

Board of Directors

President Shauna Sadowski Annie's, Inc.

Vice President Cecil Wright Organic Valley / CROPP Cooperative

Secretary Brionne Saseen Chico Natural Foods Co-op

Diana Chapman
PCC Natural Markets

Peter Goblitz Agromeris, LLC

Britt Lundgren Stonyfield Farm

Hansel New So Delicious[®] Dairy Free

Jim Pierce Oregon Tilth

Isabelle Reining Straus Family Creamery

Natalie Reitman-White Organically Grown Company

Staff

Katherine DiMatteo Executive Director

Sandra Marquardt Communications Director

Lisa Spicka Education Director

Sustainable Food Trade Association Annual Report 2014

Our Mission:

Build the capacity of the organic food trade to transition to sustainable business models.

www.SustainableFoodTrade.org

Facebook: SustainableFoodTrade

Twitter: @SustyFoodTrade

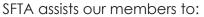
Phone: 413-624-6675

Welcome

2014 was a busy year as we built on the Sustainable Food Trade Association's (SFTA) long-standing initiatives and programs, while also launching new educational opportunities and technical support services.

The SFTA Board of Directors, under the leadership of its president, Shauna Sadowski of Annie's, Inc., came together in July, 2014 to look back on lessons and accomplishments and to articulate a forward vision for the next five years. As a result, a restatement of our organizational identity and broad goals were developed:

SFTA engages people in the organic food trade to define and drive excellence in environmentally sound, socially just business practices using a systems-based approach.



- Develop and evaluate sustainability programs
- Innovate and promote best sustainable business practices
- Advocate for change within their own organizations and in the organic food and agriculture sector.

Lisa Spicka, Education Director; Sandra Marquardt, Communication Director and myself have coalesced into a dynamic, professional team that strives to be responsive to our members and to implement these goals. Together, we coordinated, hosted, or participated in numerous events nationwide as well as overseas, introducing the concept of a sustainable organic food system to hundreds.

We continued to offer our popular online and hands-on webinars and trainings, introduced Learning Forums, engaged with new collaborators, and revised our tools to help our members manage and utilize the results of their annual reporting more easily. We also released our second annual Member Sustainability Progress Report in 2014, complete with mini-case studies.

We very much look forward to working with you in 2015. Our focus for the year will be on what we can do as an industry to mitigate the harmful effects of climate change, and we hope you will be actively involved. Please follow us and participate on Facebook and Twitter, and read and share your news to our monthly E-News. Do let us know how we can serve you better.

Katherine DiMatteo Executive Director

Latherine Distatles

Sustainable Food Trade Association



Education Services

2014 was highlighted by exciting education events-- conference workshops and presentations, record webinar attendance, increased visibility at trade shows, new partnerships, and the launch of SFTA Learning Forums, as well as several other new projects.



Presentations

SFTA organized and led panel presentations at several conferences, including Natural Products Expo East/All Things Organic, the IFOAM World Congress, and Go Green Portland. Education Director Lisa Spicka was even highlighted in the Go Green post-conference report!

SFTA created new allies and contacts for SFTA by organizing speakers from industry organizations to speak at key conferences, for instance Stephanie Barger, Founder and

Executive Director of the U.S. Zero Waste Business Council, and Val Fishman, Vice President of Corporate Partnerships, Bonneville Environmental Foundation. Many thanks to the numerous SFTA members and non-members alike who contributed to 2014's successful workshops and presentations:

Month	Location	Event Host	Workshop/Presentation
January	San Francisco, CA	Sustainable Food Summit	Ethical Sourcing and Biodiversity
March	Anaheim, CA	Expo West	Responsible Packaging
March	Phoenix, AZ	Global Citizen Forum	Is Sustainability Sustainable?
July	Minneapolis, MN	SFTA / SunOpta	The Natural Step
August	Tualatin, OR	SFTA / Pacific Foods	Learning Forum
September	Baltimore, MD	Expo East / All Things Organic	Lessons in Sustainability
October	Hood River, OR	Provender Conference	Beefing up the Basics
October	Istanbul, Turkey	IFOAM World Congress	Making Organic Mean Sustainable; The Roadmap to Sustainability
October	Portland, OR	Go Green Portland	Closing the Waste Loop

Trainings

SFTA coordinated an all-day training on The Natural Step (TNS), a systems-based approach to sustainability which was hosted by SunOptainEdina, MN. Nicole Bassett, a TNS-trained expert, presented and led the attendees in hands-on exercises to understand how this framework can be applied in planning and integrating sustainability into complex food and agriculture operations.





Learning Forums

SFTA launched a new, unique and engaging experience - the Learning Forum. A dozen people from the Portland area enjoyed the visit to Pacific Foods, where an overview of their approach to sustainability was discussed and then seen in action during a facility tour. Many thanks again to Rory Schmick and the Pacific Foods sustainability team for a fantastic event!

