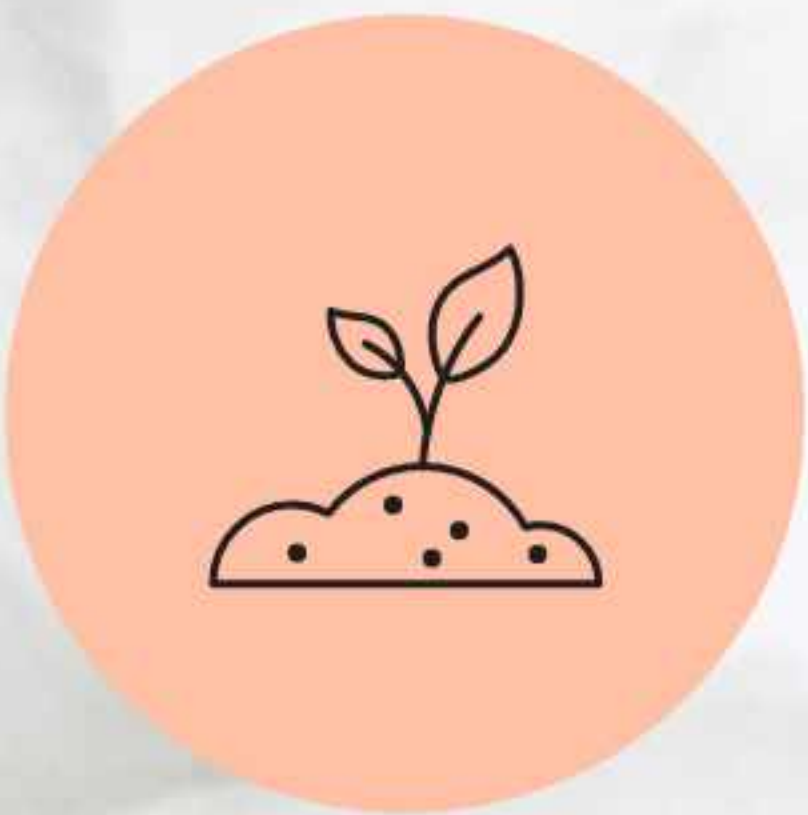
62%

Energy Savings



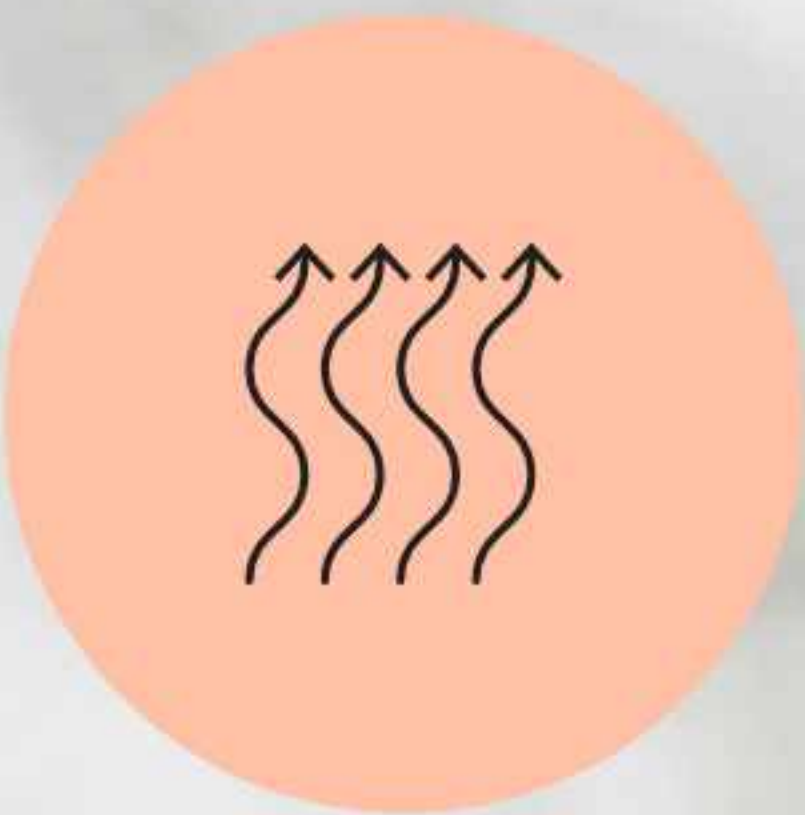
50%

Water Savings



70%

Reduced Acidification Potential (soil erosion)



