

# IMPACT REPORT

2021

#### FOREWORD

I started Hylo with Jacob and John because I wanted to provide a platform for athletes to care about their legacy and to connect with a company that could drive forward their impact - on and off the field.

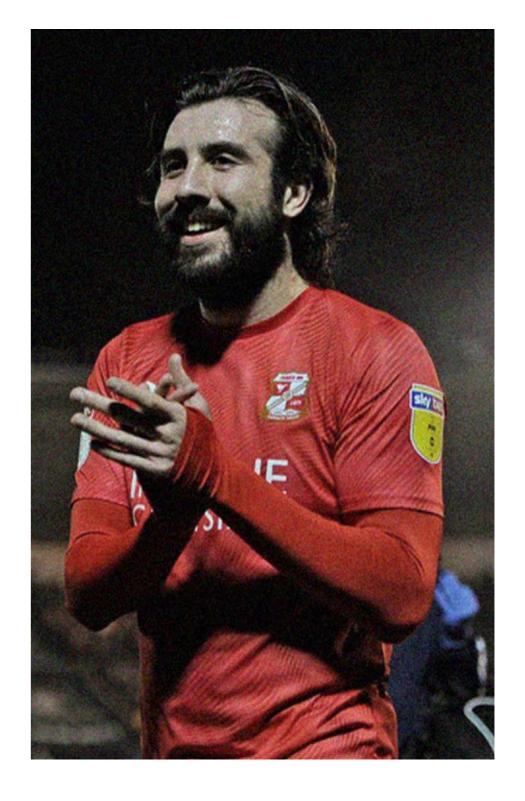
In light of the recent IPCC report, it is clear that we need to improve, and fast. The future of the sporting environment isn't guaranteed.

This document is a look back at our first year - our challenges and achievements. We've tried to make it informative and interesting but it also serves as part of our commitment to being transparent with our community and accountable to each other.

Being able to reflect honestly is a huge part of success. There's a story about Sir Alex Ferguson, the legendary Manchester United manager, told by one of his former players. After reaching the pinnacle of European football, winning the Champions League - with players and fans still celebrating - Ferguson was already organising his staff for a meeting the next day to discuss how they could improve - how they'd do it again, but better. His attitude was to build on the success he'd had, and to learn from the things that hadn't gone to plan. That's our attitude too.

Over the last year, we've sought to reduce our negative impact on Planet, and increase our positive impact as a business. We'll go into a bit more detail about how in the report.

Michael Doughty, Hylo Co-Founder and former professional footballer





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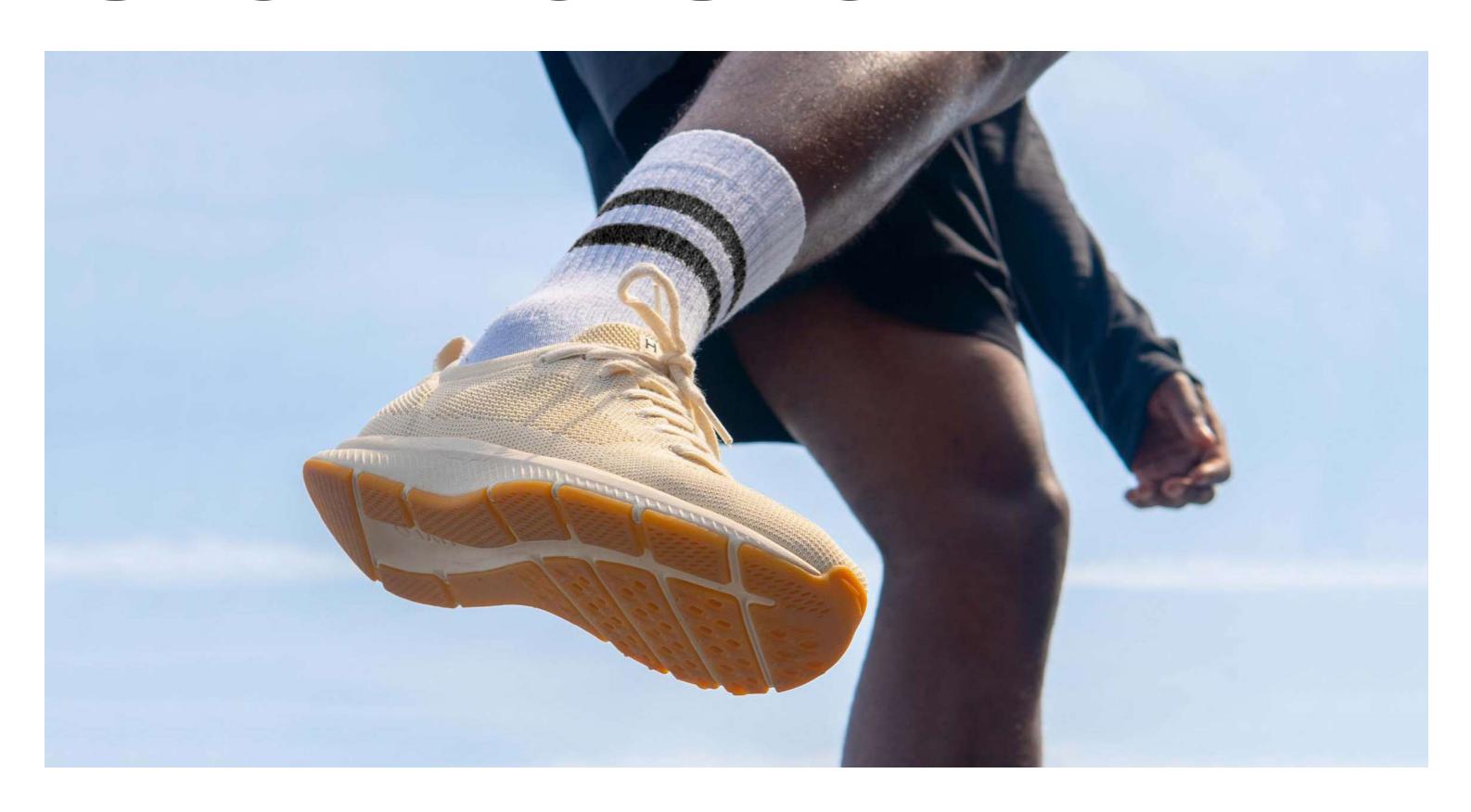
How many plastic bottles stopped from entering global circulation? How many cubic metres of carbon sequestered? 30

