

# — 2018 — IMPACT REPORT

## *A letter from Marcus Benedetti*

Clover Sonoma Chairman & CEO

### *Greetings from Sonoma County!*

**2018 was an exciting year of progress at Clover Sonoma and we're thrilled to share the results of our hard work in this Impact Report.**

When our company was formed over three generations ago, it was done so with a singular focus—our consumers. We wanted to provide our community with the highest quality dairy, ethically produced by local family farms.

Today, the scope of doing right by our consumers has expanded to a global perspective. To us, taking care of our consumers now means taking care of our community—our environment and our employees, and demonstrating social responsibility. These certainly



*Photo Credit:  
Leila Seppa  
Photography*

aren't new concepts here at Clover Sonoma, but we now have smarter ways to recognize areas of potential growth, implement strategies, and measure our impact.

One of the most significant and celebrated changes to our conscious business approach was becoming B Corp Certified in 2016. Certified B Corp companies

are conducting business with the highest standards of verified social and environmental performance, transparency, and accountability.

Becoming B Corp Certified has helped provide a framework for our focus and a scoreboard for our efforts. Throughout 2018, our goal has been to inject “more B Corp” into our company—focusing on business practices that will positively affect the well-being of our environment, community, employees and legacy.

In the Impact Report that follows, you'll learn all about this framework, the actions we took, and the results we achieved. Thanks for reading.



# — DOING BUSINESS — THE B CORP WAY

*Since 2016, we've been a part of something bigger.*

As part of the B Corp community of businesses (that includes 2,788 global companies!), we're proud to be balancing purpose with profit.

B Corp businesses are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. B Corp scores are based on the sum of four rated categories: **Community, Environment, Workers, and Governance.**



Through this framework, we've implemented new initiatives, and more importantly, seen significant results!

*Take a look.*



COMMUNITY	35.1
Job Creation	1.3
Diversity & Inclusion	2.5
Civic Engagement & Giving	4.4
Local Involvement	4.2
Suppliers, Distributors & Product	6.5
Local Economic Development	16.0

WORKERS	24.9
Compensation & Wages	8.5
Benefits	8.6
Training & Education	0.6
Worker Ownership	2.2
Management & Worker Communication	1.3
Job Flexibility/Corporate Culture	1.5
Occupational Health & Safety	1.1
N/A Points	0.7

ENVIRONMENT	29.3
Land, Office, Plant	4.2
Inputs	6.5
Outputs	3.5
Transportation Distribution & Suppliers	3.7
Land/Wildlife Conservation	2.7
Toxin Reduction/Remediation	8.5

GOVERNANCE	7.6
Mission & Engagement	1.1
Corporate Accountability	0.5
Ethics	1.1
Transparency	2.3
Mission Locked	2.5
<b>TOTAL</b>	<b>96.9*</b>
<b>QUALIFYING B CORP SCORE</b>	<b>80</b>

\*2016 Results

# — CLOVER & THE — ENVIRONMENT

*Clover has always been an environmental industry leader.*

From the very beginning, care and conservation have been a major priority of ours. We were one of the first dairies to say “no” to growth hormones, and we were also the first U.S. dairy to be named **American Humane Certified** by the American Humane Association (AHA). This year, we continued to raise the environmental bar just as we always have.



## WHAT WE ACCOMPLISHED IN 2018



In partnership with local non-profit, United Cerebral Palsy

We *recycled* approximately  
**37,000 LBS OF PLASTIC WRAP**

from our Production and Distribution facility that would have otherwise gone to waste.



We *hauled* approximately  
**625,000 GALLONS OF DAIRY WASTE**

to the Santa Rosa Laguna Treatment Center to be bio-digested and used as a renewable energy source.



We *committed* to reducing our  
**PLASTIC FOOTPRINT**

by not adding plastic screw-top lids to our paperboard milk cartons.



We *surveyed* our significant suppliers to understand their environmental footprint and how it relates to our impact.



**82%**

ARE INDEPENDENTLY OWNED.

*That's good!*

**64%**

ARE LOCAL WITHIN 50 MILES OF OUR HQ.

*That's great!*

**24%**

HAVE REDUCED THEIR GREENHOUSE GAS EMISSIONS.

*That's amazing!*

**35%**

HAVE REDUCED THEIR LANDFILL WASTE BY 10%.

*That's fantastic!*

## WHAT WE HAVE PLANNED FOR 2019

*Implement* waste reduction goals and programs at our Production and Distribution facilities:

Increase cardboard and composting efforts.



Increase the amount of plastic recycled.



Reduce monthly water usage by 3%.