Webinars

In June SFTA tested a new approach to its webinars, launching a four-week "Tricks of the Trade" intensive format series with one webinar a week for a month. We featured over a dozen speakers, and response to the series was very positive. The most highly attended 2014 webinar, Challenges, Opportunities, and Innovations of Sustainable Packaging, had nearly 40 attendees and featured carefully crafted presentations by OSC2, the Sustainable Packaging Coalition, and EarthShift.

A highlight of SFTA's webinars, and a hallmark of its members' dedication to sustainability improvement, has been the "conversion rate" of webinar registrants (how many registrants actually attend the webinar). Extensive research highlighted in <u>ON24's 2013 Webinar Benchmarks Report</u> discovered that an average webinar's conversion rate is 42%. SFTA webinars garnered an average 61% conversion rate—45% higher than average!

Webinars offered in 2014 included:

5-Jun-14	Tricks of the Trade: Water & Waste	
12-Jun-14	Tricks of the Trade: Distribution and Packaging	
17-Jun-14	Tricks of the Trade: Product Tracking & Animal Care	
26-Jun-14	Tricks of the Trade: Energy & Climate Change	
12-Aug-14	Making an Impact: Advocacy	
24-Oct-14	Challenges, Opportunities, and Innovations of Sustainable Packaging	
9-Dec-14	Introduction to SFTA's Streamlined Reporting	

January 2015 4

Trade Shows and Industry Events

SFTA brought our message to the organic and natural foods sector by hosting two popular tables at both Natural Products Expo East and West. We answered questions from numerous companies interested in making their supply chains more sustainable.





We participated in two events in Washington, D.C. — the Organic Trade Association's annual Policy Conference and Hill Visit Day and the American Sustainable Business Council (ASBC) Policy Summit, to advocate for sound public policies that support organic agriculture and stewardship of natural and human resources.

Resources and Projects

Behind the scenes, SFTA's Member Review Committee (MRC) collaborated with volunteers from the Clinton Global Initiative to create more streamlined reporting formats. The length of reporting formats was reduced by an average of 33%! They also added a dashboard of critical reporting metrics at the beginning of the SFTA workbook, creating a quick guide for tracking report metrics. We received much positive initial feedback stating that the dashboard and streamlined formats make reporting less intimidating, and easier to track!





One of the most exciting developments this year was the launch of an ongoing internship partnership with the University of Oregon (UO). The partnership offers SFTA members enhanced consulting and research services by UO graduate students in the Oregon Leadership in Sustainability (OLIS) graduate certificate program. Several SFTA members have already taken advantage of this opportunity, and developed sustainability projects with OLIS students in Fall 2014 and Spring 2015. Thanks to Kelly Hoell of Good Company for facilitating this partnership.

Reports

SFTA released our second annual Member Sustainability Progress Report documenting the extensive progress in a variety of areas made by member companies, and garnering considerable trade and business media attention. In addition to the aggregated data from reports submitted by SFTA members in 2013 about their prior fiscal year's activities, there are interesting and inspiring mini-case study for each of the 11 areas that make up the SFTA Declaration of Sustainability – animal care, climate change, distribution/ sourcing, education, energy, governance, labor, organic and land use, packaging, water, and waste. (See infographic on next page.)

January 2015 5

SFTA Members are committed to Greening their Supply

IN 2013, MEMBER COMPANIES R

ENERGY USE



65% of electric energy used is from renewable sources

100% saved energy through equipment upgrades!

Pood Trade Association

WASTE REDUCTION



71% diverted their waste from landfills

40% had a diversion rate of 80% or higher

ORGANIC AGRICULTURE

over 1.5 billion pounds



of organic food purchased!

PACKAGING REDUCTION



Eliminated >175,000 lbs

of packaging materials in 2012

EMPLOYEE HEALTH & WELL-BEING



100% offer health care to workers and cover 94% of health care costs

84% offer 401(K) plans **55%**

offer profit sharing!

COMMUNITY INVOLVEMENT



Donations increased by

57%

\$6.9M

donated to local communities!

Since 2008, Sustainable Food Trade Association members have reported on their sustainability progress both for their businesses and throughout the supply chain.

www.sustainablefoodtrade.org • Facebook.com/SustainableFoodTrade • @sustyfoodtrade • info@sustainablefoodtrade.org

Looking Ahead: SFTA in 2015

In addition to preserving the services that have become invaluable, 2015 will bring many new initiatives to the table for SFTA members and the organic sector.

Organicology Conference

SFTA was very active in 2014 as a co-organizer of Organicology, one of the largest organic-only conferences in the United States! Taking place from February 5-7, 2015 in Portland, OR, this three-day event includes intensives, workshops, a one-day trade show, food, keynote speakers, unique events, and entertainment. In addition, SFTA is hosting a <u>sustainability intensive</u>, and both organizing and speaking at four workshops at the event.

