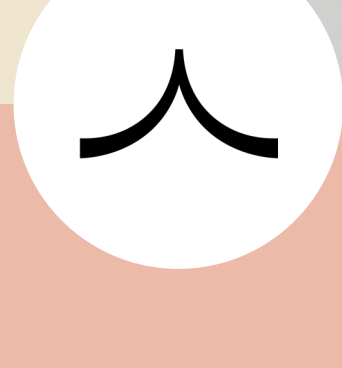


INTRODUCING: The Impact Report

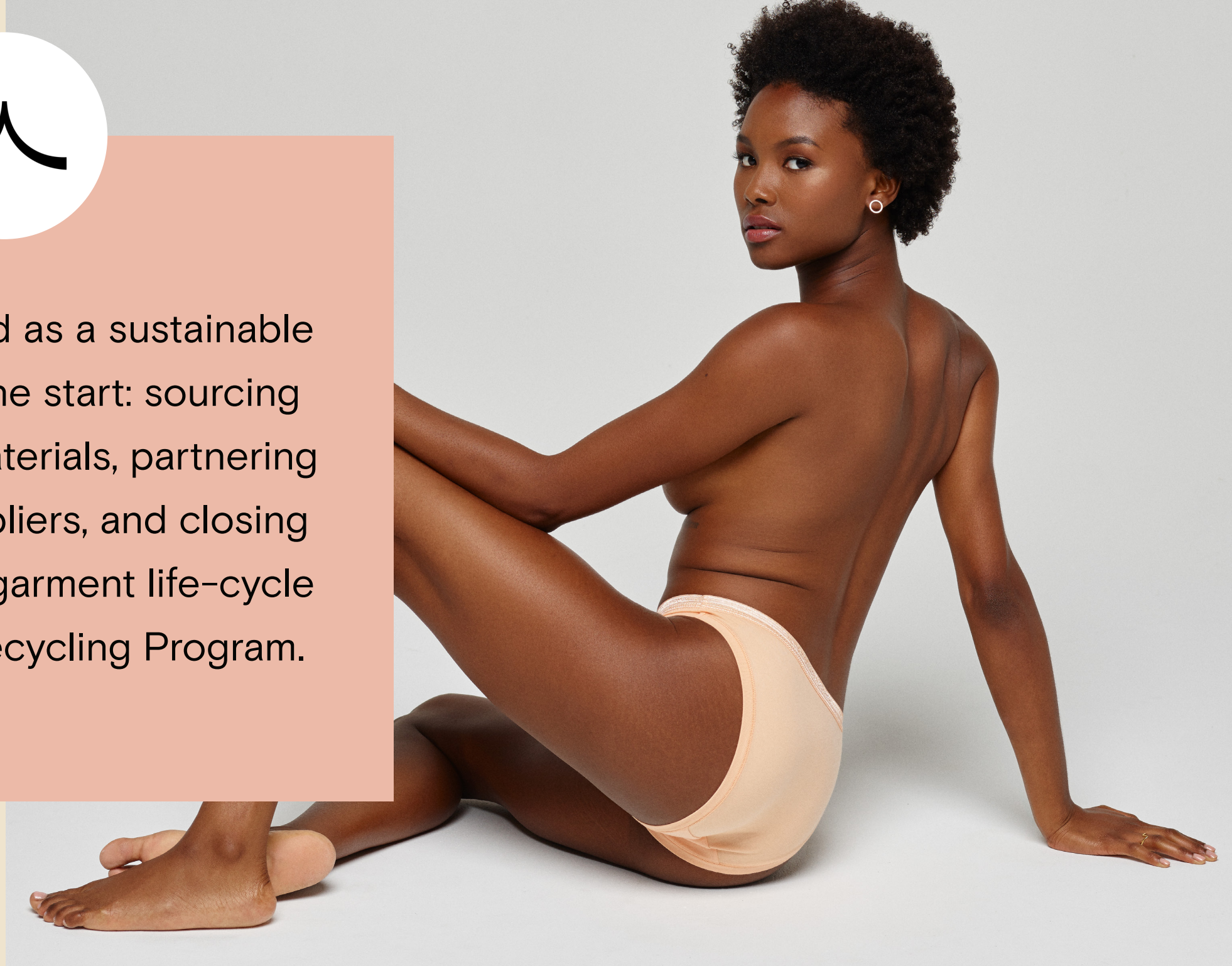
Sustainability and transparency are at the core of who we are at Knickey.

In fact, it's the reason we exist. Beyond adhering to the **best sustainability standards** out there – we always want to improve. And to do that, we need to measure our impact, set goals, and then set out to achieve them.

Here's a look at what we accomplished in 2019 . . . and where we're going next.



