

GRAND CENTRAL BAKERY 2018 IMPACT REPORT



WELCOME TO GRAND CENTRAL BAKERY

We're a company that sells delicious products and employs people who care a great deal about having a positive impact on the communities in which we do business. For decades, our leadership team has been committed to developing employees, investing in sustainable food systems, supporting the local economy and improving our environmental impact. But an annual public impact report marks a new step for us, as we commit to measuring ourselves and setting goals for improvement. How many employees do we promote? How much do we invest in our communities? How much waste do we divert? When we say "local" and "sustainable," what does this mean? These are questions we hope to answer in this report and the ones to follow.

This report also reflects the culture we support at Grand Central Bakery.

About five years ago we became an open-book company, sharing our numbers with our employees to increase engagement, improve our performance and create future leaders. We see annual public impact reports as an extension of this transparency and a road map to becoming a better company. It's our belief that doing good is good business. We hope by sharing our journey, we will inspire others to do the same.

Claire Randall Grand Central Bakery CEO

C. Land



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OUR MISSION

To serve our customers delicious, authentic food made from highquality local and sustainable ingredients while growing a healthy values-driven business.

This report speaks to four pillars of our strategic plan and mission:



PEOPLEWe develop employees



COMMUNITYWe enhance our communities



ENVIRONMENTWe reduce our impact



FOODWe build a better food system



PEOPLE: WE DEVELOP EMPLOYEES

We are tracking internal promotions with the goal of growing careers at Grand Central Bakery. In 2018 we promoted more employees than the previous year, but we also grew from 360 employees to 409 employees, so the percentage decreased.

10.32% in 2017

EMPLOYEES PROMOTED INTERNALLY

8.15% in 2018

HIGHLIGHTS:

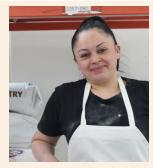
- 87% of employees were eligible for benefits compared with a national average of 77% for large sized companies.* Employees averaging at least 25 hours per week receive benefits.
 - *Kaiser Family Foundation 2018 Employer Health Benefits Survey
- We partnered with Portland State's Center for Executive and Professional Education to deliver diversity and inclusiveness training to all managers and assistant managers.



BOB COULTER, hired as a driver in 2016, is now Seattle's Delivery Manager. "Your opportunities are open here – I've had drivers who have moved to expediting, expediters who have moved to production – you are only limited by what you limit yourself to."



LIONELL WILSON, Portland delivery driver, has been promoted twice since joining Grand Central in 2016. "I've worked at lots of different places. What I like about Grand Central is that you can go as far as you want to."



started as a temporary hire making stuffing in 2003. Now Bread Operations Manager in Seattle, she says the key to advancement has been willingness to work hard, learn new skills and "getting involved with the goals of the company and helping achieve them."



COMMUNITY: WE ENHANCE OUR COMMUNITIES

INVESTMENT IN LOCAL NONPROFITS

Since 2017, Grand Central Bakery has made grants to six local progressive nonprofits working to positively impact land stewardship, immigrant rights and workplace equality. In 2018 we increased this investment and our employees did the same with their contributions to our company match program.

\$28,505

DONATION TO NONPROFITS \$34,920

EMPLOYER-SPONSORED COMMUNITY SERVICE HOURS

We encourage our employees to take advantage of 8 hours of paid volunteer time with the community causes they care about.

2017 **15**% EMPLOYEES
PARTICIPATING
IN COMMUNITY
TIME

23%

IMPROVEMENT GOAL:

30% company participation in Community Time in 2019

HIGHLIGHT: Grand Central Bakery is a foodservice partner to FareStart in Seattle, hiring graduates of the job training program, volunteering for Guest Chef Night and donating fresh bread to special events and the restaurants & cafes they operate.



Grand Central Bakery Eastlake employee **ESTHER BAT-EL** (left) used Community Time hours to attend Seattle's MLK Day Celebration march, rally and workshops. "It's great to be able to provide service to the community and to be supported by the company you work for." Above, she also volunteers with the Coalition of Immigrants Refugees and Communities of Color to bring awareness about Seattle's Democracy Voucher Program.

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ENVIRONMENT: WE REDUCE OUR IMPACT

WASTE DIVERSION. We rigorously plan in order to minimize food waste at our production facilities and cafes.

