Impact Report 2023





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About Dropps

For 25 years, Dropps has pioneered a cleaner clean - without compromise. As a B-Corp and trusted leader in household cleaning, we deliver cuttingedge biobased cleaning power in laundry and dish that are USDA Certified Biobased, Leaping Bunny certified and Septic Safe.

Dropps is committed to a cleaner, more sustainable future. Our mission is to create a ripple of positive change; the more you clean, the more good we do for you, your family, and our planet.

Powerful cleaning from nature

Powerful cleaning from nature

OWER DISH SPRAN

cardboard packaging



Our Impact Commitments

Health & Safety

Circularity & Stewardship

Design and manufacture products using scientifically proven safe materials — for earth and its inhabitants. Design for low carbon footprint, minimal waste, and downstream impact.

Advocacy & Social Impact

Promote inclusivity and diversity. Ensure products are designed for accessibility by all social groups. People Impact

Our business is centered around our people and deeply rooted in our Community Values and DEIB Values.



SUSTAINABILITY

\checkmark Health and Safety

Cruelty Free

Dropps obtained the Leaping Bunny Certification which means that none of our raw materials or finished products are tested on animals.



Biobased Formulations

All Dropps products obtained USDA Certified Biobased Product seal:





Septic Safety

Dropps products have gone through rigorous testing to confirm safe for septic tanks.



SUSTAINABILITY

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Circularity and Stewardship



Single Use Plastic Reduction

By using corrugated cardboard packaging, we prevented 6.7 million plastic laundry detergent jugs from entering the waterways.



Cardboard Packaging

Our products are shipped in fully recyclable cardboard boxes and made from FSC certified materials. Dropps is constantly looking for ways to lighten our load on the environment and reduce greenhouse gasses associated with our normal business operations.





Total 5 year cumulative: 6,700,658 bottles





SUSTAINABILITY

Circularity and Stewardship

Air Stewardship

Offered Carbon Neutral Shipping on all web orders: Partnered with Clearloop to expand access to clean energy by funding the construction of new solar projects in Bienville Parish, Louisiana (SR CL Arcadia South solar project). Carbon offsets for 2023 were equivalent to 627 MT CO².



Water Stewardship

Concentrated formulations using minimal water, a resource that is becoming increasingly scarce. It also allows us to ship products without added water content, which improves our carbon footprint.

Why ship water if it already exists in your home? As a result of this laser focus on concentrated pod products, Dropps has saved over an estimated 2 million gallons of water since 2018, with 396,571 gallons of water in 2023 alone.



2023: 627 MT CO²

Total 5 year cumulative:

1786 MT CO²

2023

396,571

gallons of water

Total 5 year cumulative: 2,031,968 gallon water



3 ADVOCACY & SOCIAL IMPACT

Environmental Sustainability Advocacy

Dropps has partnered with Oceana since 2019. Oceana is the largest international advocacy organization dedicated solely to ocean conservation. Their mission is to rebuild abundant and biodiverse oceans by winning science-based policies in countries that control one quarter of the world's wild fish catch.

To date, Dropps has supported Oceana through over \$350K in financial support. Together, we educate consumers on the impact of their actions and choices, and encourage them to care about the massive global plastic pollution crisis. Our partnership includes endorsement, event sponsorship, branded content, and product collaborations.

In 2023, we hosted a World Oceans Day Live Chat featuring Janelle Chanona, Vice President of Oceana Belize was one of many collaborations intended to share education on ocean conservation best practices.







Dropps x Oceana Instagram Live Chat







ADVOCACY & SOCIAL IMPACT $(\mathbf{3})$



B-Corp Giveaway



Plastic Free July Giveaway



Summer Essentials Giveaway



Clean Cooking Giveaway



Our partners run the gamut of B Corp certified ecofriendly apparel, beauty, and household goods brands. They share a common mission of addressing environmental issues to reduce environmental footprints, inspire broader involvement, and drive industry-wide shifts towards sustainability. Our shared purpose, operational alignment, and mutual accountability for progress makes for successful partnerships.









ADVOCACY & SOCIAL IMPACT

Our partnerships with Parks Project, Who Gives A Crap, Stojo, Many Moons, Ettitude (and more) have served as a resource of education through social media co-branded content, email, and blog posts for our consumers to learn about sustainability and how to implement greener methods into their daily lives.

ettitude

A fabric innovation company and home goods brand making the world's healthiest, softest, and most sustainable materials with their patented CleanBamboo[®] fibers.