Knickey launched as a sustainable business from the start: sourcing earth-friendly materials, partnering with ethical suppliers, and closing the loop on the garment life-cycle with an undie Recycling Program.



We Measure:

1

OUR PRODUCTS
+ PACKAGING

Determined to clean up fashion from the inside-out, we mapped all of our activities as a company into three main topics; to measure progress and reduce our overall impact.

2

OUR SUPPLY CHAIN

After 1 year in business, we're reflecting back on what we've accomplished in these categories, and have identified ways in which we can do even better — setting our sights on the year ahead.

3

BEYOND THE BRIEFS



1 Products + Packaging



To continue to offer the most sustainable undies out there, we created a **Preferred Materials Library**, to serve as a guide in procurement across all our materials.

We rank raw materials on a simple scale of “Best to Bad” across every facet of our offering. Whether considering cotton, paper or plastic — it gets assigned a grade. Anything dubbed “Bad” we commit to make better. This will evolve as our offering expands, and as more innovative solutions become available across the industry. The table below displays the proportion of our 2019 materials by grade categorization.

BEST

BETTER

OKAY

BAD

95%

Organic Cotton

UNDIES

5%

Elastane

85%

PCW Cartons

IMPORT PACKAGING

15%

OXO Degradable Poly Bags

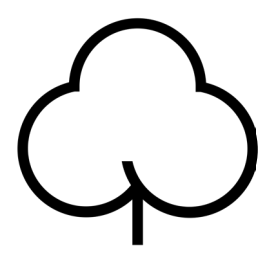
100%

PCW + Plastic Free Low-Impact Ink

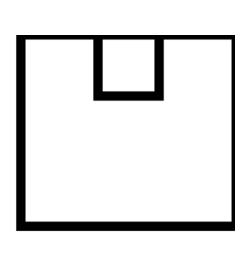
KNICKEY PACKAGING

We set out to source the best possible materials in both product and packaging for every touchpoint of our offering. We're proud to create a certified organic cotton product and ship those undies 100% plastic-free with minimal material impact. In 2020, we're committed to reviewing our raw materials in both fabrication and upstream packaging to optimize even further. This includes finding solutions for a biocompatible stretch component, as well as partnering with our manufacturer to source recyclable poly sleeves to bulk ship our goods overseas.

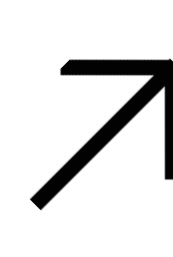
OUR MATERIAL COMMITMENTS



CERTIFIED
ORGANIC



PLASTIC-FREE
PACKAGING



ALWAYS BE
INNOVATING

2

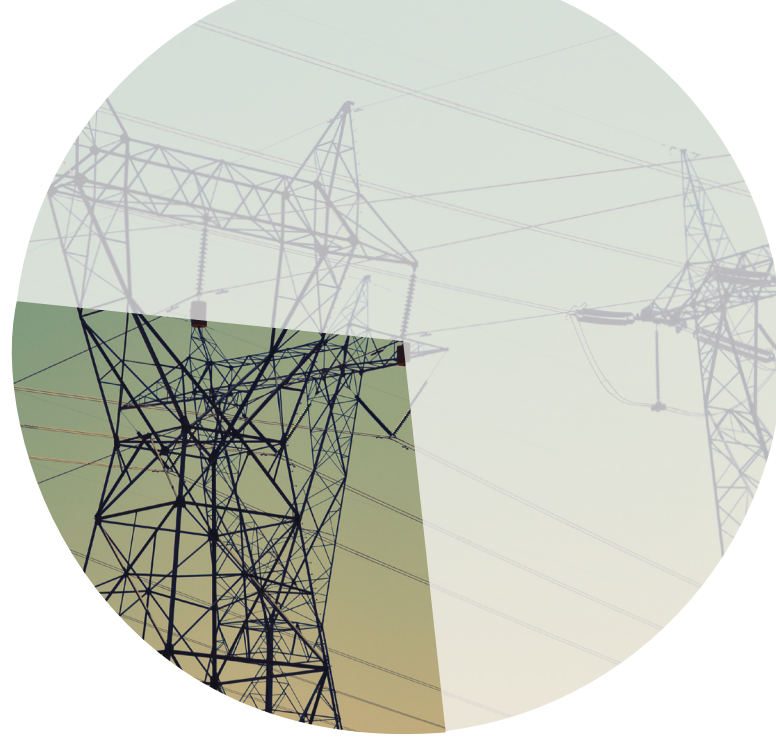
Our Supply Chain



We started with a certified sustainable supply chain in order to put our best foot forward in procurement and production. Our dedicated organic facilities are certified to the Global Organic Textile Standard from farm to factory.