Climate Change Campaign

There is a strong need to focus on reducing the impacts of business on climate change, especially after the release of the 2014 Intergovernmental Panel on Climate Change report which stated that "human influence on the climate system is clear and growing... If left unchecked, climate change will increase the likelihood of severe, pervasive, and irreversible impacts for people and ecosystems." SFTA is uniquely poised to lead the organic sector in this important challenge given that essentially every one of its 11 reporting indicators can be linked to reduction of climate change impacts. Look for 2015 to bring a concentration on the theme of climate change mitigation through information, tools, challenges, and stories.

Working Groups

The Green Fleet working group is poised to contribute to the SFTA's resources, tools, and webinars with a focus on green distribution. Additionally, a Reporting and Metrics working group will meet quarterly to continually improve the SFTA reporting process through ongoing input and guidance.

Consulting Engagements

SFTA is pleased to announce that it has begun working in a consultative capacity with businesses on various sustainability initiatives. Whether it's gap assessments, strategic planning, or systems for reporting data, look to SFTA for additional help with your sustainability program in 2015.

Partnerships

SFTA is constantly seeking out new partnership opportunities, and loves it when the "right fit" comes along, as with the Clinton Global Initiative and the University of Oregon in 2014. Right now we're involved in discussions with potential partners to provide more cutting edge reporting tools, and increase our education reach.

Learning Forums

SFTA's Learning Forum at Pacific Foods was too interesting, engaging, and successful not to grow that effort. In 2015 we have plans in motion to increase the Learning Forum offerings available to SFTA members across the country.

Be sure to stay connected with us through our <u>newsletter</u>, <u>Facebook</u>, and <u>Twitter</u> to make sure you don't miss these opportunities!

Full Members (45)

2014 Membership

Amy's Kitchen Andean Naturals Annie's, Inc.

Ashland Food Cooperative

Awe Sum Organics Bluff Country Co-op **Bridges Produce**

Cascadian Farm and Muir Glen

Central Co-op

Chico Natural Foods Co-op

Ciranda Clif Bar

Community Food Coop Earl's Organic Produce

Earthbound Farm

The Food Coop Port Townsend

GloryBee Foods GoMacro Guayaki, Inc.

Hanover Consumer Co-op

Heath and Leieune

Hummingbird Wholesale

LifeSource Natural Foods

Lundberg Family Farms MOM's Organic Market Nature's Path Foods Nielsen Massey Vanillas Inc.

Nutiva

Organic Produce Warehouse

Organic Valley/CROPP

Organically Grown Company

Outpost Natural Foods Pacific Foods of Oregon **PCC Natural Markets** So Delicious® Dairy Free

Stonyfield Farm

Straus Family Creamery Sundance Natural Foods

SunOpta Inc. Timeless Seeds

Traditional Medicinals

United Natural Foods Inc. /

Albert's Organics Viva Terra Organic

Wedge Co-op / Coop Partners Wholesum Harvest Organics

Associate Members (6)

Homegrown Organic Farms Luna & Larry's Coconut Bliss Organics Unlimited Plum Organics RIBUS, Inc. Taylor Maid Farms

Friends of SFTA (16)

Agromeris, LLC

California Certified Organic Farmers

Diane Bowen Global ID Group

Good Company

Independent Natural Food Retailers Assoc.

National Cooperative Grocers Assoc.

NSF Agriculture Oregon Tilth

Organic Trade Association

Pooka Group LLC Provender Alliance

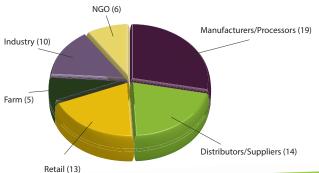
Pure Strategies

Quality Assurance International

WISErg Corporation

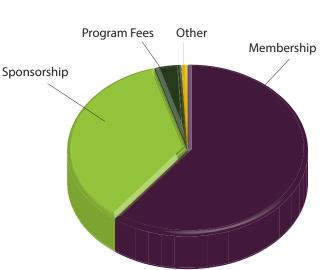
Wolf, DiMatteo + Associates

Membership by Industry Sector



Financial

Revenue



 Membership
 \$ 100,783

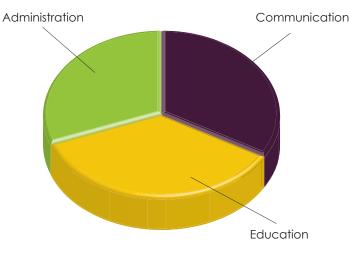
 Sponsorship
 \$ 59,000

 Program Fees
 \$ 6,007

 Other
 \$ 1,285

Total \$167,075

Expenses



Communication \$ 49,233 Education \$ 52,294 Administration \$ 45,054

THANK YOU TO OUR 2014 SPONSORS!































January 2015 9