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LETTER FROM THE FOUNDERS

We're excited to release this sustainability report to talk about what we accomplished in 2019.

Since our founding in 2013, we've been committed to making peopleand planet-friendly cleaners in a way that lets people know the details about how they are made. From ingredients to packaging, we love sharing what we do. This annual report is another way for us to tell you about how we operate.

As we write, our world is changing quickly and we are working to keep up with the need for people- and planet-friendly cleaners that are gentle on the earth while keeping your home clean. We look forward to continuing our efforts towards making better products for the long term. Thank you for joining us.

Kate & Mike
Owners, Founders
Meliora Cleaning Products

ABOUT US

Our journey began when our founder, Kate, was studying for a Masters degree in Environmental Engineering and struggled to identify and understand what ingredients were in everyday household cleaning products. She wanted to make sure the ingredients were safe for those in her household and the environment, but she found that companies weren't required to share the ingredients they used anywhere. Not the product packaging or website. Nowhere.



It become clear that it was hard to be a responsible consumer and do no harm due to a lack of transparency. After formulating her own vegetable soap to wash her laundry, Kate knew she could offer better products that were rooted in ingredient transparency and build a company that was honest about how products are made.

It is for that reason that we are picky about ingredients. Since our founding, we have disclosed every ingredient in every product we make right on the label. But first and foremost, our cleaners get the job done.

We only introduce a product when it meets our Big Three:

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

OUR PRODUCTS



The product family at Meliora Cleaning Products covers everything you would need to clean your home. Our product line includes:

Home Cleaning Products

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

Laundry Products

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

Hand & Body Products

Bath and Body Soap Bars



Our products are sold at a price point equal to or lower than conventional products, showing that making sustainable choices doesn't have to be costly. It shouldn't cost more to clean better.

All of our products are made with the utmost care for the health of our customers as well as our concern for the environmental impact of our products. Not only is our entire product line single-use plastic-free, but we also offer refills for many of our products as well as package-free options where possible to help reduce our impact - and yours - as much as possible.

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 donate at least 1% of our sales revenue to environmental causes. In addition, as a company, we donate at least 2% of our annual revenues to environmental and charitable nonprofits.

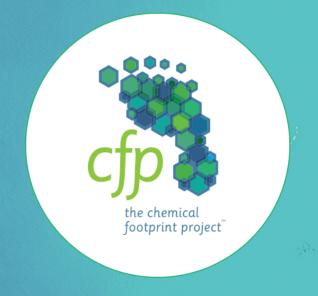


Women's Voices for the Earth is our primary nonprofit beneficiary and donation partner. WVE works to amplify women's voices to eliminate toxic chemicals that harm our health and communities.



Through our work with Women's Voices for the Earth, we joined the **Chemical Footprint Project** in 2019. CFP is a benchmarking tool for companies to use as they look to reduce the use of chemicals of concern. By participating, we are contributing to the broader data collection regarding the disclosure of safe chemicals.

We look forward to using our results to help us identify areas of improvement moving forward.



CERTIFICATIONS

We have pursued several rigorous certifications regarding our safe chemicals and ingredients.

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 using no animal testing anywhere in our supply chain. We've been **Certified Cruelty-Free** by The Leaping Bunny Program since 2017.



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

We are especially proud to have been named "Best for the World" on multiple occasions. This honor is awarded to companies that score in the top 10 percent in each category of the B Impact Assessment. In 2019, we were named Best for the World in two categories: Community and Changemekers.

Certified



This company meets the highest standards of social and environmental impact

Corporation





ENVIRONMENTAL TERMINOLOGY

By publishing this report, we hope to show customers how choosing to buy from Meliora Cleaning Products is helping save the environment, one step at a time. In order to accurately tell our story, we have provided quantification of metrics that illustrate our company's environmental impact. Below is a list of some helpful terminology that is used throughout the report.