By choosing organic cotton, we've saved resources, promoted biodiversity and reduced our overall carbon footprint. These charts show the fractional impact of organic cotton on the environment as compared to its conventional counterpart. Harvesting organic cotton saves energy, removes carbon from the air, and preserves water in both quantity and quality.

ORGANIC vs CONVENTIONAL COTTON



62% PRIMARY
ENERGY SAVINGS



45% LESS CO2
EMISSIONS

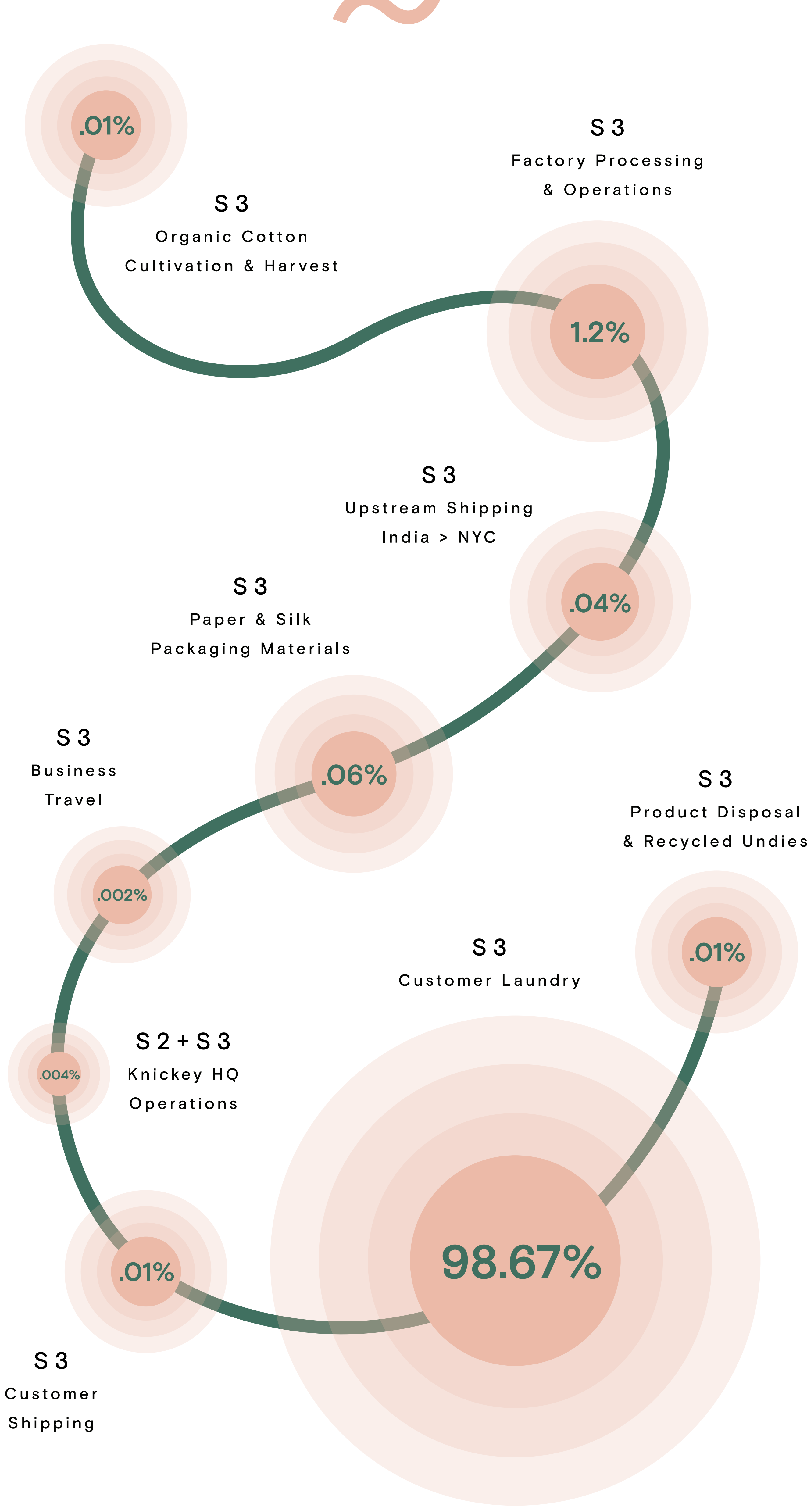


91% WATER
SAVINGS

GREENHOUSE GAS

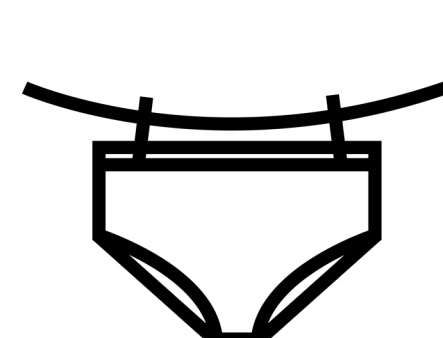
In order to understand Knickey's carbon footprint, we conducted a Greenhouse Gas Assessment to quantify our emissions across every facet of our supply chain. This infographic displays each area's emissions in proportion to the total calculated across all three Scopes of our business [S1, S2, S3].