OCEANA

Oceana, the world's largest ocean conservancy organization.

stojo

Stojo is making sustainable living easy while keeping your kitchen cabinets tidy from their collapsible, leak-proof coffee cup to a host of handy, ultra-portable accessories.





Who Gives a Crap is not your average toilet paper company. They make 100% bamboo toilet paper that's good for the planet.



Parks Project's goal is to protect and preserve parklands for generations to come by educating, advocating, volunteering, and activating park supporters to get involved in conservation.









ADVOCACY & SOCIAL IMPACT 3 **Environmental Sustainability Advocacy**

Dropps teamed up with SixDegrees, a non-profit founded by Golden-Globe-winning actor, musician, and philanthropist, Kevin Bacon on the principle that everyone is in need of connection. This organization is dedicated to supporting initiatives that have a meaningful impact on local communities, focusing on youth empowerment, justice and equality, and fostering a sustainable living environment.

Dropps donated dish and laundry detergent - a need that was most requested by their recipients. Recognizing that families in transition often encounter challenges with laundry access, this donation aimed to alleviate these burdens and support community well-being.

"We are beyond grateful to have had the opportunity to include Dropps detergent in our resource kits."

- SixDegrees

Environmental sustainability advocacy programming partnerships













People Impact Strategy and Progress



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At Dropps, our people strategy is firmly grounded in our Community Values, illustrating our dedication to placing our people at the core of our business, regardless of their seniority, position, background, or geographical location.

In 2023, we broadened our fundamental principle of inclusion to give prominence to the concept of belonging, acknowledging its crucial role in nurturing the complete development of our diverse workforce. We believe we can inculcate a sense of belonging by focusing our efforts on inclusion, equity, and accessibility. By embracing belonging as a foundational element of our culture, we're not only cultivating a more inclusive workplace but also enabling each team member to realize their utmost potential within the Dropps community.

Some programs and policies that were updated in 2023 to further support our strategy were:

- Accessible in-person programming
- Mental Health Day
- Team growth program (performance reviews)
- Health insurance benefits

Dropps believes our current and updated programs like pay transparency, unlimited PTO, personalized accommodations, DEIB sessions, comprehensive development opportunities, and various feedback channels, allow us to be steadfast in cultivating a culture where every individual feels valued, respected, and empowered to express their authentic selves at work.







Community Values





Commit to Sustainability

We incorporate the spirit of conservation in our actions, and we are kind to the resources we are accorded with.

Celebrate Diversity

We cherish differences in thought, being, and expression, and we do not indulge in sameness.

Foster Belonging

We aspire to create an inclusive, equitable, and accessible space that nurtures belonging because we believe we are better together.





Lead with Transparency

We believe a clean product means a clean conscience – no nonsense, just the naked truth!

Enjoy the Ride

We believe our commitment to a better world goes hand in hand with providing a space for a joyful work environment and a fulfilling career.











Benefits, policies and programs that support our values

Recruitment

At Dropps, fairness and inclusivity are paramount in our hiring process. Since 2021, we've concentrated on maximizing pipeline diversity, minimizing bias, and prioritizing candidate well-being.

- Maximizing Pipeline Diversity: Diversifying our candidate pool
- Minimizing Resume Bias: Using blind screening and case studies to focus on skills
- Providing Pay Visibility: Sharing salary ranges in initial calls for transparency
- Including Multiple Voices: Involving diverse perspectives in hiring decisions
- Demonstrating Care: Prioritizing candidate experience with clear communication and support

Benefits

Dropps recognizes that an important part of equitable compensation includes benefits. Our benefits are comprehensive and we offer the following:

- Medical and vision insurance
- HRA stipend
- Life and short-term disability insurances
- Voluntary dental and supplemental insurances
- Stipends for home office and internet costs
- Optional 401K with environmental, social, and governance (ESG) funds options with a match up to 4%
- A 75% discount on Dropps products for all team members
- Mindfulness sessions once a week









Benefits, policies and programs that support our values

Flexibility

We recognize the importance of supporting work-life balance and flexibility for all team members, taking into account individual circumstances and the diverse needs of our workforce. Our PTO policy includes the following provisions:

- Unlimited paid vacation
- Paid short-term sick leave
- Paid long-term sick leave
- Paid parental leave

 (up to twelve weeks,
 which may be taken in any
 configuration during the
 following 12 calendar months)
- Paid compassionate/ bereavement leave

Other policies supporting flexibility:

- Focus Friday program
- Remote or Hybrid work schedules

Compensation

Dropps ensures equitable compensation for salaried team members through a comprehensive approach, which includes transparency and supports diversity, equity, and inclusion goals.