Track energy usage at our production and distribution facilities to set reduction targets.

*Adopt* an environmental purchasing policy.

*Implement* a corporate travel policy to reduce environmental footprint.



# — CLOVER & THE — COMMUNITY



Based on our founder, Gene Benedetti's personal ethos of "doing to others as you would have them do unto you," we've formalized our community support strategy into what is called the "Clover Cares Giveback Program." Through this program, we have committed to donating a minimum of **5% of annual profits** to organizations serving one or more of our three **Clover Cares Pillars**:

**ELEVATING  
DAIRY**

**EMPOWERING  
FUTURE  
GENERATIONS**

**CLOMMUNITY  
SUPPORT**

[CLICK HERE TO LEARN MORE ABOUT OUR CLOVER CARES PILLARS](#)

## WHAT WE ACCOMPLISHED IN 2018

We *donated* a total of



Total Monetary Support:

**\$465,600**

Total Product Donations:

**\$310,100**

Elevating Dairy: **10%**

Empowering Future Generations: **24%**

Clocommunity Support: **66%**

We *organized* four employee volunteer days (all thanks to our Employee Volunteering Committee!). During which, we:

- Brought together over **85 volunteers**,
- Donated a combined **108 hours**,
- Benefited the American Heart Association, Friends of the Petaluma River, Redwood Empire Food Bank, and the Volunteer Center of Sonoma County.



We *committed* to building a stronger partnership with a local non-profit, Redwood Empire Food Bank.

As a result of this partnership, we were able to:

- Provide over **\$100,000** worth of product donations,
- Sponsor their annual Food for Funds Drive,
- Host one of our four Employee Volunteer Days at their facility and packed 8,805 meals, totaling over **10,000 lbs of food for 360 families in need.**

## WHAT WE HAVE PLANNED FOR 2019

*Balance* our giving between our Clover Cares pillars.

*Increase* the number of our employee volunteer days.



# — CLOVER & OUR — EMPLOYEES

*At Clover, our employees are family.*

Our employee **job satisfaction** and **happiness** is an integral part of our success. That's why this year we've worked to **elevate their voice** within the company as well as provide opportunities for them to give back to their own community.



## WHAT WE ACCOMPLISHED IN 2018

★ *We surveyed* our employees to learn about their job satisfaction ★

### AREAS WHERE WE'RE DOING WELL:

- Employees know what's expected of them at work.
- Employees are satisfied with their health and welfare benefits.
- Employees feel that their supervisors treat them fairly.

### AREAS FOR IMPROVEMENT:

- Increase leadership awareness as it relates to departmental challenges.
- Praise employees and recognizing them for a job well done.
- Encourage more teamwork from our leadership team.

### ACTIONS TAKEN TO SHOW APPRECIATION FOR OUR EMPLOYEES:

- Instituted the **Clover Achiever Award**— Monetary recognition for employees who are innovative problem solvers and think like owners.
- Initiated the **Gene Benedetti Award**— An annual award presented to one Clover employee who embodies what our founding father stood for: hard work, loyalty, positive relationships, and community care.
- Added an additional **paid holiday**.
- Committed to providing every employee with a monthly \$20 Clover **product voucher**.
- Announced plans for a **leadership training program** to increase awareness and teamwork within departments.

★ *We launched* our  
**Power Hours Program**



LEADING TO TEN \$250 POWER HOUR  
GRANTS TO NONPROFITS OF THE  
EMPLOYEES' CHOICE, TOTTALLING \$2,500.

## WHAT WE HAVE PLANNED FOR 2019

Continue to *learn* what we can do better through our annual Employee Satisfaction Survey.

*Launch* quarterly Clover Achiever awards.

*Increase* engagement for our Power Hours and Employee Volunteer Days.

# — CLOVER & — GOVERNANCE

*To complete this Impact Report, we must implement ways to track and measure our progress.* Clover Sonoma has operated as a **conscious company** from day one, but now, as a recognized **B Corp company**, we have stronger ways to see just how much impact our efforts have and how we can do even more.

## WHAT WE ACCOMPLISHED IN 2018

← We *published* our first Impact Report. (based on 2017 data)

We *published* a 'Whistle-blowing' policy in our employee handbook.

We *incorporated* social and environmental goals into leadership discussions and strategic company initiatives.

We *assigned* a dedicated 'B Keeper' to make sure we're on task as a company to elevate our B Corp score.

## WHAT WE HAVE PLANNED FOR 2019

*Convert* to become a Benefit Corporation.  
*Complete* our B Corp recertification and earn an even higher score.

