



## About Fireclay Tile

**Certified**  
  
**Corporation**<sup>®</sup>

At Fireclay, our goal is to make amazing tile exactly the way you want it. We are unique from anyone else in that we make every tile to order using recycled materials and sustainable manufacturing practices, all right here in California. We focus on working directly with you to create the residential and commercial project of your dreams, in a timely manner and with the greatest customer service in the world.

## Who We Are

We believe that new isn't necessarily better and that trash really can become treasure. We believe that handmade things have soul, and good design will prevail as one of our most sustainable assets. We believe in the power of teamwork and that work should be fun. We believe that life should be lived boldly and with purpose.

### What makes us a better company?

## B Impact Report

**Certified since: January 2015**

Summary:	Company Score	Median Score*
<b>Environment</b>	<b>30</b>	<b>7</b>
<b>Workers</b>	<b>24</b>	<b>18</b>
<b>Customers</b>	<b>N/A</b>	<b>N/A</b>
<b>Community</b>	<b>21</b>	<b>17</b>
<b>Governance</b>	<b>17</b>	<b>6</b>
<b>Overall B Score</b>	<b>92</b>	<b>55</b>

80 out of 200 is eligible for certification

\*Of all businesses that have completed the B Impact Assessment

\*Median scores will not add up to overall

## Our Mission

To do good by crafting products made intentionally, collaboratively, and transparently.

We are the Makers who support the Dreamers

## Our Core Values

**Honesty.** We are dedicated to making things the right way. How? By investing in our local economies, paying our people fairly and using business as a force for good. We support a culture of transparency in all areas of manufacturing as well as business. It's how we keep ourselves honest, and why our customers choose us.

**Measure twice, cut once.** Details matter. Taking the extra step to ensure we've made the right measurement or communicated the right message, ensures that we take care of our customers and of each other. We must constantly work towards being our strongest team by never making assumptions, speaking up when things go wrong, and holding ourselves and each other accountable to excellence.

**Kindness.** We can only do right by our clients, our community, and our planet if we lead with kindness. When we support one another in times of change and lift each other up when the going gets rough, we're reminded of the things in life that matter most. It's the glue that makes us a team, and our company is all the stronger for it.

**Tread lightly on our earth.** We only have one earth, so we treat it that way. This means a ruthless examination of our materials and how we manufacture. We buy used, we repurpose, we take care of what we have, and we use recycled materials whenever possible. It's not easy, but it's a challenge that makes us all the more creative, innovative, and self-reliant.

**GANAS.** Spanish for "desire," Ganas is the force that propels us forward. With an artisan's expertise and a revolutionary's drive, we're here to change the world one tile at a time. Fueled by our need for continuous improvement and boundless learning, every team member sweats the small stuff so we can achieve big dreams. Call us obsessive. We call it passion.

## Our Progress

We believe that investing in our company now and striving to maintain these standards of governance long-term will benefit more than our profit margin. In order to improve one's score, an organization must take on more challenges, more initiatives, and more responsibility. In the case of Fireclay, as more product is launched and more tile is made, our team will look to not only maintain this environmental awareness but will work to enhance its consciousness on all fronts. So, what are we doing to implement change?

## Environment

- 100% Clean energy at our Aromas Production facility and San Francisco showroom provided by Monterey Bay Community Power and Cleanpower SF
- Over 75% of our sold products are made from recycled materials, and our Recycled clay body consists of ~50% recycled materials
- 100% offset of carbon footprint from our entire operation, including production and shipping, via CarbonFund.
- All materials made to order, ensuring we only make what our clients want.
- Manufacturing practices include water reclamation and reusing almost all of our own tile and glaze waste

## WHAT IS A B CORP?

Certified B Corporations are companies that have been certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency. It is similar to LEED for green buildings, Fair Trade for coffee, or USDA Organic for milk.

- Hired full-time Environmental, Health and Safety Specialist
- Committed to Zero Waste by 2021 and started to measure and implement waste diversion programs, finishing 2019 by diverting 55% of waste

## Corporate Governance

- Monthly and Quarterly company financials shared with all employees and investors.
- Company-wide bonus opportunity based on clearly defined gross margin metrics. Over \$300,000 awarded as bonuses to workers in 2019.
- 66% of Leadership roles held by women
- 50:50 Female:Male gender split at Fireclay

## Workers

- Increased our workforce by 7% (10 FTE) in 2019 while maintaining our Living Wage standard and actually increasing our starting wage to \$15 by YE 2019, a 9% increase over our 2019 \$13.75 wage and a 30% increase over our local minimum wage of \$11.50. Our average hourly rate has increased over 40% since 2014.
- Every employee has equity ownership through an Employee Stock Option program. >14.5% of Fireclay is owned by Fireclay Tile non-Founder/CEO team members.
- Employees receive a minimum of 15 days PTO (13 PTO + Birthday + Volunteer Day), life and short/long term disability insurance, a subsidized HSA account, domestic partner / same-sex marriage spousal benefits, up to \$2K annual education reimbursement, subsidized vision and dental coverage and 12 weeks paid maternity/4 weeks paid paternity leave including the 1st month of diapers for the Baby(ies) on us.
- Full-time regular employees are eligible to participate in company-matched 401K program at 4% of salary. Over \$190,000 was provided in 401K matching in 2019, up from \$110,000 in 2018.
- Provided over \$60,000 in 0% interest loans in 2019 to our team members, and since 2014 over \$208,000, saving our team tens of thousands of dollars in interest payments.
- Increased training within our organization including improved safety, cross-training, and onboarding.

### WHY DO B CORPS MATTER?

Certified B Corps are leading a global movement to redefine success in business. By voluntarily meeting higher standards of transparency, accountability, and performance, B Corps are distinguishing themselves in a cluttered marketplace by offering a positive vision of a better way to do business.

## Community

- In 2017 we Launched innovative *Give, You Get* philanthropy model, helping to produce over \$250,000 in value since launch. In 2019, \$30,100 was provided to our team members and their families for extracurricular pursuits in honor of Khai Lam, a beloved team member who lost his life in 2016.
- Pledge1% Member: 1% of Fireclay Tile's equity and product is pledged to non-profits, and numerous product donations are made to non-profits via our "Fireclay Gives" program. In 2019 we donated over \$200,000 in product to numerous entities including over 4,500 SF to Detroit Prep, an innovative Charter School in Detroit.
- 66% of our Leadership team identifies as female.
- Over 66% of our team members identify as a race other than Caucasian.
- Introduced Continuing Education Units for our commercial trade clients.
- Launched a partnership with the National Parks Conservation Association (NPCA) to donate 1% of our revenue of Glazed Thin Brick for protection and restoration projects. Over \$21,000 provided to NPCA for their important work
- Continued our commitment to The Aromas School, our local public elementary and middle school providing both financial and volunteer support, with \$3,000 in giving.

- Paid Volunteer Day: Each employee receives one additional day of PTO each year for volunteering. Over \$7,500 in VTO paid to workers in 2019 for a total of 362 hours, though we know far more volunteering was done beyond this.

### **Some of our 2020 B Corp Goals include...**

- Recertify as a B Corp and earn a 100+ B Corp Score
- Improve our sustainability initiatives by committing to be Zero Waste by 2021
- Improve training and development for all team members by leveraging Lessonly and our GANAS Leadership Training
- Increase employee volunteering to over 50%