Greenhouse gas emissions: Greenhouse gases (GHGs) are the gases that trap heat in Earth's atmosphere. The warming of the global average temperature on Earth is partially attributed to activities that emit these GHGs. Whenever we refer to the amount of GHGs we've emitted in this report, we always do so in the form of carbon dioxide equivalent (or CO2e). This is a method that measures all of the related GHGs, but puts it one singular measurement.

Product lifecycle: This looks at the environmental impact of a product at all stages of the product's life – from the manufacturing process to consumer use and its disposal.

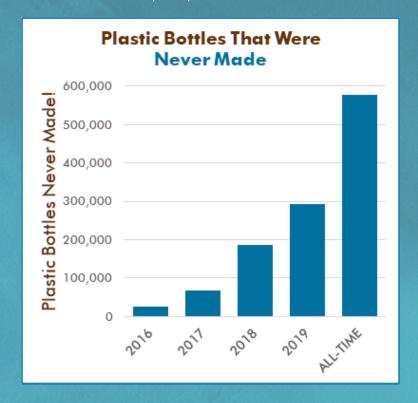
End-of-life: This is the last step of the product lifecycle and refers to when the consumer disposes of the product. It can either be sent to the landfill, which has a negative environment impact, or be composted or recycled, which allows for the materials to be reused.

Single-use plastic: This refers to plastic that is only used once before being disposed of either by landfill or recycling.



OUR SUSTAINABILITY TARGETS

Sustainability is embedded throughout our company. From the ingredients we use to the packaging our products are shipped in, we prioritize the health of our consumers and the environment. In 2019, we began to take a closer look at how we could make our operations even more sustainable beginning with this sustainability report.



2019 Sustainability Goals

- Reduce our manufacturing waste by 10% over 2018
- Participate in the Chemical Footprint Project

2020-2021 Sustainability Goals

- Reduce our manufacturing waste by 10% over 2019
- Release our first annual Sustainability Report
- Eliminate an all-time total of over 1 million singleuse plastic bottles from the planet through responsible packaging design



ENERGY: THE BIG PICTURE

In order to calculate the full environmental impact of our company, we looked at the impact of our products throughout their entire life cycle. This includes our manufacturing process, transportation and distribution, as well as end-of-life for the product (when our customers dispose of our products' packaging). By offering non-toxic, safe ingredients as well as refill options, we are able to give our customers products that they can feel good about using over and over.



A depiction of the environmental product lifecycle, as drawn by Carbon Footprint: https://www.carbonfootprint.com/productlifecycle.html

The first step of the product lifecycle that we looked at was **manufacturing.** In 2019, the energy used to manufacture all of our products released 6,788 kilograms (kg) of carbon dioxide equivalent (CO2e).

The other major area where we use energy is during the **transportation and distribution** of products. In 2019, this process emitted 5,479 kg CO2e.

Fun fact: the environmental impact from the energy used in our 2019 manufacturing was equivalent to the impact of driving 1.5 passenger vehicles for one year.





Another fun fact: the impact from the transportation and distribution of our products in 2019 was equivalent to the impact of the electricity used by one house for one year.