OUR CO2 EMISSIONS



TAKEAWAYS

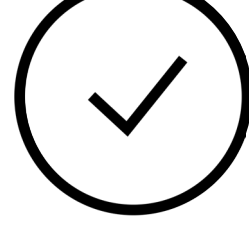
Our certified organic supply chain is extremely optimized, and we're thrilled to confirm the low carbon impact of our choices thus far. Our measurements revealed that the largest source of emissions in our product lifecycle is when the undies get home to you, our customers. We will continue to encourage best laundry practices in order to minimize emissions and reduce our overall footprint.



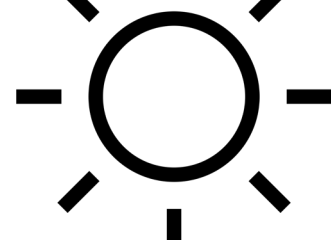
Our manufacturing partner was awarded the **Carbon Neutral Gold Standard** by One Carbon World for 100% carbon neutrality in S1, 2, 3. They worked with the UN Clean Development Mechanism on a wind power project in Maharashtra, India, as well as a reforestation project in Uruguay that turns degraded former agricultural land into forests. Finally, we offset all of our imports from India to NYC through partnering with the CarbonFund.

In 2020, we're aiming to reach 100% carbon neutrality across our entire business, through continued work with the CarbonFund, investing in renewable energy for our NYC offices, and diverting textile waste from landfill.

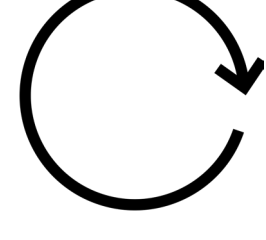
OUR CLIMATE COMMITMENTS



CARBON
NEUTRAL



RENEWABLE
ENERGY



CLOSE
THE LOOP

3

Beyond the Briefs



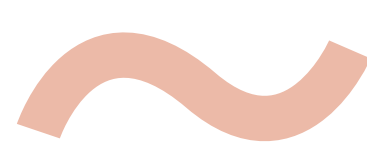
For us, responsibility goes beyond measuring our supply chain. As an impact-driven company, we want to make sure that we are leaving a positive mark on the world — and our communities.

That's why we partner with **Fair Trade** certified facilities, to ensure that everyone involved in the production of Knickey undies is treated with the respect and care that they deserve, including living wages, safe working conditions, and stringent toxicity precautions. In 2020, we remain committed to these standards, and to sharing more information about our incredible supply partners.

FASHION REVOLUTION DAY 2019

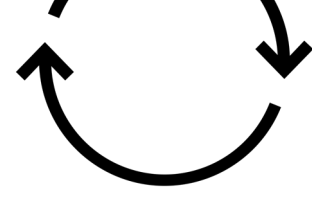


OUR UNDIE RECYCLING PROGRAM

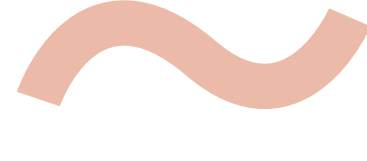


Together, we're taking action at the end-of-life for any and all undergarments. Last year, our customers diverted several thousand undies, bras and socks from landfill through our Recycling Program. Those worn-out intimates were recycled into secondary uses — namely wall insulation and carpet padding.

In 2019, our Undie Recycling Program offset over 1.5 Metric Tonnes of CO2!



SOCIAL IMPACTS



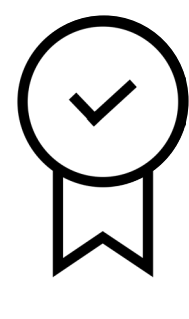
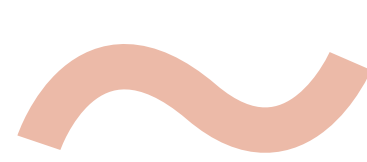
"Often a thing that many of us take for granted is access to new and clean underwear ... something that we need every single day and is seasonless."

