

### SUSTAINABILITY REPORT 2022



### **TABLE OF CONTENTS**

3	<u>Letter</u>	from	<u>the</u>	<u>Founders</u>

- 4 About Us
- 5 Our Products
- <u>6 Partnerships</u>
- 7 Certifications
- 8 Manufacturing Waste
- 9 Manufacturing in the Circular Economy
- 10 Preventing over 2 Million Plastic Bottles
- 11 Extended Producer Responsibility
- 12 Employees

### **LETTER FROM THE FOUNDERS**

Like every other year, 2022 was both an enlightening, rewarding year as well as one filled with challenges for building a truly sustainable business. Striking the balance between maintaining a financially viable business, while also keeping our products accessible to as many people as possible, was a challenge. In the end, we made it and our team is better as a result.



Through all of that, though, our team

thrived. We've continued to work with amazing wholesale partners to bring the concept of a circular economy to more people through refilleries across the country. The passion of the business owners and team members for these "new but really very, very old concept" refillery stores give us a boost every time we get to stop in to make a delivery to check things out as we're traveling. It's so much fun to see the variety of new, low/zero-waste products popping up around the country (San Diego - your hot sauces are excellent!!).

As we look back on 2022, we're also looking ahead to 2023. Next year, we turn TEN! A new digit! This old/new idea of doing business better is only getting started, and we are pumped to drive this mission for delivering better, lower impact solutions to household cleaning.

Kate & Mike Owners, Founders Meliora Cleaning Products

### **ABOUT US**

Meliora Cleaning Products began when our founder, Kate, found out that companies weren't required to disclose the ingredients used in home cleaning products sold in the US. She tried to identify and understand what ingredients were in her everyday household cleaning products but they weren't listed anywhere. Not on the product packaging or on the website. Then Meliora was born!



Since the beginning, we have strived to improve customer awareness by disclosing every ingredient in every product that we make. We want to ensure that every person knows what ingredients they're using in their homes. Our efforts go beyond our own company. We have also lobbied in support of cleaning product Right-To-Know Acts, including the successful SB-258 campaign that now requires ingredient listings on cleaning products in California.

Besides being people- and planet-friendly, by making sure our ingredients aren't harmful once washed down your drain, our products also get the job done. This means we only introduce a product when it meets our Big Three:

- It WORKS to get your home and clothes clean.
- It's **PEOPLE-FRIENDLY**, so you know it's ok to have around your home and family.
- It's PLANET-FRIENDLY, so you can be confident that what goes down your drain won't cause any problems.

#### **OUR PRODUCTS**



At Meliora Cleaning Products, we've got all your cleaning needs covered, from home cleaning to laundry and bath and body soaps. Our entire product line is 100% single-use plastic-free, and made from ingredients that are safe for the health of you, your family, and the planet.

Our products are as effective as they are sustainable. Not only that, but our products are sold at a price point comparable to conventional products, showing that you don't need to pay more for sustainable options. It shouldn't cost more to clean better.

Our product line includes:

#### **Home Cleaning Products**

- All-Purpose Home Cleaner & Refill Tablets
- Dish Soap for Hand Washing
- o Gentle Home Cleaning Scrub

#### Laundry Products (100% plastic-free)

- Laundry Powder
- Oxygen Brightener Bleach Alternative
- o Soap Stick for Stain Removal

#### Bath & Body Products (100% plastic-free!)

- Soap Bars
- Foaming Hand Soap Refill Tablets



#### **PARTNERSHIPS**

We have chosen to pursue partnerships and certifications with like-minded organizations so we can have the largest possible impact.



As a Member of 1% For the Planet, we commit to donating at least 1% of our sales revenue to environmental causes. Since our founding in 2013, we have donated at least 2% of our annual revenues to environmental and charitable nonprofits.

Women's Voices for the Earth is our primary nonprofit beneficiary and donation partner.

WVE works to amplify women's voices to eliminate toxic chemicals that harm our health and communities.





Beyond Plastics is on a mission is to end plastic pollution everywhere. With a staff of environmental policy experts and grassroots advocates, Beyond Plastics is building a well-informed, effective movement seeking to achieve the institutional, economic, and societal changes needed to save our planet, and ourselves, from the negative health, climate, and environmental impacts of the production, usage, and disposal of plastics.

#### **CERTIFICATIONS**

### Certified



As a **Certified B Corporation**, we've met rigorous standards around social change, environmental performance, transparency and accountability.

Meliora Cleaning Products has been a certified B Corporation since 2015. In 2020, we recertified for the 3rd time, restating our commitment to a better approach to business. The rigorous assessment every B Corp goes through ensures that we're doing more than talking about how we value the people and planet around us - we're also working to make them better for the future.

We are proud to have been certified as a Women-Owned business in 2020 by the Women's Business Enterprise National Council (WBENC). To be certified by WBENC, a business must be at least 51% owned, controlled, operated and managed by a woman or team of women. We are honored to be part of a community of female business owners.





The MADE SAFE® seal signifies that our products and ingredients have been examined for various impacts including endocrine disruption, buildup in the environment and our bodies, and aquatic toxicity.

