

April 27, 2021



INSPIRING CONFIDENCE,
EVERY DAY

Kontoor Brands and Panda Biotech Team Up to Accelerate the Commercialization of U.S. Grown and Processed Hemp

GREENSBORO, N.C.--(BUSINESS WIRE)-- Kontoor Brands, Inc. (NYSE: KTB), a global lifestyle apparel company, with a portfolio led by two of the world's most iconic consumer brands, *Lee*® and *Wrangler*®, today announced an expansion of its collaboration with Dallas-based Panda Biotech, LLC, an emerging leader in the industrial hemp fiber industry. With this collaboration, Kontoor Brands and Panda Biotech are working to bring traceability and scale to the textile-grade cottonized hemp grown and processed in the United States.

“Sustainable hemp creates the perfect complement fiber to cotton. We are excited by the opportunity to advance the denim industry’s use of environmentally friendly hemp to craft high-quality, eco-conscious apparel,” said Dhruv Agarwal, Senior Director of Global Material Innovation and Product Development, Kontoor Brands. “Our work with Panda Biotech has been focused on making truly sustainable hemp, unlocking an additional commercialized fiber crop for American farmers, and providing consumers with access to more sustainable apparel.”

As Kontoor and Panda Biotech work toward the commercialization of domestically grown and processed hemp, the companies are sharply focused on traceability from farm to product. Industrial hemp is a regenerative crop due to its ability to grow with little water, minimal-to-no pesticides and herbicides, production of a high per acre fiber yield, and absorption of more carbon dioxide per acre than any forest or commercial crop.

“As a leading global denim manufacturer, with vast experience in bringing innovative fibers and processes to market, Kontoor Brands has been an invaluable ally as we build the largest industrial hemp processing facility in the United States for high-quality, textile-grade fiber and hurd for numerous sustainable manufacturing applications,” said Dixie Carter, President of Panda Biotech. “We have been working with Kontoor since our company was founded, and we are aligned in our desire for our domestically grown fiber to be the most traceable hemp in the world and processed using renewable practices. We are excited to be working with Kontoor and its iconic global brands to expand access to domestically grown and processed hemp.”

As a global producer of millions of products each year, Kontoor Brands is committed to using its global scale to advance the denim industry. Earlier this year, Kontoor announced the [expansion of its Indigood™ program](#), an initiative that targets water savings during the fabric construction phase of the apparel supply chain. Debuted in 2019 with the introduction of foam-dyed denim, the Indigood™ program has expanded to include water savings technology in apparel fabric production that uses at least 90 percent less water than

conventional fabric production. Kontoor remains focused on sourcing and producing apparel and accessories in a way that's good for people and the planet and is committed to bringing consumers the latest in sustainable fashion through the commercialization of cottonized hemp.

Through the Panda Biotech collaboration, which first kicked off in 2019 after the passing of the Agriculture Improvement Act of 2018, Kontoor Brands plans to have U.S. grown and processed hemp in market in its denim apparel by 2023.

Learn more about Kontoor's sustainability practices and responsible sourcing standards at [KontoorBrands.com/sustainability](https://www.kontoorbrands.com/sustainability).

About Kontoor Brands, Inc.

Kontoor Brands, Inc. (NYSE: KTB) is a global lifestyle apparel company, with a portfolio led by two of the world's most iconic consumer brands: *Wrangler*® and *Lee*®. Kontoor designs, manufactures and distributes superior high-quality products that look good and fit right, giving people around the world the freedom and confidence to express themselves. Kontoor Brands is a purpose-led organization focused on leveraging its global platform, strategic sourcing model and best-in-class supply chain to drive brand growth and deliver long-term value for its stakeholders. For more information about Kontoor Brands, please visit www.kontoorbrands.com.

About Panda Biotech, LLC

Based in Dallas, Texas, privately held Panda Biotech, LLC is a first mover in the emerging U.S. industrial hemp fiber and hurd industry. Panda Biotech's executive leadership has extensive experience developing, financing, constructing, and operating large-scale infrastructure facilities in clean energy. They have developed 22 projects representing approximately \$12 billion in invested capital. The company is currently developing large-scale, industrial Hemp Gin facilities. Panda's first facility, the "Panda High Plains Hemp Gin" LLC ("PHPHG"), is located in Wichita Falls, Texas, and will be operational in March 2022. It will be the largest hemp processing and cottonization facility in the Western Hemisphere and believed to be the largest in the world.

Additional information on Panda Biotech can be found at www.pandabiotech.com and @PandaBiotech on Instagram, Twitter, and LinkedIn.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20210427005212/en/>

Media:

Julia Burge, (336) 987-6005
Director, Corporate Communications
Julia.Burge@kontoorbrands.com

Source: Kontoor Brands, Inc.