— Jessica Salter, Amos House

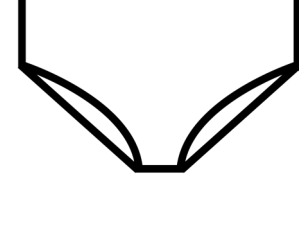
In 2019, we donated over 7,000 pairs of new, clean, undies to women in need through our partnerships with The Bowery Mission and Urban Pathways.

This year, we're excited to expand our network of non-profit partners to support more women and mothers in crisis across North America.

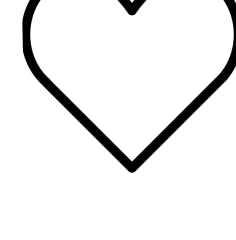
OUR SOCIAL COMMITMENTS



CERTIFIED
FAIR TRADE



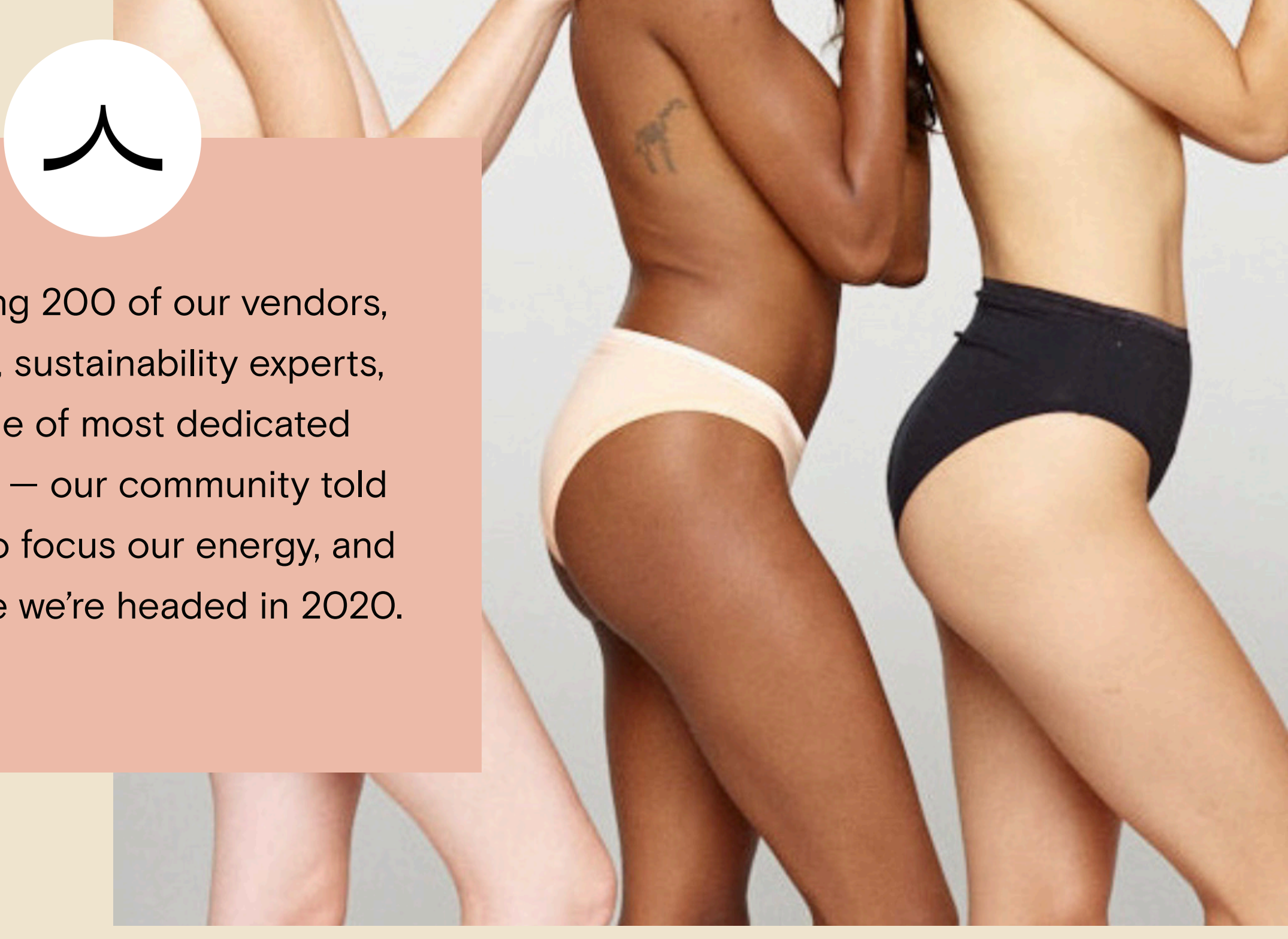
RECYCLE
MORE UNDIES



SUPPORT OUR
COMMUNITIES