COMMUNITY

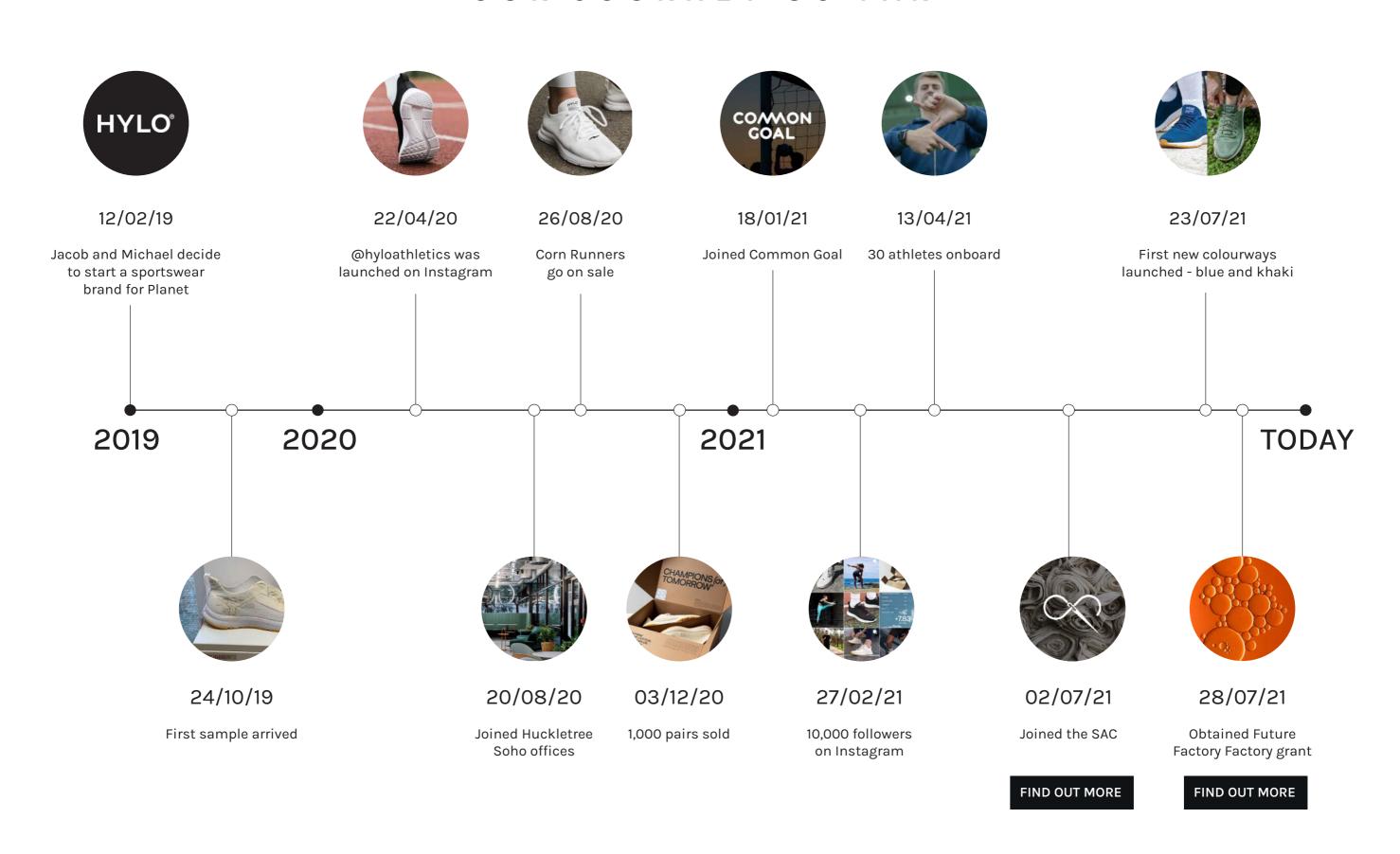
Our pledges to our community - the most important part of our journey.