- Triangulated Salaries: Using manager recommendations, market rates, and internal benchmarks
- Separate Performance Bonuses: Linked to grades, not salaries
- Stock Options:
 Offered alongside salary and bonuses
- Merit-Based Evaluation: Focus on skills, contributions, and cultural fit
- Transparency:
 Disclosure of pay ranges

 on our company intranet and
 a role specific pay range on
 public job postings







Benefits, policies and programs that support our values

Feedback and Development

Dropps honors diverse feedback styles to help understand and address varied perspectives effectively. But mere acknowledgment isn't sufficient; action is key for real change towards belonging, trust, and growth. Here are the following areas we both receive and act on feedback:

- Annual Engagement Survey with shared findings
- Stay interviews
- Performance Program covering regular ongoing informal discussions, annual development and growth plan, Objectives and Key Results (OKRs), community values, and manager leadership
- Appreciation practice in company-wide forums
- Monthly Company-Wide Meetings
- Ongoing Ways of Working and Diversity, Equity, Inclusion and Belonging (DEIB) sessions
- Anonymous Comment Box





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Measure of DEIB reporting



(4)

Every year, Dropps conducts an internal engagement survey to take a pulse on the state of the community and inform our goals for the next year. This engagement survey has an optional section to help understand and quantify the diversity of our company and measure equity and inclusion sentiments.

Diversity

The following categories of diversity were captured in 2023:

- ▲ Race
- **Gender**
- Sexual orientation
- Homeland/Predominant culture
- Primary caregiving responsibilities
- **Disability**
- Age



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Measure of DEIB reporting



The survey asked team members to report on these categories or choose "prefer not to answer". 75% of our team members chose to report on the categories of diversity. Based on that, we have the following results as of June 2023:





Sexual orientation: 23% of team members identify as a part of the LGBTQ+ community

In 2022, 20% of team members identified as part of the LGBTQ+ community



Predominant culture: 38% of team members represent a non-US homeland and/or cultural background

In 2022, 37% of the team members identified as representing a non-US homeland and/or cultural background





Age: 18% of team members are over the age of 40

In 2022, 12% of team members identified as over age 40

Disability: 13% of team members are reported to have a disability

In 2022, 10% of team members identified as disabled







Measure of DEIB reporting

Belonging

We utilize Aleria Research's framework for measuring inclusion.^[9] The 9 categories of inclusion captured during the engagement survey are:

Access and Participation Being able to speak with anyone in the organization, access to leadership and resources, ability to interact across silos, etc.

Skills use and assignments Being included in projects that leverage individual skills, clear metrics and processes for assignment distribution, tasks being assigned based on skills or capability, participation in strategic initiatives, etc.

Learning and growth

Regular and consistent performance reviews, opportunities to participate in stretch projects, support for professional development, support to attend conferences and professional events, etc.

Compensation and benefits

Clear and transparent compensation structure, being paid adequately for performance, salary increases with promotions or increased responsibility, having access to higher-paying roles, etc.

Career opportunities

Clear, consistent, and fair promotion processes, leadership willingness to discuss career opportunities, support for lateral moves within the organization, access to higher roles, etc.

Work-life balance

Availability of flex time and remote work options, assistance with caregiving (child care, elder care, etc.), comprehensive family leave policies, etc.

Recognition

Not being interrupted in meetings, having your opinion count, making sure that administrative tasks are assigned equally, getting credit for your ideas, assurance that one's role is as significant as the roles of colleagues etc.

Respect

Diverse perspectives are encouraged and respected, being comfortable sharing unique personal traits openly, not being the subject of microaggressions, not being subjected to sexual harassment, etc.

Workplace integrations

Appreciation for tasks indirectly related to role, recognition of contributions during performance reviews, acknowledgment of participation and contributions in meetings, etc.











People Impact Strategy and Progress

Measure of DEIB reporting



Belonging

We asked team members to report on these categories based on their experience at Dropps. The following percentages were weighted based on team members' response of strongly agree, agree, disagree, strongly disagree (this does not refer to the number of people but rather a "score").

2023 Calculated Results











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dropps

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Reusable. Recyclable. Compostable.



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