



Annual Impact Report

2017 / 2018

B Corporations are companies that have been certified to have met rigorous standards of social and environmental performance, accountability, and transparency. Worldwide, there are more than 2,500 Certified B Corporations across 140 industries and 60 countries working together toward 1 unifying goal: using business as a force for good. We decided to become a Certified B Corp for several reasons:

- **Being Part of a Community of Leaders with Shared Values:** We believe that the strength of the B Corp community—and the sense of being part of something bigger than our individual business—is one of the best reasons to become a B Corp.
- **Identifying Areas for Improvement:** B Corp certification is an independent, rigorous, third-party standard that evaluates every aspect of our business—from how we treat our workers, to our community involvement, to our overall effect on the environment. We believe this will help us continue to create social, environmental, and financial value.
- **Attracting and Retaining Top Talent:** Many studies have shown that the best people want to work for a company with a larger purpose. B Corp certification helps us signal to prospective and existing partners that we are committed to using business for good.
- **Building Collective Voice:** Many of the movements taking place around the globe—from cleantech, microfinance, and sustainable agriculture to the buy local and cooperative ownership movements—are manifestations of the same idea: how to use business for good. The B Corporation organizes and amplifies the voices of this diverse marketplace behind the power of a unifying brand.

We are proud of what our team has accomplished this year to improve our impact. Once we complete our certification, we will be eager to learn from our peers in the B Corp community about how we can do even more. This is an essential contribution toward a vision of business that works for people, the planet, and the bottom line.

Benefit Report Narrative

We are a legally-incorporated benefit corporation in the state of New York. A benefit corporation is a corporation that has voluntarily met the highest standards of corporate purpose, accountability, and transparency.

Benefit corporations have a corporate purpose to create a material positive impact on society and the environment, have expanded the fiduciary duty of their directors to include consideration of stakeholder interests, and are required to report on their overall social and environmental performance.

Benefit Report Narrative

We selected the B Impact Assessment (BIA) as the third party performance standard to prepare this benefit report because it is the most widely-used impact measurement and management tool in the world.

The BIA is used by more than 50,00 businesses to measure, compare, and improve their overall social and environmental performance, as well as by an increasing number of investors, business associations, and government entities serious about understanding and benchmarking the impact of the companies in which they invest and with which they do business.

The BIA is governed by the nonprofit B Lab and meets the statutory requirement that a third party standard must be comprehensive, credible, transparent, and independent. More information about the BIA and B Lab is available at bimpactassessment.net.

Benefit Director and Ownership

Our Benefit Director position is voluntary. Jonathan Lien is the sole owner of Cornucopia Natural Foods.

Our Impact

The following page details our company's most recent score on the B Impact Report. The B Impact Report is a holistic look at how our company scores across multiple questions related to the same impact topic:

Cornucopia Natural Foods

For Calendar Year Ending: Dec. 31st, 2017

Your scores below are being compared against **618 Ordinary Businesses** that also have 10-49 employees.

82.4



UNVERIFIED

Impact Area Scores

| | | | |
|---|-------------|------|---|
|  | Governance | 15 | + |
|  | Workers | 14.2 | + |
|  | Community | 22 | + |
|  | Environment | 24.8 | + |
|  | Customers | 6.2 | + |

Highlights and Long-Term Goals

This section will discuss some of the highlights and some of our long-term goals for increasing our score by the time we recertify in two years.

This section is organized by each of the four sections on the B Impact Assessment: governance, workers, community, and environment.

Governance

Highlights

- We consistently incorporate social and environmental impact into decision-making because we consider it important to the success and profitability of our business
- We have implemented Open Book Management--meaning that our company has complete transparency of financial information and formally empowers all employees to actively participate in financial planning
- We provide specific, formal training about the company's social and environmental performance into new employee and new manager training
- We track specific KPIs/metrics to determine if we are achieving our social and environmental objectives
- We have changed our legal structure to become a benefit corporation to hold ourselves legally accountable to considering workers, community, and the environment in our decision making

Longer-Term Goals

We aim to make the following improvements over the longer-term:

- Integrating social / environmental mission-related responsibilities into all job descriptions
- Adding social / environmental goals into all employee performance evaluations
- Creating more opportunities for engagement with local community members and with social / environmental advocacy groups

Workers

Highlights

Here are some things we already do well in this section:

- The majority of employees, excluding founders and executives, received a bonus in the last fiscal year
- Company pays 80%+ of individual health care premium
- Employee retirement plan includes a full match of 4%
- Free gym membership and house account credits for store purchases
- Staff receive skills-based training (to advance core job responsibilities) and cross-job skills training (training beyond regular job responsibilities) at work
- Policy to support breastfeeding mothers

Longer-Term Goals

We aim to make the following improvements over the longer-term:

- Including a socially-responsible investing option in our retirement plan
- Giving employees more paid days of professional development
- Providing more training on life skills for personal development (e.g., financial literacy, personal financial planning, etc.)
- Reimbursing employees for continuing education opportunities

Community

Highlights

Here are some things we already do well in this section:

- Average compensation for men and women is equal in comparable managerial and non-managerial roles
- Company has a written policy giving preference to local suppliers, suppliers owned by women, and suppliers owned by individuals from underrepresented populations
- We are a 1% For The Planet Member. This means we have a formal commitment to donate 1% of sales to environmental non-profits
- Staff are given 20 hours or more a year of paid time off
- Company screens suppliers for social and environmental impact
- Company has a formal written Supplier Code of Conduct policy that specifically holds the company's suppliers accountable for social and environmental performance

Long-Term Goals

We aim to make the following improvements over the longer-term:

- Increasing the percentage of staff who volunteer
- Hiring more women, people of color, individuals residing in low-income areas, and other chronically underemployed populations (e.g., individuals who are formerly incarcerated or formerly homeless)
- Increasing the amount of women, people of color, or other traditionally underrepresented populations in management

Environment

Highlights

Here are some things we already do well in this section:

- All product sold is non-GMO. Majority of products sold are Certified Organic.
- We use non-toxic janitorial products, unbleached / chlorine free paper products, recycled / environmentally preferred office supplies (paper, pens, notebooks, etc), and compostable packaging in our food service area
- There is a written policy encouraging environmentally preferred products and practices in employee virtual offices
- Facilities are designed to facilitate use of public transportation, biking, or cleaner burning vehicles (e.g. electric chargers)
- Employees are encouraged to use virtual meeting technology to reduce in person meetings
- More than 50% of GHG emissions were offset with carbon credits
- Company policy and practice that requires inbound and outbound freight or shipping to be transported via lowest impact methods (such as avoiding shipment by air transport)
- 100% of company facilities located in previously constructed building

Longer-Term Goals

We aim to make the following improvements over the longer-term:

- Increase energy efficiency across our entire operations
- Increase the amount of energy we consume from renewable sources
- Increase the amount of recycled, renewable, or other environmentally preferred materials in our products
- Measure our Scope 1, Scope 2, and Scope 3 carbon emissions across our operations