

Allbirds Zeroes In On Nothing

April 21, 2023

A 19% reduction in its average product carbon footprint in 2022 marks the footwear brand's largest single year reduction yet

San Francisco, April 21, 2023 (GLOBE NEWSWIRE) -- Allbirds has announced that it spent 2022 working on nothing — and has now published how little it does... when it comes to climate impact, of course.

In the 2022 Flight Status released today, Allbirds revealed its biggest year-over-year reduction in its average product carbon footprint—cutting that figure by 19%, from 8.76 kg CO_2 e to 7.12 kg CO_2 e. This means that Allbirds is already more than 60% of the way towards its 2025 science-based targets, and on track to reach near zero product carbon emissions by 2030, per its <u>Flight Plan</u>. This reduction is thanks to 27 different initiatives across the business.

Allbirds is also adding the 'carbon cost' to its customer receipts, alongside the financial cost in a bid to increase awareness and education surrounding product carbon footprints. After becoming the first fashion brand to label all of its products with their carbon footprint in 2020, Allbirds has been on a relentless mission to empower consumers with information to make more informed purchasing decisions. In 2021, the brand also open-sourced their carbon footprint methodology in an effort to spur on the industry to adopt carbon accountability.

"With our Flight Status, we want to show all of the work we do every day of the year when it comes to our commitment and journey towards zero carbon emissions – and we want to print it on our receipts for everyone to see," said Hana Kajimura, Head of Sustainability at Allbirds. "Real leadership in sustainability means following through on what you say you're going to do. Taking small steps that add up to something big."

Allbirds sharpened its focus on three key areas to cut carbon emissions in 2022:

Regenerative Agriculture - In 2022, Allbirds created more products with regenerative wool. During the 2022 holiday season, it launched the Regen Collection —two new shoes, plus a revival of a regen beanie and scarf, made with ZQRX Regenerative Wool. And in 2023, Allbirds is leveraging that material again in new styles like the SuperLight collection. It also partnered with New Zealand Merino and Made For Good, a software company that provides companies farm-level traceability and emissions data. Together, they are working to baseline net emissions across all of Allbirds's wool suppliers, which will give greater insight into where and how to reduce in the future.

Renewable Materials - In 2022, renewable materials accounted for a reduction of -0.25 kg CO₂e of Allbirds's overall per unit reduction of -1.64 kg CO₂e*. Allbirds updated its footwear packaging to reduce weight and lower its footprint; transitioned from virgin nylon to recycled nylon in its wool fabrics; and updated the sockliner in its lifestyle Tree styles to utilize more recycled materials.

Responsible Energy - In 2022, responsible energy accounted for a reduction of -0.93 kg CO₂e of Allbirds's overall per unit reduction of -1.64 kg CO₂e*. This was achieved by significantly increasing ocean shipping to 96%, up from 80% in 2020 and bringing its renewable energy approach to facilities in China, where some of Allbirds's rubbers and foams are molded. Allbirds is also continuing to advocate for policies that support more renewable energy in Vietnam, where the brand's primary factories are located.

While the 2022 Sustainability Report is laser-focused on carbon reduction goals, the brand also recognizes that true sustainability means much more than just that. Outside of climate-related goals, Allbirds has additional Flight Plan commitments across five foundational areas: Fair Labor, Water, Chemistry, Animal Welfare, and Traceability & Transparency. In 2022, strides were made across all of these foundations, with key wins including getting richer audit data from factories; sharing more details on facilities and workers; and implementing a much more comprehensive Environmental Program at factories.

"Sustainability has been a cornerstone of the business since we founded Allbirds, and it's something our consumers and the industry continue to look to us to lead. While we are proud of this year's progress and of the talented teams that brought these sustainability initiatives to life, our work isn't done. To bring our carbon footprint to near zero, we have to continue driving this work forward," says Allbirds Co-Founder and Co-CEO Tim Brown. "Beyond these efforts, it's not enough to do the work on our own—we need to inspire and empower the industry to follow suit in order to generate real change, and that is why we're committed to open-sourcing our toolkits and collaborating with other brands to join us."

To learn more and read the complete 2022 Flight Status, please visit: www.allbirds.com/sustainability

About Allbirds, Inc.: Dreamed up in New Zealand, Allbirds launched in San Francisco in 2016 with the ethos of using natural materials to create the world's most comfortable shoes. With carbon reduction as its north star, Allbirds is paving the way for a more sustainable approach to business through product innovation, industry collaboration (like open sourcing its footprint calculator) and being the first footwear brand to carbon label all of its products. Allbirds serves customers in 35+ countries across 55+ retail stores. www.allbirds.com

*Note: The carbon footprint reduction values (-0.25 kg CO₂e and -0.93 kg CO₂e) do not add up to the -1.64 kg CO₂e total because there was also a reduction associated with a style mix shift (i.e., Allbirds produced a lower mix of wool footwear styles). For more information, please visit the full 2022 Flight Status document.

Investor Relations
Katina Metzidakis
ir@allbirds.com

Media Contact

press@allbirds.com