26%

Reduced Eutrophication Potential (water pollution)



LCA PRODUCT SPOTLIGHT:

Mid-Rise Brief



0.7 kgs
of emissions offset



101.6 glasses of
drinking water saved



2.5 sqft of land saved
from harmful pesticides



We're finding ways to improve other materials

In order to give our undies the perfect fit, we add a little bit of stretch. These performance materials received a “Bad” rating in our Preferred Materials Library last year. Here's how we're working to improve upon these much-needed materials in our products.

VIRGIN ELASTIC:

- ✓ Sourced recycled nylon to replace existing virgin elastic bands
- ✓ Reduced virgin material use & greatly improving durability

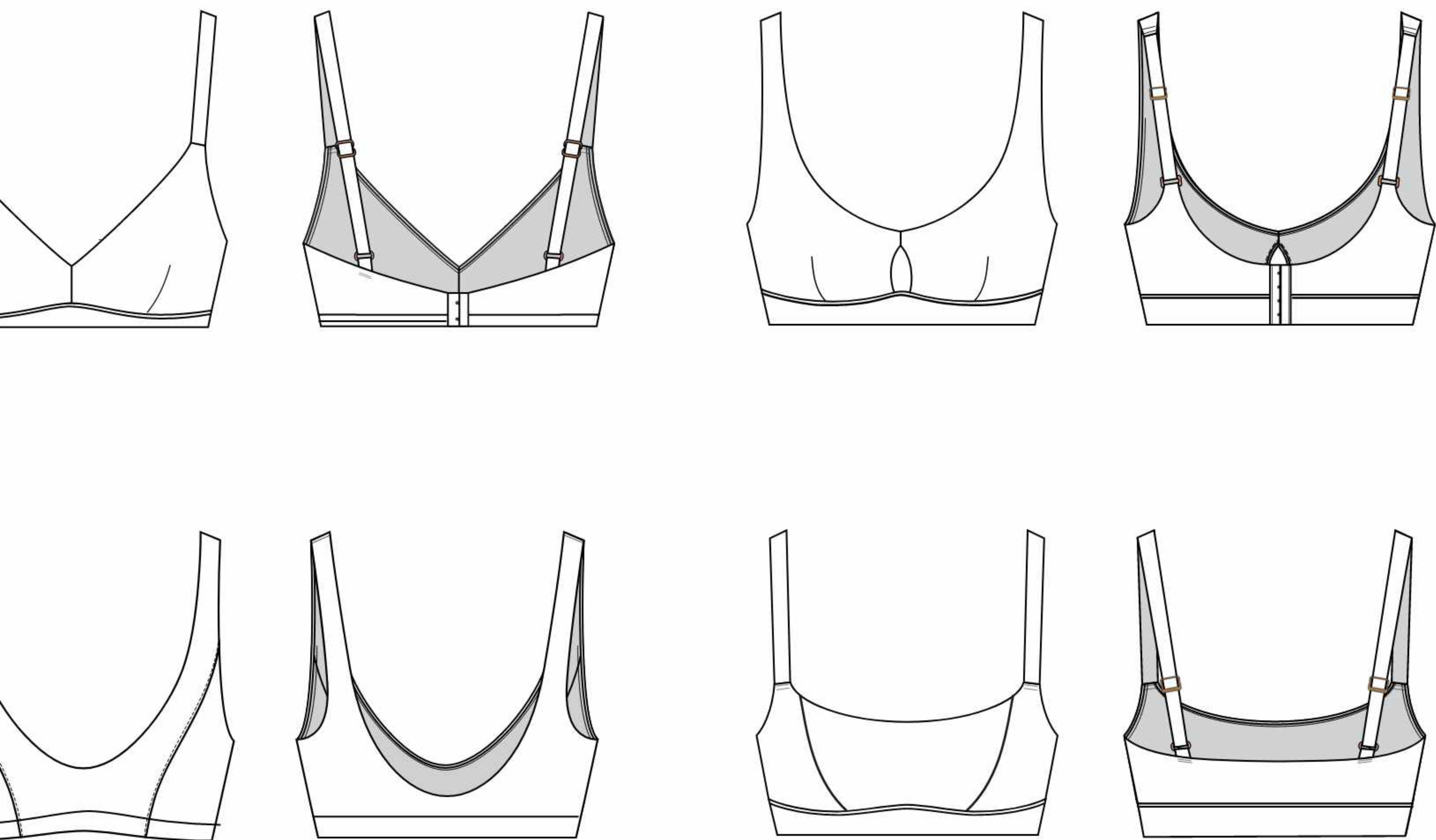
ELASTANE:

