As the ultimate neighborhood grocery store, New Seasons Market is dedicated not just to good food, but to vibrant communities and a healthy planet. Our dedication to a triple bottom line philosophy of people, planet, and profit reflects our belief that these things are connected, carry equal weight, and deserve our best.

We also believe in transparency. Being forthright about our wins and our challenges, sharing what goes into our partnerships and our business decisions, it’s all part of being a good neighbor, a reliable partner, a trusted ally.

Keeping our mission top of mind helps us set our course. This Impact Report aims to share the results of our work this past year and give you a look inside what we’re working on for 2018. We want to continue to deliver on our mission as the ultimate neighborhood grocery store, cultivating good for generations to come.
OUR MISSION:
We are committed to environmental stewardship, to giving back to our community and to providing a progressive workplace where our staff thrives. This report speaks to the tenets of our mission:

- We enhance more lives
- We nourish local communities
- We inspire environmental stewardship
- We champion the regional food economy
We create an atmosphere of openness, caring, fairness and trust so we can enable people to bring their best every day, and to lead happy, healthy, meaningful lives.

DIVERSITY AND INCLUSION

<table>
<thead>
<tr>
<th>OUR 2017 MISSION GOAL:</th>
<th>Train 250 managers on diversity and inclusion practices</th>
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<tbody>
<tr>
<td>OUR 2017 IMPACT:</td>
<td>Trained 206 managers on diversity and inclusion practices</td>
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In 2017, our Diversity and Inclusion education initiative included three separate workshops:

**Leading a Diverse Workplace** focuses on how leaders across New Seasons can cultivate a sense of belonging for those in their sphere of influence. The workshop was developed in collaboration with Figure 8 Consulting, a Portland based firm whose mission is to advocate for equity and justice by promoting self-awareness, curiosity about other cultures and empathy as the antidote to unconscious bias.

**Dismantling Racism** helps participants understand racism in a historical and current context, allowing them to learn about privilege, institutional racism and colorblindness in our society. The workshop is taught by Dara Snyder, Social Justice Program Training Manager for theYWCA of Greater Portland.

**Alphabet Soup and You: LGBTQIA Culture and Language** is taught by Portland-based Trans Affirming Spaces. The class allows staff members to learn LGBTQIA-specific terminology and gender-neutral language appropriate for customer service. Staff are given guidance on asking respectful questions and an overview of applicable Oregon and Federal law.

Diversity and inclusion is an ongoing effort and we’re continuing to listen and learn from our staff and customers who share their ideas of what we can do better.

| OUR 2018 MISSION GOAL: | 330 Managers trained on diversity and inclusion practices |

AN ENHANCING LIVES SUCCESS STORY!

The Community Loan Fund program began in 2008 after several staff members suggested we do something to help co-workers who had fallen on hard times. The fund is supported by voluntary staff donations (36% of eligible staff participate) which go into a common loan fund administered for and by staff. A staff committee meets monthly to review the anonymous applications and vote on whether the request qualifies for the program. The generous staff at New Seasons have helped coworkers facing serious issues such as: cancer, loss of a close family member, no-cause evictions, emergency dental care, recovery from car accidents and many other financial hurdles caused by life’s unexpected challenges. In 2017, the fund gave $123,565 in low-interest loans to 56 staff members.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>38.8% Personal or Family Crisis</td>
<td>38.8%</td>
</tr>
<tr>
<td>e.g. divorce, abuse, sick family members, death in the family</td>
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<tr>
<td>17.9% Medical/Health Crisis</td>
<td>17.9%</td>
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<tr>
<td>e.g. healthcare costs and missed work due to health crisis</td>
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<tr>
<td>13.9% Other/Misc</td>
<td>13.9%</td>
</tr>
<tr>
<td>25.7% Housing Crisis</td>
<td>25.7%</td>
</tr>
<tr>
<td>e.g. no-cause evictions, unstable living situations, unaffordable rent increases</td>
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<tr>
<td>3.7% Transportation/Vehicle</td>
<td>3.7%</td>
</tr>
<tr>
<td>e.g. car accidents, vehicle theft, or unexpected car safety issues</td>
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</table>

In 2017, the fund gave $123,565 in low-interest loans to 56 staff members.

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NEW SEASONS MARKET • SOCIAL RESPONSIBILITY REPORT
COMMUNITY SERVICE

<table>
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<tr>
<th>OUR 2017 MISSION GOAL:</th>
<th>1200 staff participating in Lend A Hand community service</th>
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<tbody>
<tr>
<td>OUR 2017 IMPACT:</td>
<td>1217 staff participated in Lend A Hand</td>
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Lend A Hand is a staff benefit which allows our staff to receive up to eight hours of paid community service work with a nonprofit organization of their choice.