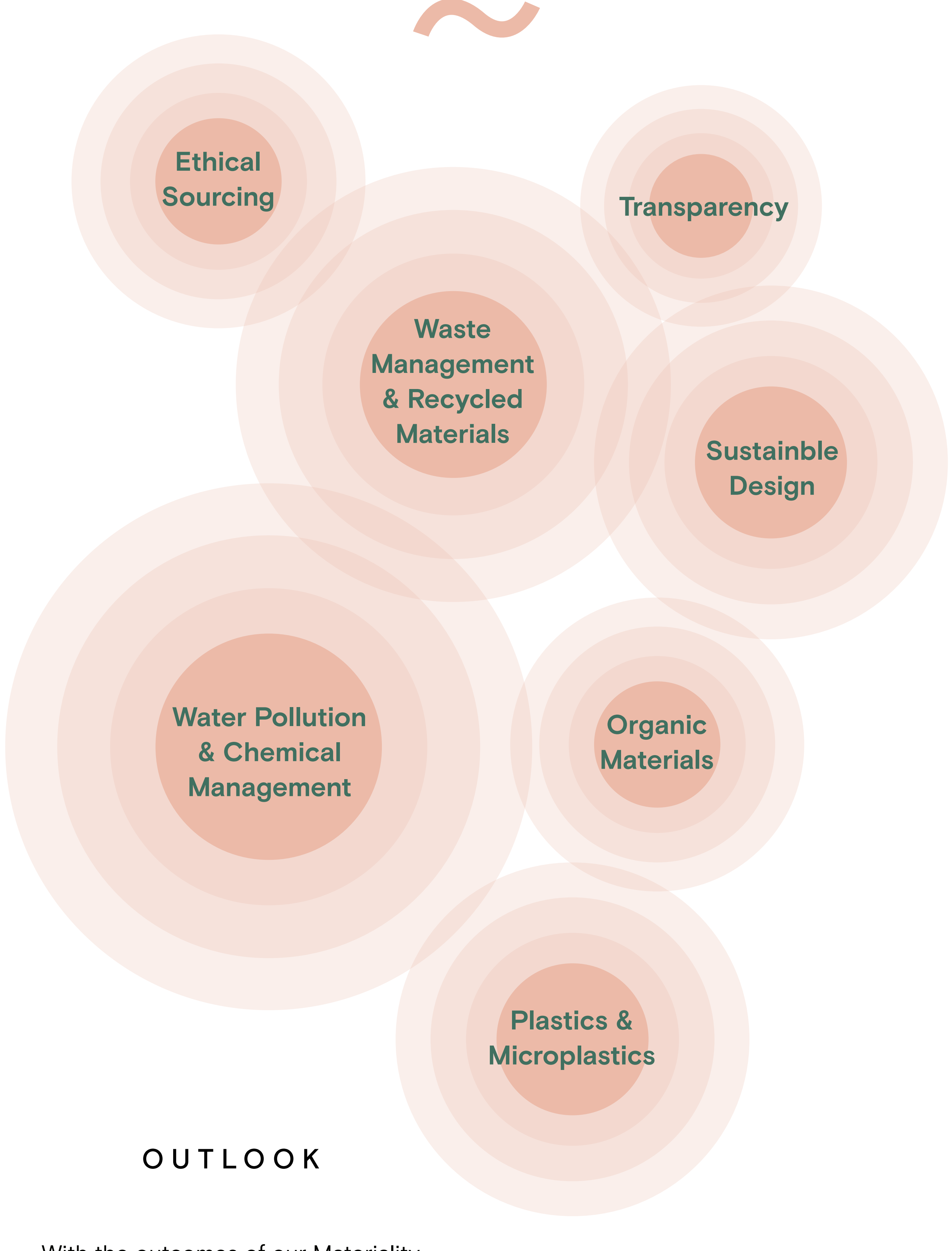
2020 Outlook + Initiatives

To help guide our outlook ahead, we conducted a **Materiality Assessment** to find out what matters to you most. We identified and shortlisted environmental, social, and governance topics to help inform our sustainability initiatives and guide our wider business strategy going forward.



After polling 200 of our vendors, journalists, sustainability experts, and some of most dedicated customers — our community told us where to focus our energy, and that's where we're headed in 2020.