# OURUGURNEY



#### OUR JOURNEY SO FAR

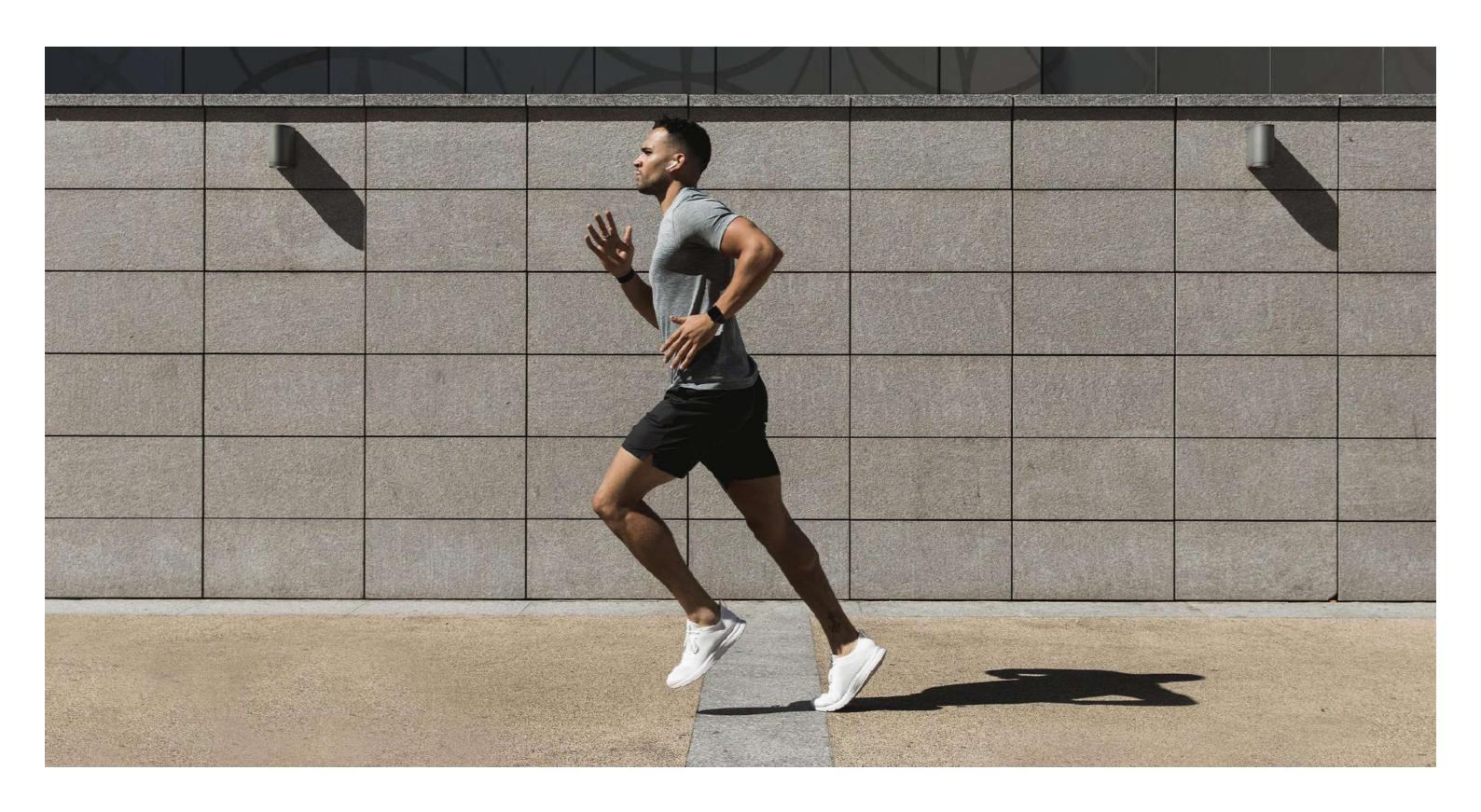




We've loved our first year but we've faced some hurdles along the way. We sat down, as a team, to talk through some of the hurdles we've faced in our first year in business.

- How to improve our product whilst not compromising our belief system around science and impact (it hasn't been easy but we're in a much better place).
- Trying to work out how many runners to order and prevent irritating would be, and current Hylo customers by having no stock! It's almost impossible to forecast demand when you are such a new company.
- Covid. Hate to mention it but it has created a lot of uncertainty and, in particular, has made the ability to connect in person more challenging. Saying this though, I am blown away by the relationships we have been able to build.
- Logistics. Due to the above-mentioned global pandemic (which I won't mention again, promise) costs have gone through the roof whilst delivery times have become incredibly volatile. Our commitment to sea freight makes this even more challenging.
- of sustainability in a way which helps educate, doesn't sound preachy and is clear for Hylo. We are getting much better at this.

# WHOWEARE



#### GUILDING PRINCIPLES

#### EDUCATE

The only way to create lasting change.

## EMBRACE THE JOURNEY

Change is a step-by-step process. We will invest in a better tomorrow, be patient, and trust the process.

#### OWN OUR NUMBERS

Quantify our impact, and always aim for better.

#### QUALIFICATIONS

Back our statements with data and certifications.

#### BE HONEST, ALWAYS

Be transparent in what we are doing and why, and be accountable in everything we do.

## CONSTANT IMPROVEMENT

Be driven to do better. Every day. One percent differences add up to significant steps forward. Progression, to perfection.

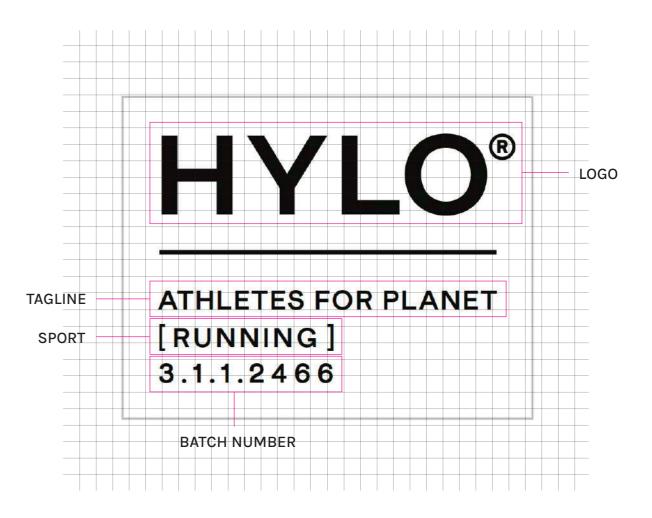
#### **TEAMWORK**

We're not in this alone. Elite athletes, amateurs, teams, clubs, corporations, couriers, manufacturers, employees, customers. We have a common goal. Work and compete together.