In 2012, New Seasons made Lend A Hand a formal program throughout all of our stores. The goal of Lend A Hand is to connect our staff with their community, letting individuals get paid while supporting the nonprofits they love, and giving staff who’ve never volunteered before the joy of being generous with their time.

A LEND A HAND SUCCESS STORY!

At the end of summer in 2017, our Mercer Island Promotions Team visited Oxbow Farms and Conservations Center for a Lend A Hand project. The farm was bursting with green beans, so the help they needed most that day was harvesting. Staff picked all day, filling boxes of beans, that were then distributed to Hopelink’s food pantry.

They couldn’t have asked for a better day, spending it on a sustainable farm, enjoying the end of the summer, helping out and knowing that delicious and nutritious food was going to people our community who need it most.
PHILANTHROPY & PASS-THROUGH DONATIONS

<table>
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<tr>
<th>OUR 2017 MISSION GOAL:</th>
<th>Increase Giving to Hunger Relief Organizations by 10%</th>
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<tbody>
<tr>
<td>OUR 2017 IMPACT:</td>
<td>Raised $505,215, an increase of 18% over our 2016 contributions</td>
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We believe everyone should have access to healthy, delicious food, which is why we focus our efforts on three major areas:

- Committing 10% of our after-tax profits back to our communities, ensuring organizations working to alleviate hunger get the largest percentage of our donation dollars.
- Providing customers opportunities to contribute to hunger nonprofits
- Avoiding food waste by joining with neighborhood nonprofits on food recovery programs that get excess food to those in need.

**HUNGER RELIEF AT THE REGISTERS**
Every New Seasons has a hunger relief register partner which customers can contribute to anytime they shop by adding a donation to their bill. One weekend a year, during our Hunger Match Weekend, New Seasons matches the first $1,000 donated at each store. Our matching funds plus customer donations brought in $39,175 this year, benefiting 16 different nonprofits during our Hunger Match Weekend, a 25% increase from the 2016 event.

**5 DAYS OF KINDNESS**
For five days before Thanksgiving, our stores accept customer donations to local nonprofits feeding those in need. Volunteers from these organizations greet customers and encourage them to contribute. The majority of these funds are directed towards seniors in need in our communities. Our generous customers donated $181,183 during 5 Days of Kindness this year, a 22% increase from the previous year.

**A HUNGER RELIEF SUCCESS STORY!**
In 2017, New Seasons Market contributed $30,000 to the Farmer’s Market Fund, fulfilling a $90,000 three-year commitment.
Farmers Market Fund is dedicated to providing increased access to healthy, locally grown food for low income, elderly and under served populations in Oregon. This contribution provided matching funds for recipients of Oregon’s Supplemental Nutrition Assistance Program, or SNAP, to purchase fruits and vegetables at farmers markets. The program, called Double Up Food Bucks, has a positive effect on the health of those in our communities in addition to increasing sales for farmers in our region.

**OUR 2018 MISSION GOAL:**
+10% Increase in Giving to Hunger Relief organizations
Sometimes it’s not one big project that gets us to our conservation goals. In 2017, when we set out to reduce our water usage by 10%, each department was tasked with looking at their operations to improve on water use. Our store staff in meat and seafood took the challenge to heart, and worked with our merchandising team, facilities and store leadership to implement a few small changes that added up to a huge difference. In each meat and seafood department, we installed aerators on our defrost sinks that reduce the flow by 75% and we simultaneously rolled out a new Standard Operating Procedure aimed at making planning and inventory decisions that promote refrigerator thawing to stop water from being used in the process at all. This year we will continue our efforts to improve our use of water use in all of our departments, storewide!

**ENERGY CONSERVATION**

We implemented 16 distinct energy efficiency projects in 2017, from updated heating and cooling systems at two of our locations, to adding brand new doors on our refrigerated cases. We also installed LED lighting to help extend the life of our lighting, while reducing energy use and maintenance. While we worked hard to reduce the energy used at our stores, the winter of 2017 had other plans. Snowpocalypse hit the Portland area hard, and the natural gas used to heat our stores had to work extra hard to keep up. Unfortunately, the savings from our energy efficiency upgrades were not able to make up for the extra energy requirements of winter. As a result, we saw a 1% increase in our energy use, causing us to miss our 5% reduction goal.