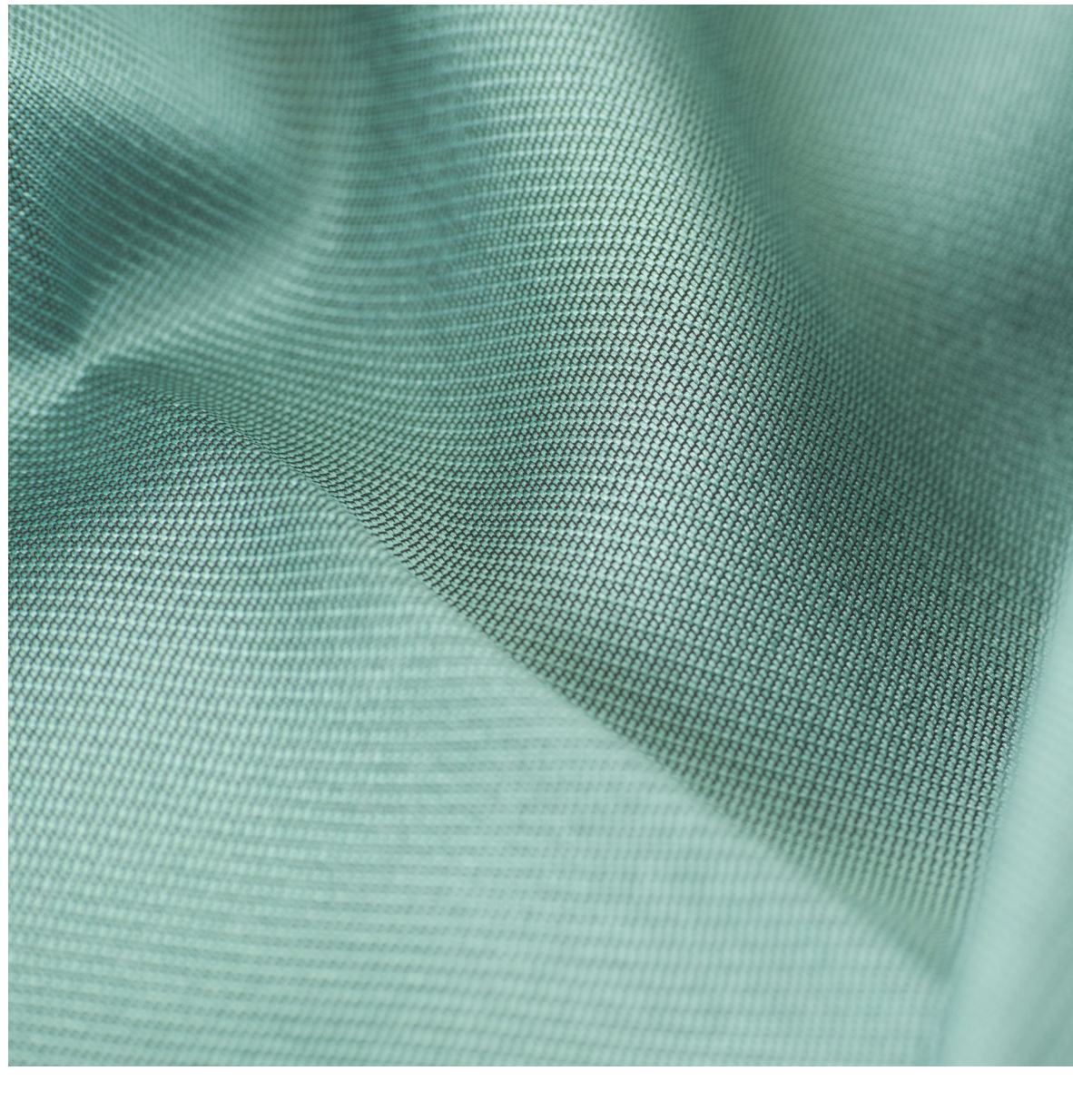
WHAT YOU VALUED MOST



OUTLOOK

With the outcomes of our Materiality Assessment in mind, we're leveraging these takeaways to inform our 2020 strategy and sustainability goals for the year ahead.

Our 2020 Goals



1

IMPROVE OUR MATERIALS

- Source Biocompatible Stretch
- Improve Upstream Packaging
- Expand Preferred Materials Library