#### ACCOUNTABILITY

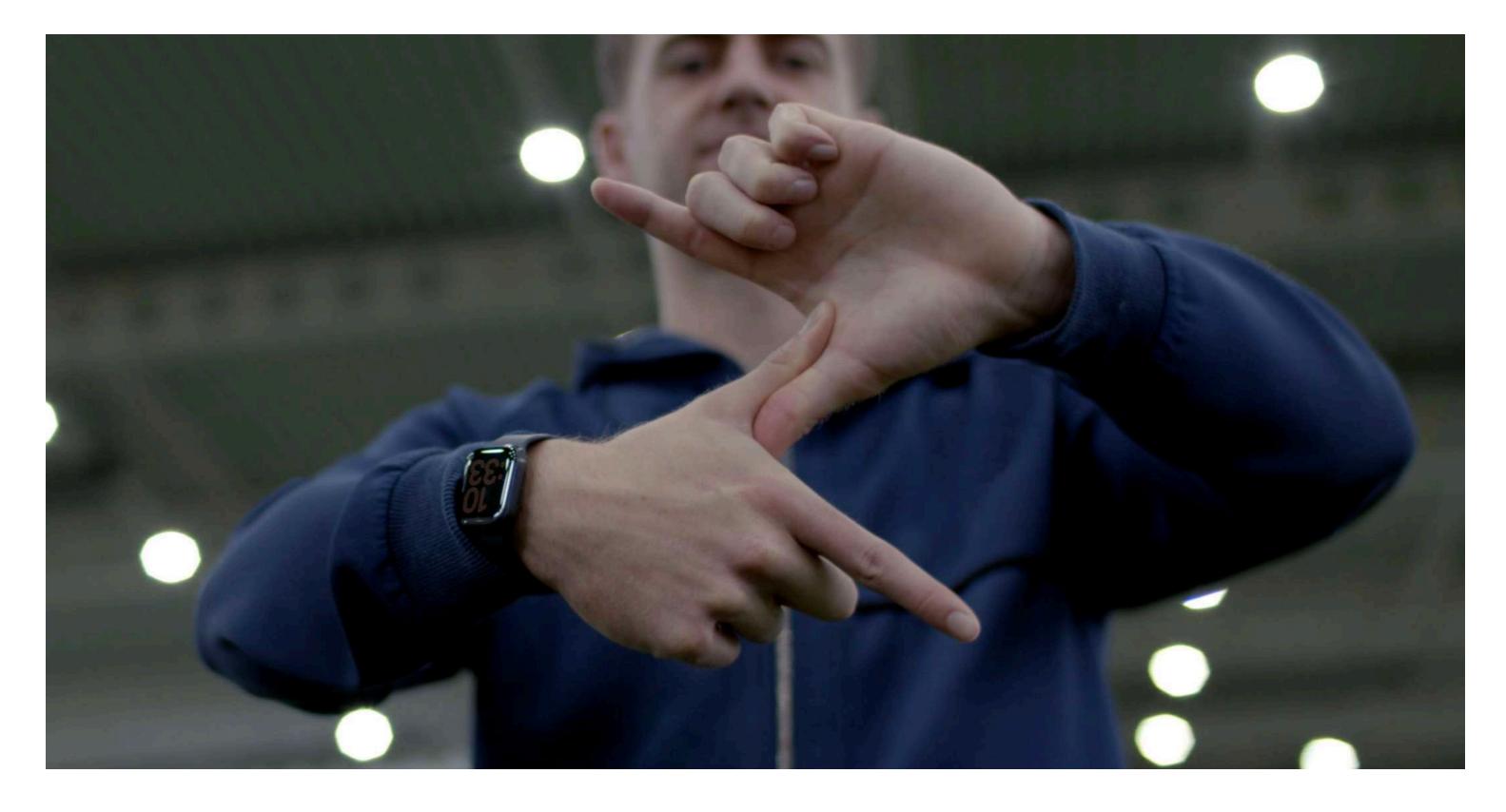
By being transparent and honest about what we do, where we stand and what we need to improve, we aim to hold ourselves accountable and be held accountable by our community.

When applied to our products this means that every single one of our shoes is unique. Each pair has its own code like the one below.





## ATHLETES FOR PLANET



## ATHLETES FORPLANET

Winning is success. Medals, moments, personal bests.

Sometimes, it's just beating off the voice inside your head telling you to quit. It's time to win in a better way - to work hard for progress; in performance and for planet.

Legacy is not solely defined by success - it's decided by how you use it. Change is the ultimate legacy.

Changes in attitudes and actions.

The future is still ours to write.

### HIGHLIGHTS

Patrick Bamford scored a hat-trick in the Premier League against Aston Villa. Showing quality of the highest calibre, Patrick celebrated with his trademark "Bolt for Planet" sign – our logo and a symbol for change. He finished the season on 17 league goals. Sophie Ecclestone maintained her status as the world's number one T20 bowler and proved her quality as she inspired the Trailblazers to victory in the IPL back in November. As test cricket returned in early 2021, Dom Bess starred for England taking five wickets against Sri Lanka in Galle. He featured heavily for the test side over a winter of rotation for the men's national team following his move to Yorkshire CCC in the off-season. In April, George Davey maintained his undefeated record (4-0) against experienced pro Jamie Stewart.

Most recently, Hylo were represented at the Olympic Games by two Athletes for Planet: Rory Gibbs came fourth in the Men's Coxless Four. Cyclist Jack Carlin grabbed a silver medal in the Team Sprint before earning a hard-fought bronze in the individual event.



## MATERIALS SCIENCE



Our mission is to use materials science innovation to reduce the reliance on petroleum-derived materials, making performance products in a better way.



## Why?

Performance products have previously been reliant on petroleum-derived materials and this is harmful for our Planet.

As yet no material meets all our sustainability criteria while offering the properties required to meet the standard of performance we set for our sportswear.

We'll continue to champion materials science innovation and invest in a better future for performance.



### PETROLEUM-DERIVED MATERIALS

#### FINITE

Once they're gone, they're gone.

#### **POLLUTING**

They release carbon into the atmosphere, shed harmful microfibres during use and more often than not, end up in landfill.

#### DEGRADE

They can take hundreds of years to degrade, if at all, subsequently harming sport's environment.

### R E N E W A B L E M A T E R I A L S

#### **REMOVE CARBON**

Sequester carbon from the atmosphere.

#### REGENERATIVE

Materials that can be replenished, therefore reducing the impact on Planet.

#### **RECYCLABLE**

Products are kept out of landfill by being given a new life.

### OUR MATERIALS

#### **CORN FIBRE**

Used in: Upper

Performance: Lightweight | Malleable | Breathable | Quick drying

Impact: Bio-based | Renewable | Utilising a Byproduct of Corn Production

#### **ORGANIC COTTON**

Used in: Laces, Back Tab, 50% of Woven Label

Performance: Soft hand feel | Durable | Reduced lace slip

Impact: GOTS Certified | Natural | Produces up to 94% less GHG emissions than conventional cotton | Renewable

#### **POLYESTER**

Used in: Stitching, woven label

Makes up 0.15% of the Corn Runner. Used in stitching thread and woven label.

#### **BIOFORM**

Used in: Heel Counter

Performance: Durable | Supportive |

Impact: Minimum 39% Bio-based | Made

#### Increased Lockdown

using plant scraps such as leaves and stalks | Derived from renewable materials

#### WATER-BASED INK

Used in: Insole topcloth

Used to print on the insole topcloth

#### **ALGAE BLOOM**

Used in: Insole

Performance: Flexible | Anatomical | Compression set approx. 70%

Impact: The algae content reduces reliance on EVA | Utilises excess algae biomass | Algae does not require Fossil Fuels or arable land to grow

#### **CORN-BASED REINFORCEMENT**

Used in: Medial x Lateral Cage

Performance: Enhanced durability | Lateral Support | Anatomical

Impact: Production waste is recycled | Derived from renewable materials | Biodegradable

#### **CORN SPRING®**

Used in: Midsole

Performance: Enhanced cushioning | Flexible | Anatomical | Compression set below 35%

Impact: Contains Renewable Materials | Corn Starch reduces EVA content | Bio-based

#### NATURAL RUBBER

Used in: Outsole

Performance: Increased tensile strength | Increased tear resistance | Increased grip

Impact: Bio-based | Renewable

#### WATER-BASED GLUE

Used in: Tooling



# OUR IMPACT



Reducing our impact is part of who we are, part of the everyday decisions we make - especially regarding our products.