**WATER CONSERVATION**

After major water leaks at 2 stores in 2016, we decided to make water conservation a major focus and set an aggressive 10% reduction goal for 2017. After working with the city to identify opportunities, our Green Team members brainstormed and created action plans, working with department managers and other teams to pinpoint where we could change equipment and shift behaviors. By raising awareness across many departments, we were able to find ways to help us surpass our water conservation goal by 5%!

**OUR 2018 MISSION GOAL:**

+5% average water use reduction in stores (gallon/sq ft)
We inspire environmental stewardship

ZERO WASTE

<table>
<thead>
<tr>
<th>OUR 2017 MISSION GOAL:</th>
<th>20% of stores diverting 90% or more from landfills</th>
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</thead>
<tbody>
<tr>
<td>OUR 2017 IMPACT:</td>
<td>10% of stores diverted 82% or more from landfills</td>
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New Seasons has always been serious about reducing waste and improving our impact on the planet. Since 2013, we’ve been committed to a Zero Waste philosophy, which means we strive to divert 90% or more of our waste from the landfill. In 2017, two of our stores conducted waste audits and each saw diversions rates in the 80% range (85% and 82% to be exact), just below our goal of 90% reduction.

In the fall of 2017, major changes to the global recycling markets resulted in a huge shake-up to our recycling program at the stores. We went from working with local partners to collect difficult-to-recycle materials from both our operations and customers, to a shift where none of those materials could be recycled.

This major global disruption caused us to step back as a company and reconsider how we can make the biggest impact on waste. For 2018, our goal is for 25% of our stores to conduct Zero Waste audits. Going through the process of a waste audit gives staff a unique opportunity to experience our waste footprint firsthand, reveals opportunities to improve by department, identifies ways to reduce and reuse materials, and highlights the role they play in ensuring we’re doing right by our planet.

In addition to the Zero Waste audits, we are also continuing to research best practices around the impact of packaging in our partner brand products and exploring options for the future.

<table>
<thead>
<tr>
<th>OUR 2018 MISSION GOAL:</th>
<th>25% of stores conduct Zero Waste audits</th>
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</table>
We champion the regional food economy

We create long-term, multi-generational partnerships in order to support sustainable agriculture and food production. We encourage local innovation and food-based entrepreneurship, and whenever possible, promote opportunities to connect customers with the people that produce the food they eat.

PARTNER BRAND

Partner Brand is our unique twist on a private label program. Our New Seasons partner brand products are sourced locally whenever possible, transparent from seed to shelf, responsibly priced and made with simple ingredients a customer would find in their pantry.

We’re proud of the vendors we partner with to bring these products to our customers—so much so that we call out their names on each and every package!

Partner Brand highlights:
• 52 Partner Brand producers, 11 of which were added in 2017.
• 75% of our partners and products sourced within 500 miles of Portland, OR.
• 17 of our Partner Brand producers represent businesses we have either helped start-up, are former Local Finds vendors or are small producers who have increased brand exposure and sales due to our partnerships.

OUR 2018 MISSION GOAL:
25% increase in sales of regionally-sourced partner brand products

A PARTNER BRAND SUCCESS STORY!

Within the heart of the Pacific Northwest, three generations of the Wavrin family proudly create artisan cheese, crafted in the Italian tradition. It all happens on the Ferndale Farmstead, a truly sustainable farm where they grow their own feed used to nurture their own cows, before using the milk from those cows to create delicious, handcrafted cheese. They call the process Seed-to-Cheese and we’re thrilled they have partnered with us for our Partner Brand fresh mozzarella.

New Seasons is one of the first private label partners Ferndale Farmstead has worked with and we couldn’t be happier to partner with a producer who shares a commitment to sustainable business practices and the planet!

Rallenti Pasta: dry pasta and gluten-free fresh pasta
Masala Pop: ready-to-eat popcorn
Kember’s Gluten-Free: gluten-free pizza crust
The Mill at Kings River: olive oil
Rallenti Pasta: dry pasta and gluten-free fresh pasta
Masala Pop: ready-to-eat popcorn
Kember’s Gluten-Free: gluten-free pizza crust
The Mill at Kings River: olive oil
GREEN WHEELS

Green Wheels was created to help small, local producers manage the challenge of self-delivery to our Portland-area locations and since its inception, has saved 7,200 car trips!

We partnered with fellow B Corp B-Line Sustainable Urban Delivery to create a cost-effective distribution option that consolidates product for dozens of local producers into a single weekly delivery to each of our stores. Green Wheels uses both trikes and biodiesel trucks to distribute local products and saves large amounts of time for producers, letting them focus on growing their businesses, and it relieves congestion in our already crowded parking lots. Most importantly, the program has a positive impact on the environment by limiting traffic and emissions.

