# This Is What Action Looks Like

**2023 BRAND IMPACT SUMMARY** 





### Welcome

Since 2004, Klean Kanteen has galvanized the movement to eliminate single-use plastics by developing safe, durable stainless steel alternatives. We've poured over 4.1 million dollars into environmental nonprofits through 1% for the Planet.

Everyday we live our mission of creating a safer, healthier and more resilient planet through both the products we make and how we do business. This Brand Impact Summary is a snapshot of the many ways our employee- and familyowned company prioritizes people and the planet.

Michelle Kalberer Mr Cussur

Michelle Kalberer and Jeff Cresswell Sister and brother co-owners, Klean Kanteen

## **Klean In Action**

It's hard to imagine that back in the early 2000s you couldn't buy a reusable, stainless steel water bottle in the United States. Plastic was pretty much your only option. When we sold the first BPA-free stainless steel bottles in 2004, we figured a few folks might be into them. Today, Klean Kanteen has inspired dozens of other companies to make reusable stainless steel products and plastic alternatives are everywhere. We say, "heck yeah!" When it comes to kicking plastic, we're all in this together.





#### Advocacv

We actively engage with industry and nonprofit partners to tackle pressing environmental, health and conservation issues.

#### **MEMBERSHIPS**

1% for the Planet (2008-present)

Break Free from Plastic (2016-present)

California Blue Business Council (2016-present)

Conservation Alliance (2009-present)

European Outdoor Conservation Association (EOCA) (2013-present)

Outdoor Industry Association (OIA) Sustainability Working Group (2010 - 2020)

OIA Sustainability Advisory Council (2017-present)

OIA Climate Action Corps (2020-present)

Plastic Free: Mountain to Sea Coalition (2019)

Plastic Impact Alliance (2019)

UNFI Climate Action Partnership (2023-present)

We Are Still In Coalition (2017-present)

#### Recognition

2008/2010 Chico Economic Planning Corporation (CEPCO): Business to Watch Award

2009 California Oceans Day: Ocean Heroes Award

2010 Breast Cancer Prevention Partners (BCPP): Suzy Cain Leadership Award

2014 European Outdoor Conservation Association (EOCA): Conservation Champions Award

2015 Chico Rotary: Environmental Awareness Award

2019 1% for the Planet: People for the Planet Award

2019 Outdoor Afro: Medal of Honor Award

2019 Save the Waves: Business of the Year Award

**2021** OIA: Path to Positive Climate *Leadership Award* (Transparency)

2022 Trailblazer Award (Responsible Innovation)

2023 Good Housekeeping: Sustainable Innovations Award

#### Giving

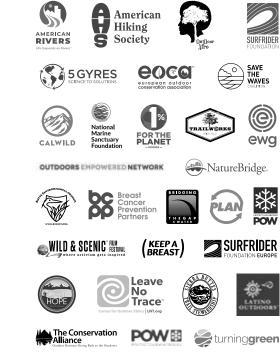
We have donated more than 4.1 million dollars (USD) in unrestricted funds to more than 134 environmental nonprofit organizations through 1% for the Planet. Our four giving pillars are:

- Plastic Pollution
- Safe Consumer Products
- Conservation and Climate
- Outdoor Stewardship

#### **2023 NONPROFIT PARTNERS**

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## **Circular Design**

#### What Is Circular Design?

Circular design means making something new out of recovered or existing materials, whenever possible. Circular design requires fewer natural resources and raw materials, as well as gives new life to old products.

#### **By The Numbers**

- In 2022, 86% of Klean's product revenue came from products designed to displace single-use waste. #BringYourOwn
- By the end of 2022, 78% of Klean products were made partially or entirely with certified 90% post-consumer recycled 18/8 stainless steel.
- By switching to 90% postconsumer recycled 18/8 stainless steel, we're reducing our climate pollution from the raw material production of stainless steel by ~50% per kilogram of material
- We have significantly reduced material use in our consumer packaging and switched to polybags made from third-party certified, 100% post-consumer recycled polyethylene.

#### **Safety First**

In addition to compliance with global regulation, we use a screening tool from the GreenScreen® for Safer Chemicals methodology to assess product material chemistry against 18 hazard endpoints and identify chemicals of high concern. This has allowed us to choose the safest available materials for our products.

#### **Designed for Life**

We design our products to last a lifetime, which is a win-win for the planet and your wallet. In addition to being crafted from nearly indestructible 18/8 stainless steel, here are some other ways we build our products to go the distance.

#### **CROSS COMPATIBILITY**

Change the lid, not your bottle.

#### DISASSEMBLY

Take it apart for easy cleaning, repair and recycling.