## We aim to do this by:

#### Being carbon negative -

Every product has an impact.
At every point, we want to take steps to reduce this impact through our design, material selection, supply chain and packaging. Quantify our impact and offset to zero and beyond.

Giving back - Partner with people and causes who share a common goal. Share our experience with others.

#### Using renewable materials -

rather than synthetics. We want to reduce our reliance on nonrenewable fossil fuels and lessen our impact.

#### Making our products recyclable -

Extend the life of our products and avoid them ending up in landfill.

#### Work with suppliers who share

our values - about people and Planet. Through regular third-party audits, ensure accredited labour conditions & pay. Collaborate to reduce our impact at every stage of the manufacturing process.



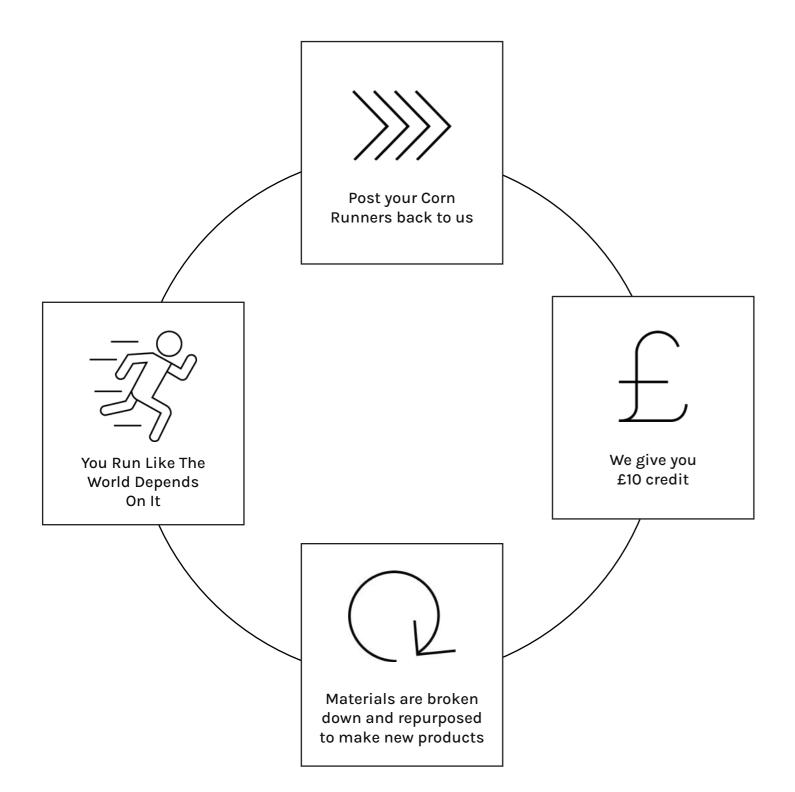
# OUR FOOTPRINT COMPARED TO THE AVERAGE RUNNER

HYLO V1 CORN RUNNER

7.83 KG CO2e AVERAGE RUNNER

13.6

KG CO2e



### OUR RECYCLING

We will create products that are designed for life using the biological and technical cycles that:

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems

## MAKING OBJECTIVE DECISIONS FOR PLANET

In July 2021, we announced our membership to the Sustainable Apparel Coalition. There is a lot of subjectivity in the sustainability space. With a background in sport, this doesn't sit well. When you compete, it's easy to define the result - just look at the scoreboard.

The SAC provides a set of standardised tools that help industry members measure their impact. These tools measure environmental and social labour impacts making it easier for brands to make better decisions for Planet.

# WHY WE DON'T CALL OURSELVES SUSTAINABLE ANYMORE

Sustainability is complicated. Every product, every process, every material can be better for Planet. And to simply say it is 'sustainable' or not, does not represent the complexity involved. Every product has an impact with unique challenges and we need to communicate that clearly. We will be direct, communicating our specific solutions along this journey.

#### **OUR AIM**

To reduce our reliance, and eventually the industry's reliance, on petroleum-derived materials.

#### **OUR SOLUTION**

To champion materials science innovation. Using renewable materials to make our products in a better way.



We'll still talk about sustainability.