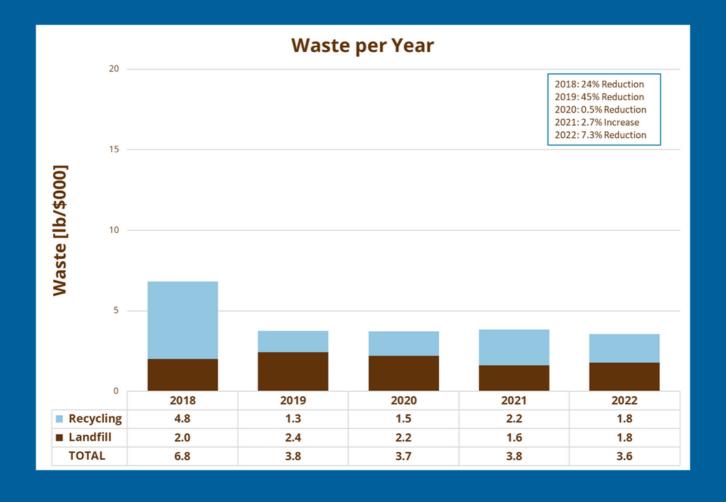
The Leaping Bunny certification ensures we are not using animal testing anywhere in our supply chain. We've been **Certified Cruelty-Free** by The Leaping Bunny Program since 2017.



## SUSTAINABILITY EFFORTS: MANUFACTURING WASTE

Regardless of what you make, you're going to create some kind of waste product(s). Our manufacturing process also generates waste, which leads to the release of greenhouse gas emissions. These emissions contribute to the warming of our planet. The climate crisis is growing in urgency; we've begun to experience more frequent and more intense climatic events throughout the world. By actively trying to recycle and compost our manufacturing waste wherever possible, we are able to reuse materials that would have otherwise gone to landfill. Through this reuse, we are eliminating the need to source virgin materials, which prevents the generation of emissions that would have otherwise occurred.

Our manufacturing waste is shown in the chart below. We normalized our waste to revenue, so we can better track our efforts as we grow. In 2022, we reduced our overall waste (measured in lbs per \$1,000 in revenue) by over 7% compared to 2021.



# SUSTAINABILITY EFFORTS: MANUFACTURING IN THE CIRCULAR ECONOMY

The most visible element of the circular economy is offering refill options to our customers. Traditional cleaning products come in single-use plastic containers. Emissions are generated whenever material is thrown away and also whenever new products are manufactured. The use of refill options reduces both types of emissions.

The less obvious aspect of a circular economy is the manufacturing process. Raw materials come into our factory in some kind of packaging, including steel drums, paper bags, and plastic barrels.

We've had a reuse-and-refill program set up for several of the chemicals we use in our soapmaking process for quite some time. In late 2022, we added a new raw material to our zero waste list - organic sunflower oil! We worked with our amazing supplier in northeast Wisconsin, Century Sun, on a takeback program for empty organic sunflower oil barrels.



Our zero-waste organic sunflower oil barrels make the trek from Chicago to NE WI again and again and again since 2022!

This means that the only raw material inputs with any waste are our powdered ingredients, like baking soda and washing soda. Until we get to full railcar volumes, there isn't a good solution other than the bags we use, but we'll keep looking for potential alternatives.

Since implementing this program in Q4 of 2022, we've sent ZERO plastic barrels to the landfill.

## SUSTAINABILITY: PREVENTING OVER 2 MILLION PLASTIC BOTTLES FROM EXISTENCE



Plastic Bottles That Were
Never Made

2,000,000

1,000,000

All-Time

In addition to our care for ingredients, we put a lot of effort into ensuring that our packaging is as sustainable as possible. From the start, we've avoided using single-use plastic bottles and jugs, which are all too common in the cleaning products aisle at any store.

Through our use of single-use plasticfree, reusable/refillable packing made from paper, glass, and steel, we've been able to eliminate the need for production of over 2 million plastic bottles!!!

To give an idea of how many bottles this is, it's over 300,000 lbs of plastic!

We've made this decision to eliminate single-use plastic packaging from our product line due to the research that shows that despite the claims by many companies that plastic packaging that is recyclable, studies show that only 9% of recyclable plastic actually gets recycled on average. The rest of the plastic gets sent to landfill, which has a significantly larger negative impact on the environment and generates larger amounts of greenhouse gas emissions that contribute to global warming.

## TAKING RESPONSIBILITY FOR OUR PRODUCTS: EXTENDED PRODUCER RESPONSIBILITY

Extended Producer Responsibility, commonly referred to as EPR, is a series of legal tools that can be used to place the responsibility for packaging impact on the manufacturers of the product. The most famous version of EPR is known as the 'bottle bill' and is familiar to those that live in US states with bottle deposits. These types of programs significantly increase recycling rates and shift the burden of collection, recycling, and cleanup back to producers of product. We are looking forward to the possibilities of EPR for packaging in our own products, because we believe producers of products (who make the decisions about materials and packaging) should bear responsibility for the ultimate end of life of that packaging.





both images courtesy globaltrashsolutions.com/

As we move into 2023, we look forward to working with various business and environmentally-conscious partners to ensure that the ongoing legislative efforts around EPR are set up in a planet-conscious manner.

#### **EMPLOYEES**



We strive to be people- and planet-friendly. This means that we want to take care of our employees just as much as we want to take care of the environment. As our company has continued to grow, we have been able to expand our employee benefits.

In addition to our medical insurance, 401(k), and paid time off policies, we also strive to ensure our team is able to focus on living well. On top of a living wage for all employees, we offer all frontline team members the flexibility of unlimited unpaid time off. If something happens that requires their attention outside of work, they know they can tend to those matters and still have a job to come back to. This feels like it should be a normal, everyday option, but unfortunately that is far from the case for many frontline manufacturing and warehouse positions.

As a certified women-owned business by WBENC, we have always sought to provide equal opportunities across gender. We currently have 100% pay equity across genders. The same jobs receive the same amount of pay. In keeping with our commitment to pay employees a living wage, our executive pay ratio to our lowest full-time employee is less than 3:1.