- Still working to source a bio-compatible alternative that can meet our quality standards – we've made some great headway, so stay tuned!





Bralettes



BIG NEWS!

We Designed a New Product

Sustainable-thinking led our process, and challenged us to expand our materials portfolio

- ✓ Leveraged our signature super soft organic cotton
- ✓ Incorporated straps & bands made from tencel, modal & recycled nylon
- ✓ Sourced eco-coated hardware for reduced water and energy use in production



Packaging

In 2020:

- ✓ We improved our boxes to be end-product certified
- ✓ All boxes are now [Sustainable Forestry Initiative®](#) (SFI) certified

We found an end-of-life solution for our bulk import packaging

Our undies are shipped in oxo-degradable polybags from India to NYC. While we use as few as possible by bulk packing, they require commercial recycling after use - which is not readily available.

- ✓ We partnered with [Anybag](#) to upcycle them into reusable shopping bags to tackle this waste issue.





2021 MATERIAL INNOVATION GOALS

- Continue work to replace virgin elastane in our products
- Launch a new product category and expand our portfolio of low-impact materials
- Complete a Life Cycle Assessment of our bralettes





2020

Environmental
Impact



Our Carbon Footprint

To reduce our environmental impact, we need to measure it

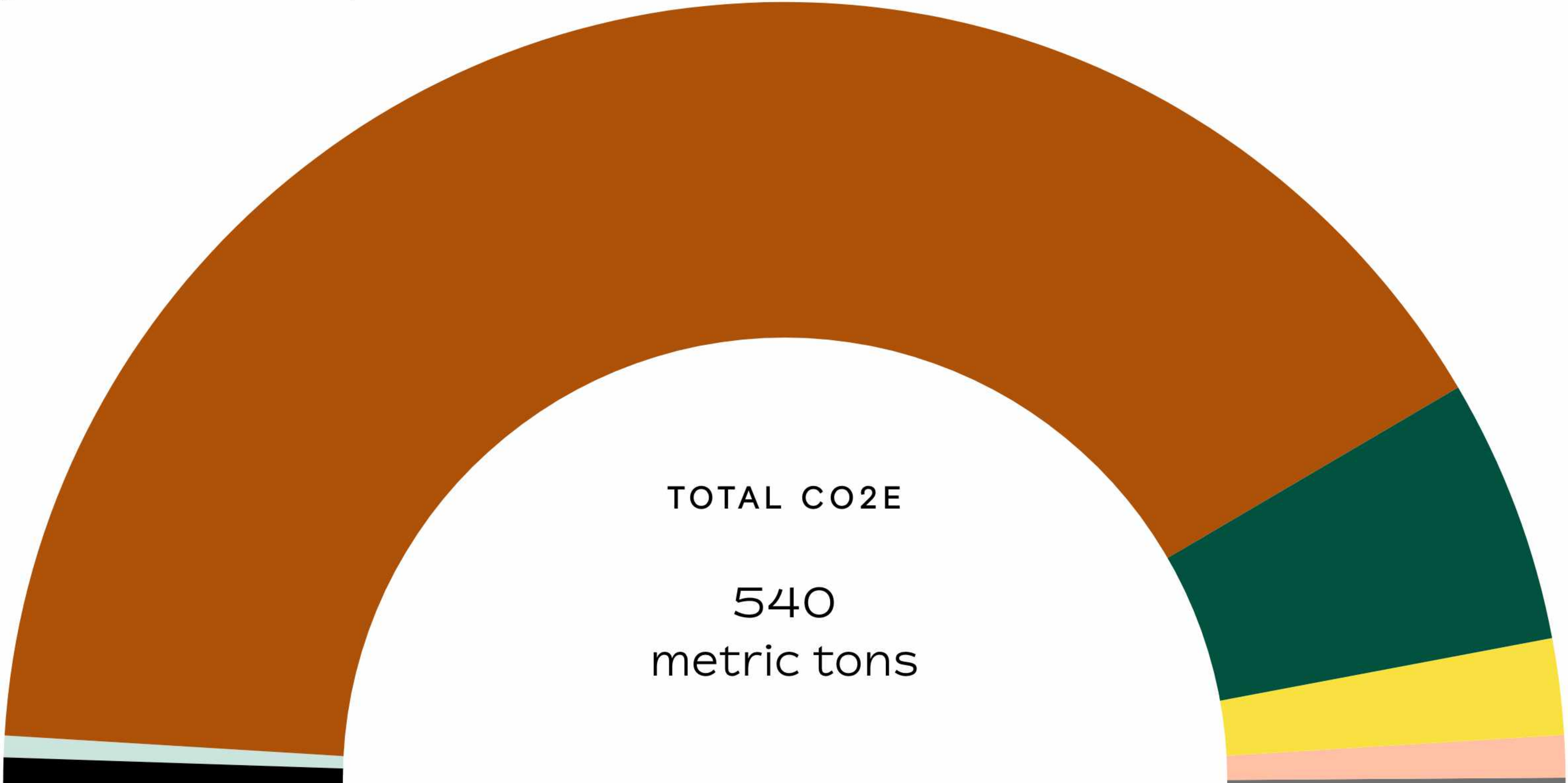
Each year we conduct a Greenhouse Gas Emissions Assessment to quantify the emissions across every facet of our supply chain. Our 2019 findings revealed that the impact of customer laundering practices heavily outweighed our footprint as a company. So for 2020, we decided to disclude this category, and focus the assessment on our own operations and the supply chain nodes that we directly influence.*