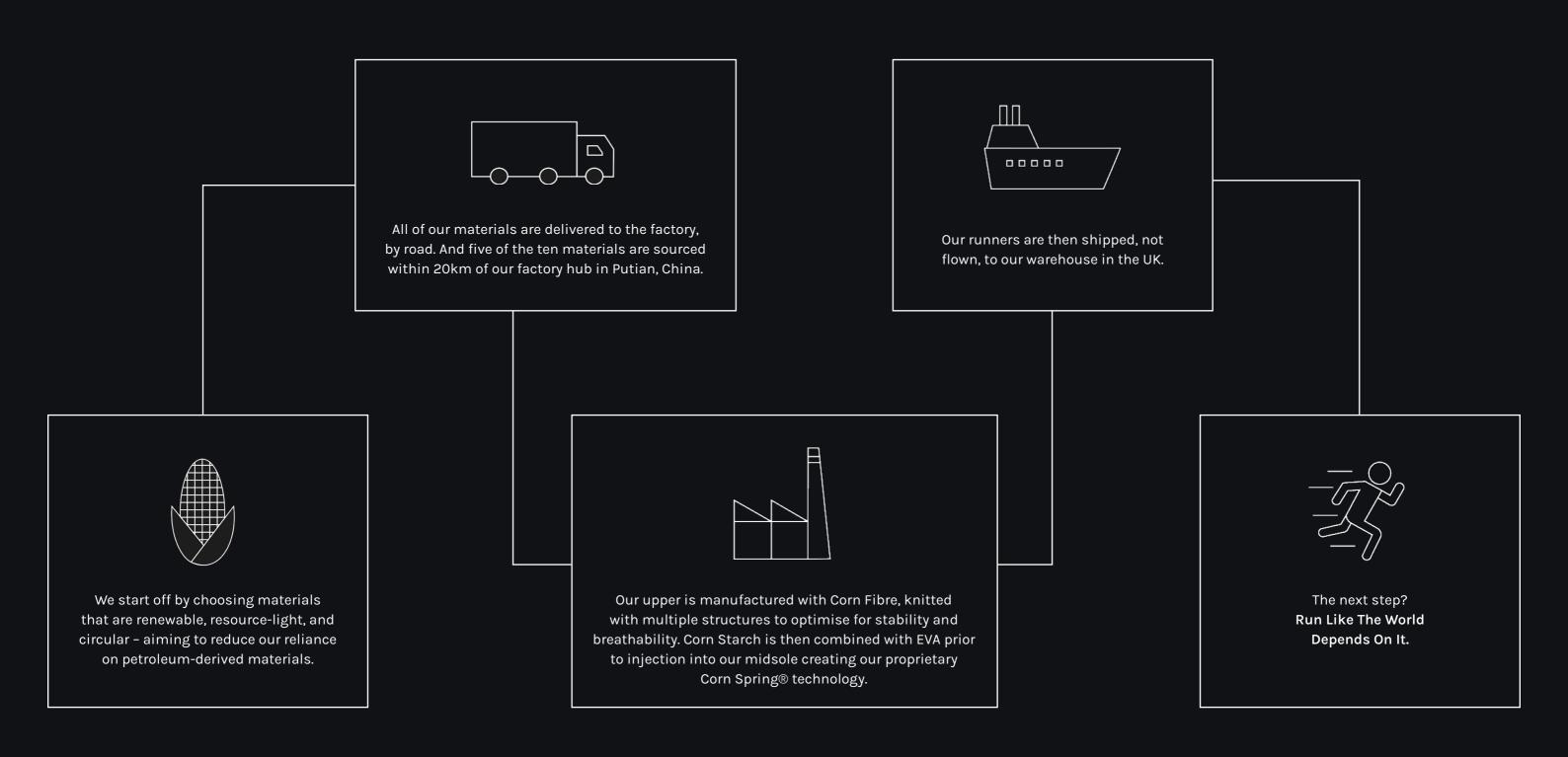
But we won't describe ourselves, or our products, as sustainable.

# DEVELOPMENT



## HOW WE MAKE OUR CORN RUNNERS

A lot of the planetary degradation in shoe-making comes before the shoes have even reached delivery point.



























We are constantly looking for ways to improve the performance of our Corn Runner, and reduce its impact - one percent tweaks, little improvements. Little wins as we progress products and their performance and planetary credentials.

Our first product has changed a lot since the first sample received back in late 2019 - ten months before Hylo was launched.

We had shoes made out of different materials - nettle fibre & organic cotton in the upper. We opted for corn - its performance properties outweighed synthetics and the other options on the table. The positioning of the Bolt, the knit pattern on the upper all changed before our first iteration made it to market in September 2019.

Since then, community feedback and stringent wear testing have led us to second and third iterations of the Corn Runner focussed on enhancing the support and stability a runner requires - while seeking to further reduce the impact we have through materials science innovation.