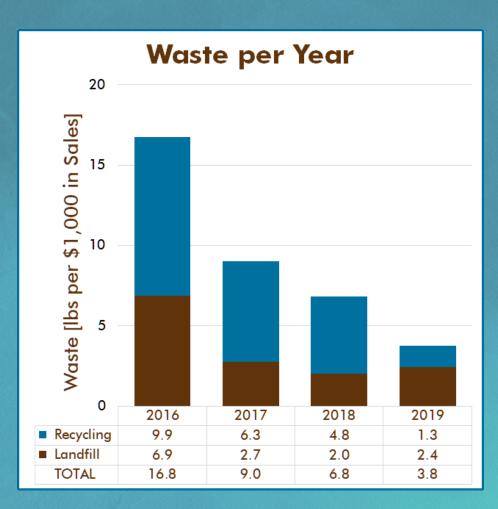


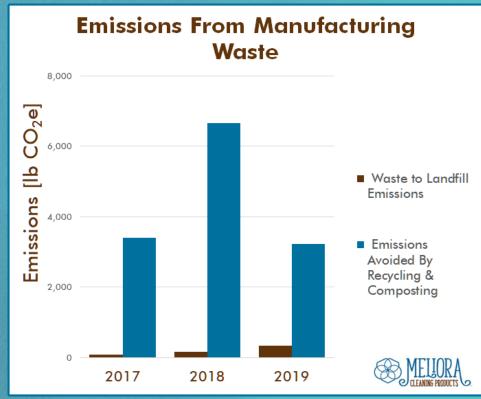
MANUFACTURING WASTE

We also looked at the emissions generated by the waste we produced at our production factory. Some of the waste we created was sent to landfill, but we actively try to recycle and compost as much as we can, as shown in the first chart on the right.

The emissions from our manufacturing waste are shown in the second chart (below). By recycling materials as much as we can, we help eliminate the need for someone else to obtain raw materials.

This recycling effort creates "negative emissions" because we are preventing the emissions that would be generated by mining for the virgin materials. These negative values are represented by the blue bars.



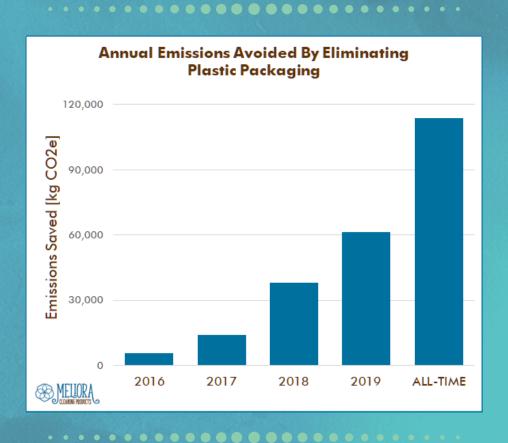


SUSTAINABLE PACKAGING & WASTE

The biggest positive impact we have on the environment comes from the choices that our customers make. Simply buying one of our products helps to prevent emissions from being released as no single-use plastic was used in the packaging.

This impact happens at the two ends of the lifecycle of the product – during the first step (manufacturing) and at the end-of-life of the product. On average, it takes 6 kg of carbon dioxide to manufacture 1 kg of plastic.

Based on our 2019 sales, we prevented 60,976 kg of CO2e from being released by eliminating the need to produce all that plastic. The chart below illustrates how many kg of CO2e we have helped eliminate year-over-year since 2016:





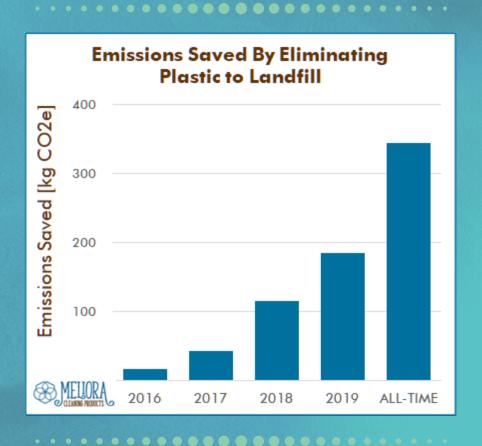
Fun fact: the environmental impact from the amount of plastic we avoided in 2019 was equivalent to switching 2,316 incandescent light bulbs to LED.

SUSTAINABLE PACKAGING & WASTE

On the other end of the lifecycle, we also looked at the quantity of emissions which are saved by customers reusing their packaging through the refill option that we offer. To do this, we focused on the impact of our reusable packaging compared to that of traditional cleaning products.

Traditional cleaning products come in single-use plastic containers. Although those bottles can be recycled, studies show that on average, only 9% of recyclable plastic actually gets recycled. The rest is sent to the landfill, which has a significantly larger negative impact on the environment.

Assuming that 9% of the plastic that would have been purchased would then be recycled, our customers prevented 185 kg of CO2 from being released in 2019 by not sending plastic bottles to landfill. The chart below demonstrates how this number has grown year-over-year since 2016:



Fun fact: the environmental impact from eliminating the amount of plastic being sent to landfill through the use of our products in 2019 was equivalent to the impact of charging 23,593 smartphones.