*While we had access to the majority of data indicators on the carbon footprint of our facilities, where we were unable to secure such data, we leveraged industry reports and assumptions to fill in the gaps.



OUR 2020 CARBON FOOTPRINT (MT)

● Natural Gas	5.65	● Downstream Transportation & Distribution (aka shipping Knickeyes to our customers)	21.43
● Purchased Electricity	4.74	● End of Life of Sold Products	9.37
● Purchased Goods & Services (aka our manufacturing, materials and packaging)	438.63	● Employee Commuting & WFH, Waste Generated in Operations, Business Travel	1.12
● Upstream Transportation & Distribution (aka sending our undies from India to NYC)	59.36		





100% Carbon Neutral

In 2020, we set out to be fully carbon neutral, focusing on the last piece of the puzzle: our customer shipping impact.

We are proud to currently operate at a carbon neutral state – through the implementation of clean energy initiatives and purchasing best-in-class, certified carbon offsets. To verify our neutrality, we are working to become Climate Neutral certified by the end of 2021!



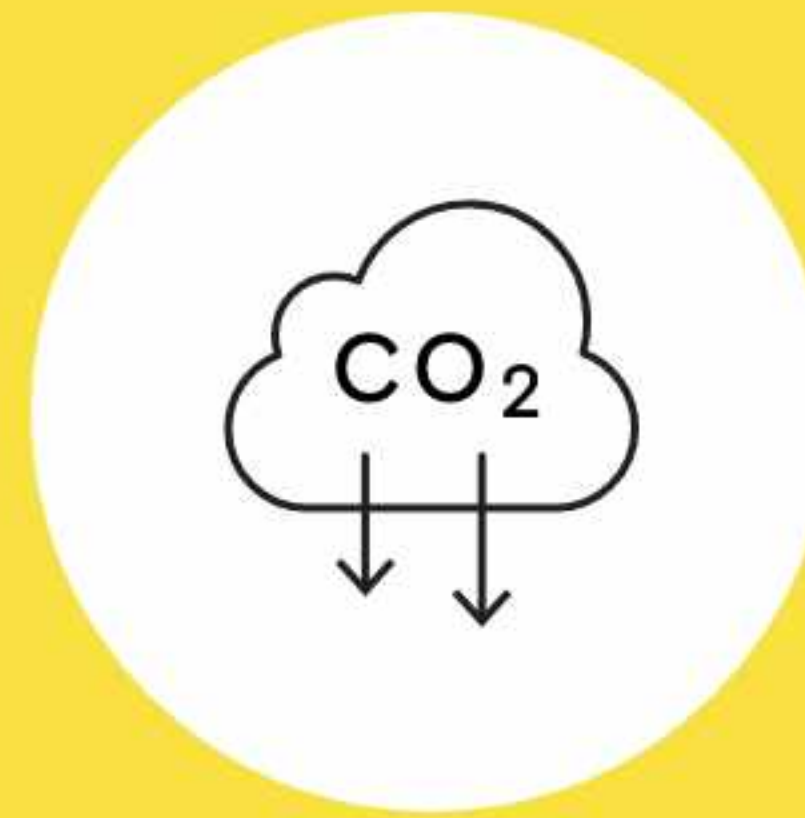


We purchase offsets to mitigate emissions we can't reduce

In 2020, Purchased Goods & Services contributed the most to our footprint so we'll be working with our suppliers to reduce energy use and incorporate cleaner alternatives

Our Carbon Reduction Strategy:

- 1 Our largest manufacturing partner offsets emissions from production – plus, they recently installed solar panels that will account for 60% of the factory's energy use
- 2 Our freight forwarder helps us to offset the emissions from our import shipments
- 3 We partner with [Cloverly](#) to calculate and offset emissions from downstream shipping on every order you place



OUR STANCE ON OFFSETTING

We use carbon offsets to neutralize our footprint where we have very little control over the process or where further reductions in emissions are not possible.

For example, we ship customer packages with USPS, and while we are not able to influence their transition to clean energy, we are happy to leverage certified offsets programs in lieu of direct reduction initiatives. We recognize that offsetting our carbon emissions is not a long-term solution, but it is a great bridge to meeting our carbon reduction goals while we wait for clean energy technology to catch up.



Recycling