2

POSITIVE > NEUTRAL

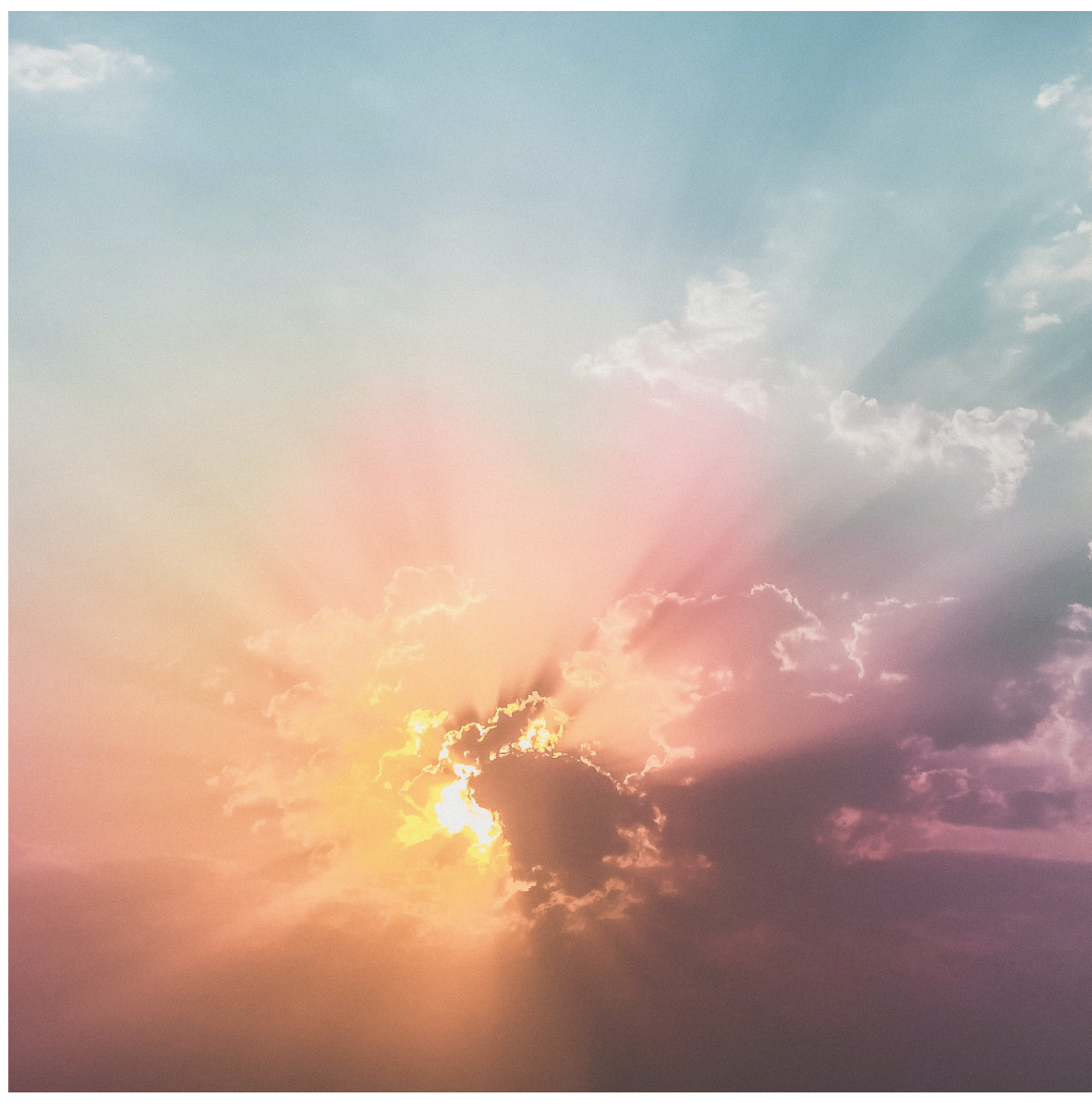
- 100% Carbon Neutrality
- Expand Recycling Program
- Reduce Waste & Compost



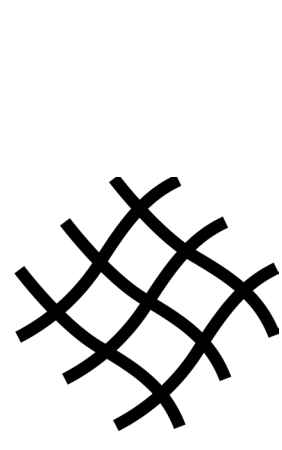
3

TRANSPARENCY + KNOWLEDGE

- Conduct an LCA of Knickeys
- Set Science-Based Targets
- Continue to Learn from You



OUR COMPANY COMMITMENTS



IMPROVED MATERIALS



POSITIVE IMPACTS



ALWAYS BE LEARNING

Thanks so much for following our journey toward a more sustainable future. We're really proud of what we've accomplished in our first year in business, and are super excited to continue to build on this positive impact.

We will continue to measure and disclose our progress, share insights from behind the scenes, and importantly -- look to you for guidance. Accountability is at the core of this, so thank you for holding us to it.

Until next year!

x x

CAYLA + LAUREN



SOURCES

https://textileexchange.org/wp-content/uploads/2017/06/TE-LCA_of_Organic_Cotton-Fiber-Summary_of-Findings.pdf

THE DIRT ON

CLEANING

HOME CLEANING/LAUNDRY ATTITUDES

AND TRENDS AROUND THE WORLD