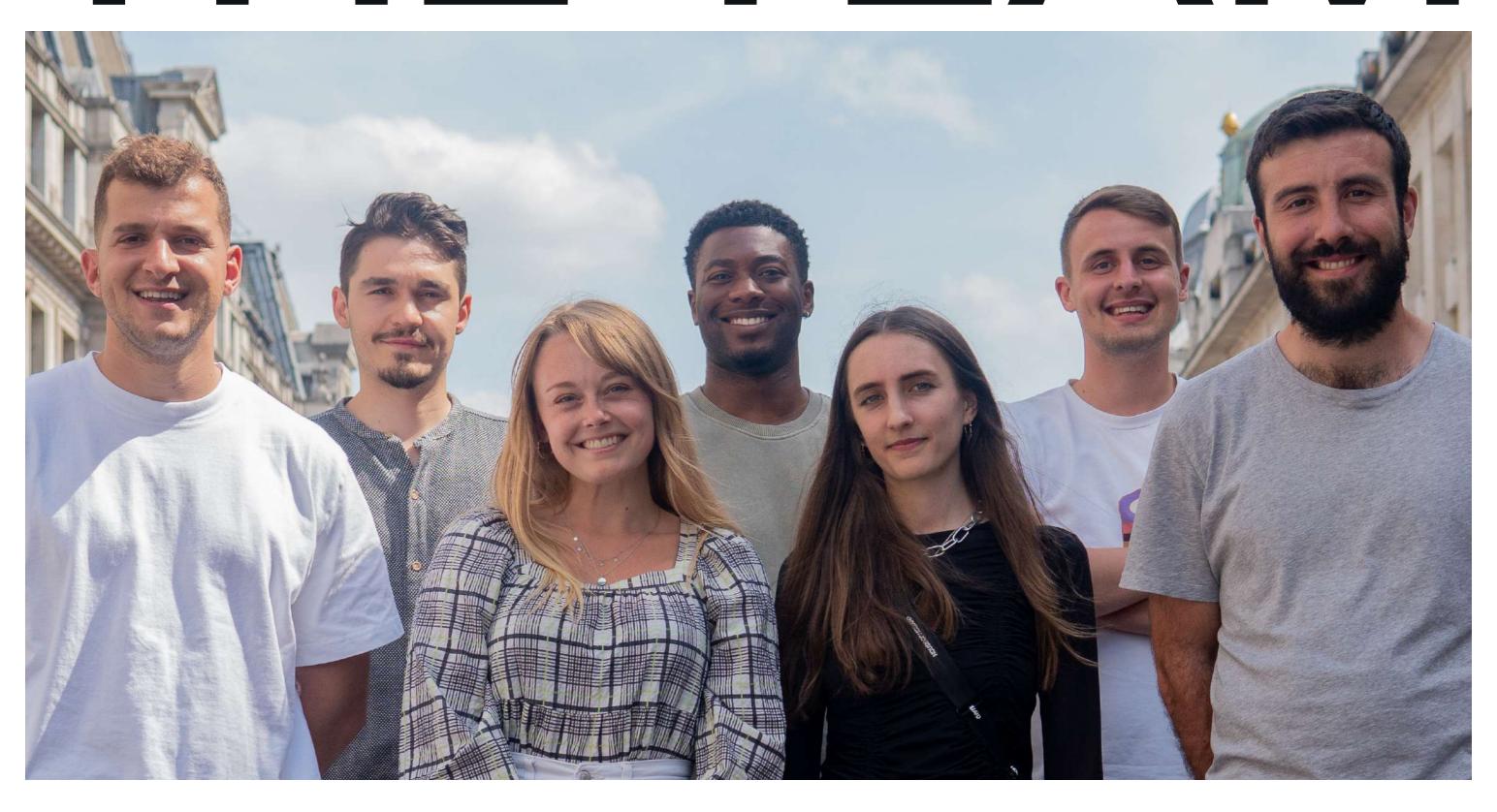








# THETEAN





Michael

MANAGING DIRECTOR

Why you started Hylo?

To protect the future of sporting environment, help athletes build a platform of legacy and for my family.

Favourite part of working for Hylo?

My team-mates and working

on innovative products.



Olu CREATIVE LEAD

Why you joined Hylo?

The opportunity to be part of something from the ground-up is rare, especially when you have the chance to make such a significant impact on the sportswear industry and the earth.

#### Favourite part of working for Hylo?

The team, 100% the team. Incredibly talented group of individuals with a great sense of humour and good hustle!



Jacob GROWTH DIRECTOR

Why you started Hylo?

To try and create a brand that can be a force for good and use sport to inspire positive change for our Planet.

Favourite part of working for Hylo? Building awesome products and teams.



**Elli** GRAPHIC DESIGNER

#### Why you joined Hylo?

I love everything Hylo stands for. It's undeniable that we are in a climate crisis and we all need to change our ways before it's too late. I want to be part of the solution rather than the problem so Hylo has been the perfect fit!

#### Favourite part of working for Hylo?

The team. Michael and Jacob have created a great team environment (but shh don't tell any of them that, it'll go straight to their heads).



John
SOURCING DIRECTOR
Why you started Hylo?

I started Hylo because this was my vehicle to realise my dream of building the most sustainable sports footwear brand in the world.

#### Favourite part of working for Hylo?

Hylo is a great place to work because, we have and continue to build an amazing team and there are no limits to where we can take Hylo, it's down to us.



Nat PRODUCT MANAGER

#### Why you joined Hylo?

 I believed in the mission and wanted to contribute
 I think we all have a responsibility to apply our skillsets to address the climate crisis.

#### Favourite part of working for Hylo?

The variety of roles that I have across product, sustainability and design. I love seeing the products constantly improve on performance and sustainability and being involved in the process.



Ben
BRAND MANAGER
Why you joined Hylo?

I wanted to work for a company with a mission and for my work to have an impact. Working for a company seeking to reduce its impact was another little step, personally, in trying to be better for Planet.

#### Favourite part of working for Hylo?

I like to learn and adapt and solve problems - and at Hylo there's a lot of learning, a lot of adapting and a lot of problem solving.



Georgi GROWTH MANAGER

#### Why you joined Hylo?

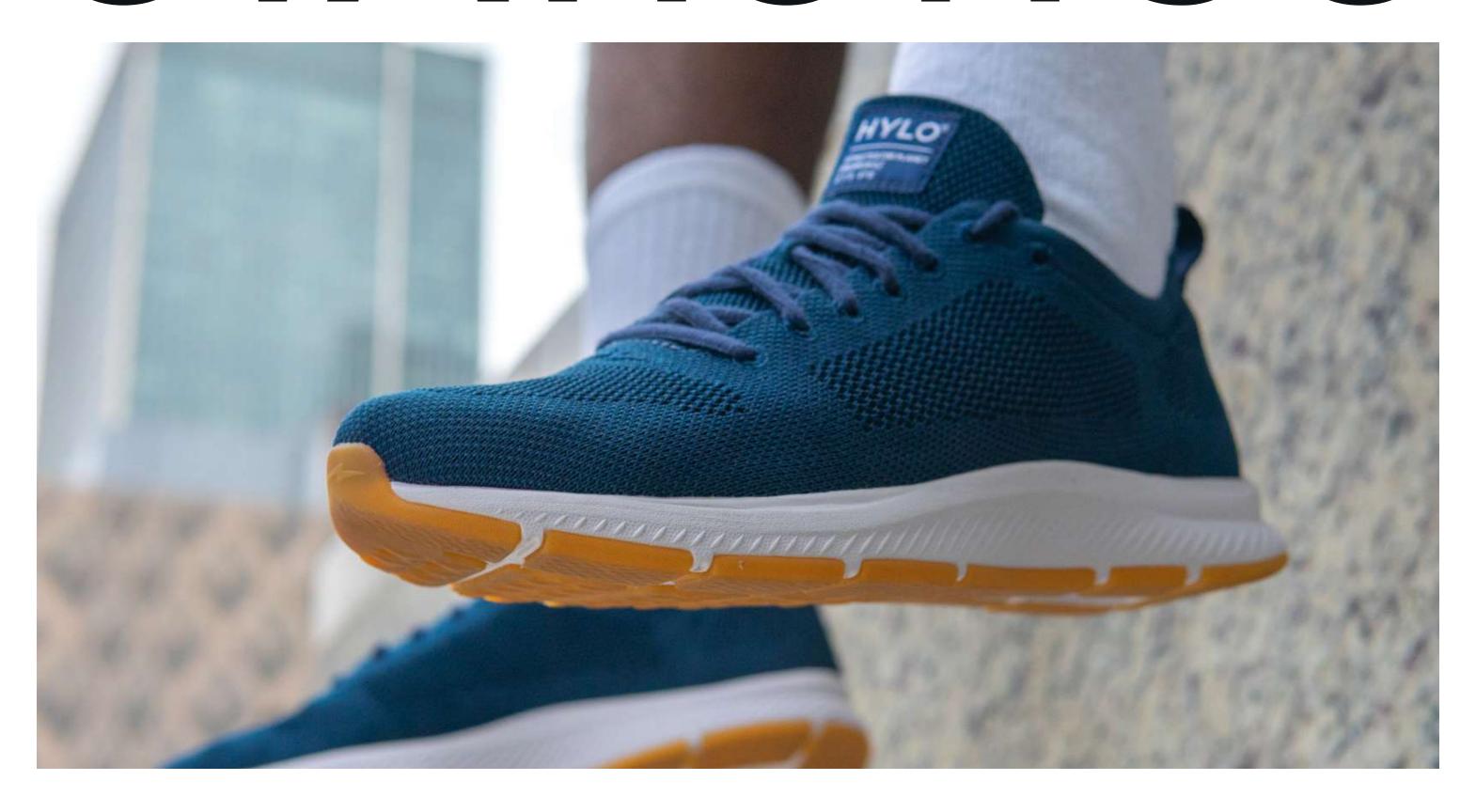
The perfect alignment of the company's mission with the two things I'm most passionate about: sustainability and sports.