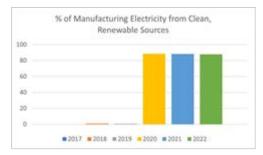
#### REPAIR

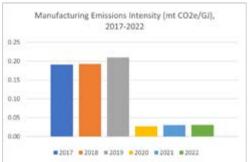
We sell repair kits for all of our caps and lids.

#### **Klean Energy**

Using our 141 MW solar array, we generate 93% of the electricity needed to power our Chico facility.

95% of the energy used in Klean's manufacturing processes comes from electricity. Approximately 90% of electricity used in manufacture of Klean products comes from clean, renewable sources<sup>1</sup>.





The increase in clean, renewable electricity in Klean manufacturing has reduced the emissions intensity of manufacturing energy use by ~80%.

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1 Clean, renewable electricity to manufacture Klean products comes from a combination of direct and indirect sources.

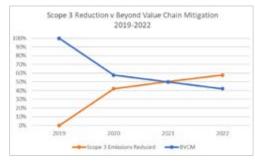


## **Climate Action**

Klean's climate action strategy includes a variety of decarbonization measures with the bulk of our efforts focused on Scope 3 emissions (those produced by our suppliers and manufacturing partners). Nearly 100% of our emissions are Scope 3.

#### 2030 Goals

- Reduce scopes 1 and 2 emissions 58.8% from our 2016 baseline.
- Reduce scope 3 emissions 30% from our 2019 baseline.



1 Drawdown was determined by calculating the percent difference between total GHG emissions with and without reduction actions completed from 2020-2022.

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Klean's

actions

**by 51%**<sup>1</sup>.

resulted in

drawdown of

our emissions

for that period

2020-2022

GHG emissions reduction

In 2022, Klean's total scope 3 emissions reduction surpassed our total beyond value chain mitigation (BVCM) for the year. After three years of focused climate action, less than half of Klean's Scope 3 emissions were addressed through BVCM.





## Manufacturing Partners

- Klean products are manufactured in China by suppliers located in Zhejiang and Guangdong provinces with significant experience and capability in the stainless steel bottle and food container category.
- Klean works directly with our partners to better meet our needs, including product quality, fair labor, workplace safety and environmental requirements.
- We have sourcing staff here in Chico talking directly with our suppliers about every detail of production from start to finish.
- We also have sourcing and quality control staff in China working through production details and performing regular product inspections at suppliers' facilities.
- We collaborate with our suppliers to assess their social and environmental performance against the Klean Supplier Code of Conduct through annual assessment and verification using Higg Index facilities tools.

## **Power to Our People**

At Klean, we care deeply and sincerely about the health and well-being of our people. We've created a supportive and fun-loving company culture to help our employees thrive. Supporting our people means providing each person with a comprehensive benefits package that allows them to build financial security and support holistic wellness, as well as a flexible schedule with ample time off to support work-life balance.

- All staff hourly rates equal or exceed the living wage for individuals<sup>1</sup> who live in Butte County, CA, where Klean is located.
- Klean employees participate in a Safe Harbor plan that contributes 3% a year to a stock ownership program.
- Klean offers a company 401K program with socially responsible investing options.
- 100% paid parental leave (12 weeks).
- Paid holidays plus generous vacation and personal time off.

- Emergency loans and cash advances when needed.
- Generous health insurance for all employees who work 20+ hours per week. 100% of individual employee premiums, 80%+ of coinsurance, explicit coverage for transgender care, dental, vision, domestic partner coverage and more.
- Access to mental health counseling for employees and their families.
- Subsidized memberships to local health and fitness clubs.
- Paid volunteer hours

**Klean's wage** ratio in 2022 was ~5 to 1, meaning the highest earner earned approximately five times more than the lowest earner. In comparison. according to the AFL-CIO. the average **CEO-to-worker** pav ratio in 2022 was 272-to-1 for S&P 500 Index companies<sup>2</sup>.

1 The living wage for Butte County, CA is referenced from Glasmeier, Amy K. Living Wage Calculator. 2023. Massachusetts Institute of Technology. <u>https:///livingwage.mit.edu</u>

**2** https://aflcio. org/paywatch/ company-pay-ratios

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## **Looking Ahead**

We are always searching for ways to improve our products, our performance, and our planet. Here are several opportunities we have identified for 2024 and beyond.

- **01** Maximize use of materials that limit or eliminate direct emissions from mining, timber harvesting and associated activities.
- **02** Use only as much material as needed to get the job done to limit energy and GHG emissions embedded in product design.
- **03** Design products and processes that are efficient in manufacturing energy use.
- **04** Design for low impact in use phase.
- **05** Maximize use of clean, renewable electricity in the manufacturing process.





For nearly 20 years Klean Kanteen has forged a reusables movement that has grown strong as steel. Along the way, we have crafted a new way of doing business one that protects the planet and takes care of its people. Join us in kicking the plastic habit and making the world a better place for good.



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