2017 **85**% WASTE DIVERTED FROM WASTE STREAM 2018* **84**%

*A small decrease in recycling increased our waste slightly.

IMPROVEMENT GOAL: 90% waste diversion by end of 2021.

INITIATIVE: Develop energy- and water-use reduction goals for all facilities in 2019.

RENEWABLE ENERGY: We purchased 37% of power from low-impact renewable sources, a percentage we hope to increase in 2019.

HIGHLIGHT: 137 BIKE-POWERED BREAD MILES PER WEEK

By using B-Line's cargo trikes for close-in Portland bread delivery, we kept an EPA-calculated 3.12 metric tons of $\rm CO_2$ out of the atmosphere.

B-Line's JORDAN PEDROSO pedals Grand Central bread twice a day to restaurants in Portland's downtown core, trimming emissions and keeping trucks off the road.





Portland Commissary Kitchen Manager ROBB HENGERER led the effort to document and improve our green practices in the kitchen.

SUSTAINABILITY CERTIFICATION

In 2018 Grand Central Bakery earned a Gold from the City of Portland for sustainability at our Fremont commissary kitchen. In 2019, we will work to match those standards at every facility we operate in Portland and Seattle with the help of our companywide Green Team.

HIGHLIGHTS:

- Created sustainability orientation system for new hires, outlining our sustainability practices and waste reduction techniques.
- Ensured that all seafood purchased is Marine Stewardship Council certified.
- Installed automatic door closures and/or strip curtains on all walk-in coolers and freezers.

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LOCAL AND SUSTAINABLE SOURCING

We are rigorous and passionate about buying ingredients that meet internal and third-party standards. Our no-till flour purchases provide a market for farmers who are helping regenerate the soil and minimize erosion, ensuring healthy land for generations to come.

59[%]

Purchases from local vendors 54[%]

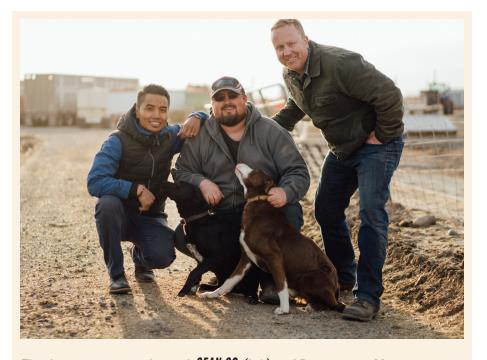
78%

Ingredient purchases that match Good Food IOO sourcing standards* 80%

HIGHLIGHT: 100% of Grand Central Bakery's meat and seafood purchases exceeded Good Food 100 sourcing standards.

IMPROVEMENT GOAL:

85% of ingredients purchased will meet or exceed Good Food 100 standards by 2021.



Thanks to our partnership with **SEAN SO** (left) and Preservation Meats, we can serve top-quality sustainably raised beef and pork to our Seattle customers and support local ranchers whose practices are humane and beneficial to humans and the environment. At Pure Country in Ephrata, above, pigs enjoy fresh air, sunshine, and a healthy group atmosphere.

^{*}Good Food IOO is a national rating system recognizing a restaurant's commitment to transparency, sustainability and overall impact on good food economies. Learn more at goodfoodIOOrestaurants.org.



OTHER 2018 MILESTONES



BECAME THE FIRST B CORP CERTIFIED BAKERY IN THE PACIFIC NORTHWEST. Our B Corp status acknowledges our history as a progressive business, connects us to other companies working as a force for good and lays out a road map for improvements.

HELPED DEFEAT ANTI-IMMIGRANT OREGON MEASURE 105. We joined other progressive businesses in campaigning against and defeating Measure 105, an attempt by anti-immigrant groups to repeal Oregon's 30-year-old sanctuary law.

IMPROVED OVERALL COMPENSATION BY 4.8%.

We increased wages and provided generous benefits to employees because that is the way we believe business should be run. The 2018 increase also supports our goal of meeting or exceeding living wage standard in our regions and improving it year over year.



HAVE AN IDEA FOR HOW TO IMPROVE OUR IMPACT? CONTACT US AT GRANDCENTRALBAKERY.COM.

WHO WE ARE



- Founded in 1989
- Il bakery cafes and two wholesale bakeries across Portland and Seattle
- 410 employees
- Independently owned and locally operated
- Founded by a woman, led by a woman, run by equal numbers of men and women in management positions