SUSTAINABLE SOURCING

We strive to keep our supply chain as local as possible. We pride ourselves on being able to say that our product is 100% made in Chicago. Our factory on the West Side of Chicago does everything from making soap to packaging the finished products. We make everything ourselves and we are proud that we have personally developed every detail of our process. By understanding each cycle our product goes through, we are able to examine the environmental impact each product creates. This allows us the ability to be able to remove unnecessary waste along the way.

It is also important to us that our workers are paid a living wage. Our workers are integral in making improvements and introducing new products. More than half of our total operating costs stay in the Midwest and go to companies operated in the Chicago area. We are proud to be a part of this city and to be able to offer a product line entirely made in the US.







This focus on our local community extends all the way through our supply chain. For example - although we are physically unable to source coconut oil locally in Chicago, we source our sunflower oil from a supplier in nearby while also supporting our local economies. We have also compiled a full list of these ingredients on our website, giving customers access to EVERY ingredient used across our entire product line, such as our Sunflower Oil and Coconut Oil.





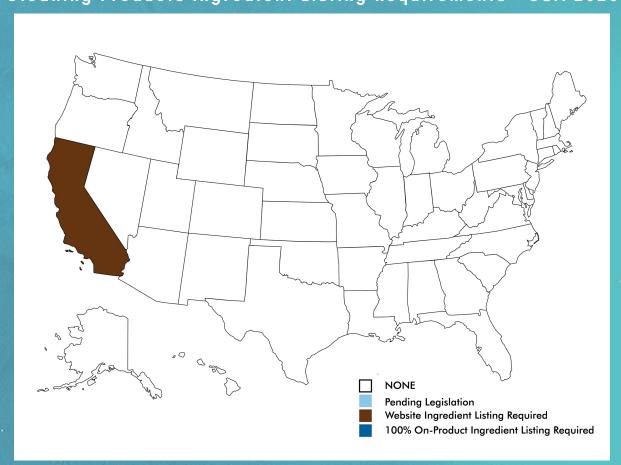
INGREDIENT TRANSPARENCY

A hallmark of our business is our open communication and transparency regarding our ingredients. When we founded this company, we were frustrated with how difficult it was to find a list of ingredients in our conventional cleaning products. We want our customers to know what chemicals they're using in their home, so we proudly list all of our ingredients on the packaging for all of our products.

We are proud to say that we do not use any synthetic fragrances, preservatives or optical brighteners. We are very picky about which ingredients we use because we want to provide our customers with only the simplest, safest products.

Speaking of, there is currently no legal requirement for **ANY** cleaning product company in the US to tell their customers what ingredients are inside – not on the packaging and not on their website. They don't even need to disclose this when customers call and ask. We are starting to see state-level changes happen – slowly. To help our customers keep up-to-date with the latest rules and regulations, we have added this Ingredient Disclosure Map to our website.

Cleaning Products Ingredient Listing Requirements - USA 2020



SUSTAINABLE INGREDIENTS

All of our products are **MADE SAFE** certified. This means that none of our ingredients contain behavioral, developmental or reproductive toxins, carcinogens, endocrine disruptors, fire retardants, heavy metals, neurotoxins, high risk pesticides, toxic solvents or harmful VOCs.

We also never use the word "fragrance" on our ingredient labels. This catch-all term allows companies to hide ingredients which are potentially harmful to the health of people and/or the planet. In the US, hundreds of ingredients in the "fragrance" family have never been tested for their impact. You won't find any of those ingredients in Meliora Cleaning Products.

The scents we create come from essential oils. Each organic essential oil that we use (either steam distilled or pressed) are MADE SAFE certified and obtained from cruelty-free sources. Our products are also offered in scent-free options for those who want products with as few ingredients as possible.







SAFE FOR HUMAN HEALTH & ENVIRONMENT



SCREENING

INGREDIENT



AWARDED MADE SAFE™SEAL



LAB TESTING OF WHOLE PRODUCT



AWARDED NONTOXIC CERTIFIED™ SEAL