#### Favourite part of working for Hylo?

The super-driven, high-energy team.



# STATISTICS



### A YEAR IN NUMBERS

300g per pair

Amount of plastic kept out global circulation through use of renewable materials.

\*Based on the average plastic content of a non Hylo Runner

11

Team members\*

\*They couldn't all make picture day.

+7.83

kg co2e

Our V1 carbon footprint compared to the average running shoe's 13.6 kg co2e

9m<sup>3</sup>

per pair

Carbon sequestered through our use of algae bloom

14 per pair

Bottles of clean water returned to the habitat by use of algae bloom

30 Athletes for Planet

We started with six at launch, now we're five times the size.

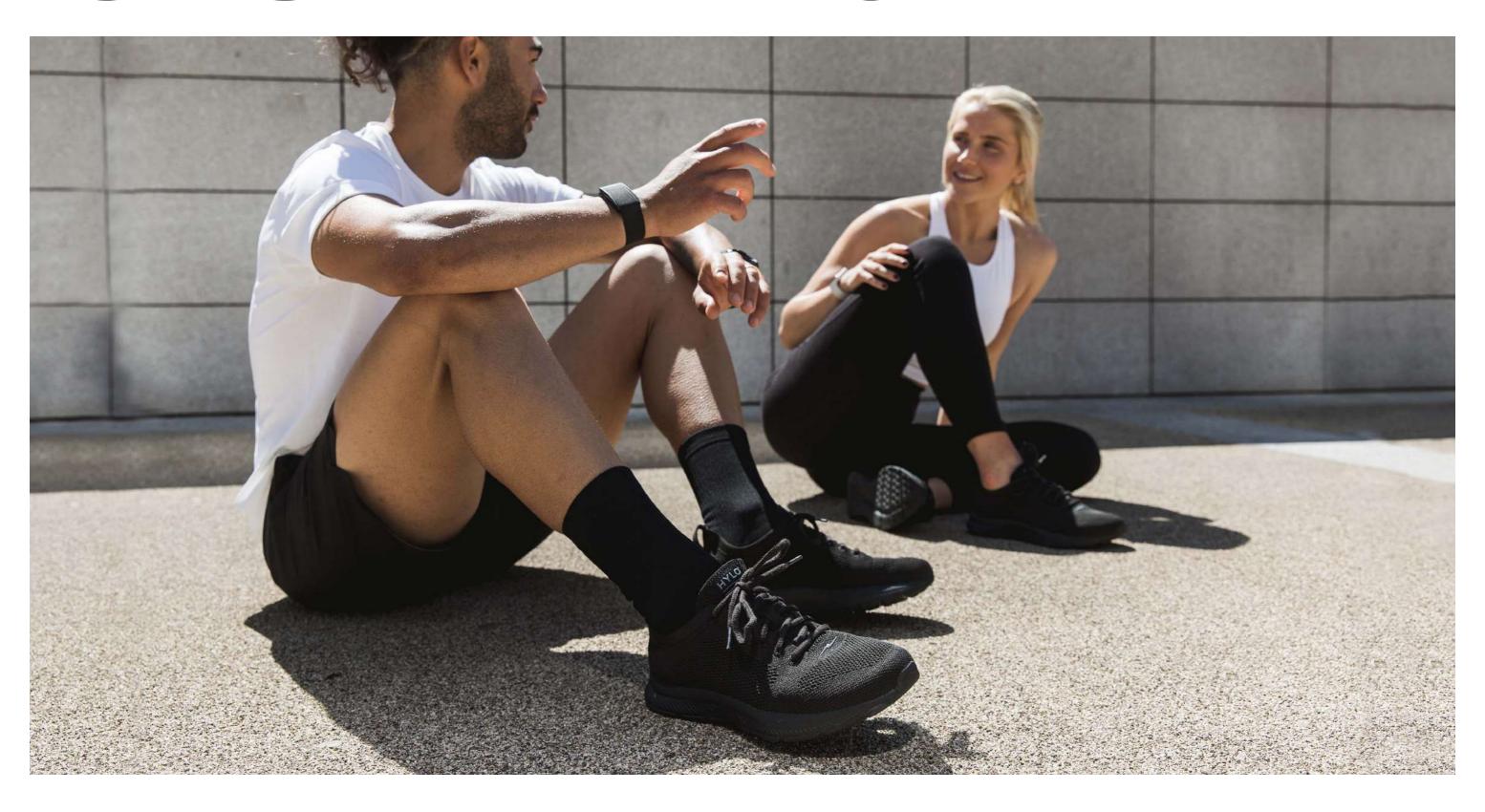
15.8k

+ counting

Our number of Instagram followers to date



# COMMUNITY



We know that for Hylo to have an impact, every touchpoint - from product experience to our customer service inbox - needs to be a positive experience.

To grow, we need to match and outperform not-for-planet brands.

### That's why we promise to:

- Respond within 24 hours to any question coming via email during the working week
- Respond within 48 hours to any question coming via social media during the work week
- Be solutions-oriented and explain ourselves simply and effectively
- Be proactive and try to anticipate problems before they occur
- Be kind
- Be honest
- Show our personality and human side
- Embrace the journey and always try to improve for our customers and our Planet.



The last year has been a challenge on many fronts.

We're pleased with the milestones reached, the progress we've made but the best athletes, the best teams have an obsession with improvement - a never-ending quest for perfection. We're no different. Every success is there to be built on. Every mistake made to be learnt from.

The future is still ours to write.