In 2017 we made some enhancements like:

- Adding a Green Wheels route to expand distribution of local vendors to Northern California.
- Continued expansion of the local delivery program to our Mercer Island store, giving better service to vendors shipping products to Washington.

And also reduced:

- 214,968 vendor miles
- 180,931 lbs of carbon emissions
- 3,550 trips avoided

A GREEN WHEELS SUCCESS STORY!

Betsy’s Bar None Foods was founded in Portland, OR., in 2012 with the goal of offering clean, wholesome, and allergen-free food products. Sourcing ingredients locally or regionally whenever possible, they’re pleased to say that 95% of the ingredients in their new recipes are grown in North America. They also happen to be one of the companies getting the full Green Wheels experience. They lease a production and office space at B Line, and were one of the pilot vendors with the Green Wheels program!

The time Betsy and her son Tyler have saved by not having to deliver to stores, has allowed them to focus on a redesign and reformulation of their product, helping create a broader appeal for their products and grow their sales.
We’re proud of who we are

New Seasons Market is an independent, purpose-driven company on a mission to be the ultimate neighborhood grocery store in communities in Oregon and Washington.

WE LEAD WITH OUR VALUES

Our staff is the heart and soul of our company, bringing our mission to be the ultimate neighborhood grocery store to life every day. The care our customers feel when they shop our stores is a direct reflection of New Seasons being a happy place to work. We always strive to hire employees from the communities where we’re located. We believe it creates the best staff experience, the best customer experience, and is the best way to bring a true sense of vitality and community to the neighborhoods we serve.

WE ARE A PROGRESSIVE EMPLOYER

We provide comprehensive compensation and benefits packages to all staff. Our robust healthcare plan provides exceptional coverage at rates 30-50% below the industry standard. We offer paid time off, and paid time for our staff to volunteer in the community. We’ve also added a new benefit of paid parental leave for the birth, adoption, or foster placement of a child, so our staff can bond and build a relationship with the new addition in their family. And we believe in sharing our success with the people who make it possible, so we give back 20% of our after-tax profits to staff through a flat and equitable profit share plan. These benefits have contributed to one of the lowest turnover rates in the industry.

WE HAVE A “SPEAK-UP” CULTURE

We believe that empowering staff and enabling them to be involved in decisions that affect them is vital to a happy, productive work environment. Our culture allows everyone at New Seasons to have a voice and to share ideas and concerns. A great example of this is our attendance policy, which over 100 staff members from across the company were actively involved in helping develop. The policy is designed to allow people to take care of themselves, while also ensuring we can take care of our customers and fellow staff.

WE CELEBRATE A RESPECTFUL WORKPLACE FOR ALL

Our employees come from all backgrounds, which is why we are passionate about supporting and uplifting diversity in our communities. In addition to our non-discrimination policy, we campaigned for marriage equality in Oregon on behalf of our LGBTQ employees and have been recognized for our progressive transgender workplace policies, our treatment of employees with disabilities, and our support of equality in employment by Basic Rights Oregon, the Urban League of Portland, and Portland Citizen’s Disability Advisory Committee, just to name a few.

WE USE BUSINESS AS A FORCE FOR GOOD

We’re proud to be the world’s first certified B Corp grocer, placing us in a community of over 2,400 “triple-bottom-line” companies around the world dedicated to using the power of business for good. This commitment to balancing people-planet-profit assures that we place as much value on taking care of our staff, our communities and our environment as we do on growing a profitable business. B Corp certification offers us a framework to set goals and hold ourselves accountable to remain true to our mission and to ensure we’re continually improving. Learn more about B Corp Certification at bcorporation.net.

WHO WE ARE

• Founded in 1999
• 20 stores in Oregon, Washington and Northern California
• Own and operate four New Leaf Community Markets in California
• 4,179 Employees
• Ranked #3 on Forbes’ List of America’s Best Midsize Employers, 2017
By the numbers

Our mission goals don’t tell the whole story of the good work we are doing. Here are some additional highlights that represent our triple bottom line philosophy from 2017:

- **5,484** hours donated through lend-a-hand
- **$123,565** dollars of assistance from the community loan fund
- **15%** of electric load from renewable energy credits
- **700** miles worth of paper saved by offering electronic receipts
- **$924,128** total charitable impact (nsm + customers)
- **over 1,000** organizations supported with donations
- **75%** of partner brand products are sourced within 500 miles
- **214,968** vendor miles avoided by using Greenwheels