Our first-of-its-kind Recycling program helps us to reduce our impact and solve an industry-wide problem by diverting old undies from landfill

- ✓ In 2020, we recycled three times the amount of items from the previous year

Looking ahead to 2021 and beyond

- ✓ We want to recycle as many undies as we put out into the world
- ✓ We're exploring higher-value recycling solutions that better close the loop, like Knickey-to-Knickey recycling



75K

Recycled garments
in 2020



2021 ENVIRONMENTAL IMPACT GOALS

- Find opportunities for emissions reductions in supply chain hotspots
- Become Climate Neutral Certified
- Recycle as many undies as we make





Beyond the Brief



Beyond the Brief

Fair Trade Production

All of our products continue to be produced in [Fair Trade International™](#) certified trade factories that prioritize the health, safety, and well-being of the people that make them.

Undies for All

In 2020, we donated nearly \$100,000 worth of underwear to shelters, women's organizations and communities in need.

Global Citizenship

We contributed to 25+ change-making organizations, including the ACLU, NAACP, Planned Parenthood, and Black Lives Matter.



Knickey manufacturing team



2021 SOCIAL IMPACT GOALS

- Use the [B Corp](#) certification process as a model to strengthen our corporate governance
- Join [1% for the Planet](#)
- Continue to distribute profits and basic essentials to our communities in need





2020

Looking
Ahead



OUR 2021 GOALS

- 1 Continue work to replace virgin elastane in our products
- 2 Launch a new product category and expand our portfolio of low-impact materials
- 3 Complete a Life Cycle Assessment of our bralettes
- 4 Find opportunities for emissions reductions in supply chain hotspots
- 5 Become Climate Neutral Certified
- 6 Recycle as many undies as we make
- 7 Use the B Corp certification process as a model to strengthen our corporate governance
- 8 Join 1% for the Planet
- 9 Continue to distribute profits and basic essentials to our communities in need



Thank you so much for following our journey toward a more sustainable future. Your interest in these initiatives drives us to provide products that are better for you, the planet and the people who make them. We are proud of the things we achieved in 2020 - but there is always more work to be done. As we set new goals and build on our impact, we will continue to measure and disclose our progress to you, our community, because we're all in this together!

XX, TEAM KNICKEY