

**GloryBee® Foods**



# **2011 Annual Sustainability Report**

Published October 2011

## Partners in Sustainability

### 2011 Annual Sustainability Report



Dick and Pat Turanski started GloryBee Foods in 1975 as a family honey stand. From that small beginning grew a business that today provides healthy, all natural foods and products, to the local community, the U.S. and the world.

We function as a direct importer, in addition to honey, we supply natural sweeteners, spices, dried fruits, nuts, oils and other quality products. Our ingredients are the preferred choice for leading manufacturers, bakers, restaurants, and stores.

We also provide superior natural products such as essential oils and soaps, as well as a wide variety of craft products for making candles, soaps, and lotions. Consistent with our origins, we have bees and related supplies to assist novice and seasoned professional beekeepers with their beekeeping practices.

Each spring a truckload of bees arrive for hobby beekeepers. We celebrate this with a weekend of festivities and specials at our Factory Store. Dick Turanski, founder of GloryBee Foods, and his son, Alan Turanski, Vice President, provide information and demonstrations on starting hives.

With our genesis in that family honey stand, to our current growth, our focus has always remained the same; to provide the highest quality of products and service to our customers. GloryBee Foods employs over 150 diverse individuals and has a new distribution center for our ever-expanding business. With this growth, we are still family owned and operated in Eugene, Oregon, and we are just as dedicated to natural eating and living as when we began over 35 years ago.

## Annual Reporting Commitment

### 2011 Annual Sustainability Report



In 2008, GloryBee Foods became a member of the Food Trade Sustainability Leadership Association (FTSLA). This organization provides businesses in the organic food trade with guidelines and recommendations on how to embody sustainability in their own operations. The FTSLA spent two years compiling input from organic growers, distributors, processors, retailers and certifiers to create an 11-point action plan titled the Declaration of Sustainability in the Organic Food Trade. Companies who sign the pledge commit to continual improvement and transparency around practices in key areas.

In 2008, GloryBee Foods signed this Declaration committing to annually reporting our performance in the 11 action categories including: organic, distribution, energy, climate change, water, waste, packaging, labor, animal welfare, consumer education, and governance.

Each year we will strive for continuous progressive improvement and transparency in the annual auditing of our performance and in the selection of our reporting metrics that are relevant to our own business.

## Organic



### Next Directions

To increase the number of organic products we carry, as well as the percentage of organic sold items to 45%

Increase our line of Fair Trade Products

What we think of as organic foods today was an idea without a name when GloryBee Foods began. What we considered healthy, natural ingredients became Certified Organic and 100% Organic in the late 1990s. Finding products with this new certification wasn't easy at first, but we persevered to find the standard of quality we desired.

Our customers have always looked to us to help educate them concerning healthy eating and to find quality natural products. We at GloryBee Foods continually grow in our own knowledge. Our search takes us to local suppliers, as well as around the globe for quality, sustainable supplies of organic ingredients.

To date, GloryBee Foods has over 4,657 products, and almost 1,167 of those are organic. This 25% represents spices, foods, essential oils and bee products. We are constantly searching for new products to add into the excellent product line we already offer our customers. We are expanding our line of Fair Trade products, this includes chocolate products, sugars, honey, and coconut oil. As a company we believe that supporting Fair Trade helps producers become more educated about trading processes and it promotes sustainability.

Our company was founded on the belief that consuming natural foods is best for one's physical and mental prosperity and we carry that philosophy through to our product line. Our mission at GloryBee Foods remains one in which we will continually strive to help our customers and suppliers obtain and maintain healthy living goals through the natural foods and products we find.

## Distribution and Sourcing



**Decreased Environmental Impact GloryBee Foods  
Accomplished by using B20 Fuel at 67,816.87  
Gallons in 2010**

| Average Change                | PM      | HC      | CO      | NOx    | SO2     | CO2         |
|-------------------------------|---------|---------|---------|--------|---------|-------------|
| Percent Reductions            | -11.99% | -20.06% | -12.30% | 1.98%  | -20.00% | -15.69%     |
| Pounds of Emission Reductions | - 86.84 | -113.80 | -964.13 | 202.26 | -59.81  | -218,654.94 |

**Distribution** - GloryBee Foods is committed to using the best resources possible for product distribution to our customers. We utilize a wide range of trucks, boat vessels and rail to distribute and receive our products. We own our own fleet of trucks. We also use local Less-than-Truck-Load (LTL) companies like USF Reddaway and Oak Harbor. We use Express and LTL brokers for LTL shipped outside of Oregon, Washington, and California. Our purchasing department uses Cross Creek Trucking, C.H. Robinson, and other companies for inbound freight. Currently we own sixteen tractors, twenty trailers that are 18-wheelers with Gross Vehicle Weight Rating (GVWR) of 80,000 pounds capacity, two box trucks, and ten passenger vehicles. Of these passenger vehicles, three are Prius hybrids that are driven by our outside sales team.

GloryBee is committed to using bio-fuel for our tractors. Currently we are using about 60% of renewable fuel that consists of reusable vegetable and soybean oil. In 2010 we added 100 new customers plus two new routes. The state of Oregon (at a minimum) requires that trucks use B2 fuel (2% biodiesel mixed with 98% regular). However, at GloryBee Foods, we choose a more sustainable fuel to further minimize our environmental impact. All of our delivery and transfer trucks use B20 fuel (20% bio-fuel with 80% diesel). All of our tractors and box trucks run on B20 as well. In 2010 we tracked our B20 usage at 67,816.87 gallons and our B2 usage at 20,423.5 gallons. The chart shows the benefits gained for the environment in the choice of using B20 for our fleet instead of the minimal requirement of B2.

## Distribution and Sourcing



In addition to our use of biodiesel, we:

- Tested different tire types to measure the fuel economy and are outfitting our trucks and trailers with tires that improve the fuel economy by up to 6%.
- Contract with freight carriers that use B20 biofuel in their trucks, like Oak Harbor Freight. Whenever possible, we ship products and have products delivered to us using carriers that embrace sustainable practices.
- Utilize an average of 60% of our trailer space on any given round trip. We coordinate pick ups on the return portion of our routes to increase our transport efficiency.
- Are beginning to roll out shifting controls on our trucks to improve fuel efficiency.

## Distribution and Sourcing

### Transport Modes of Purchases

| Sourced by | Total Weight (Pounds) | Percent Used |
|------------|-----------------------|--------------|
| Boat       | 6,590,992.30          | 18.5%        |
| Rail       | 1,140,000             | 3.2%         |
| Truck      | 18,762,190.01         | 52.7%        |

#### Next Directions

- Track volume of truck capacity utilization on haul backs to Eugene to improve our current 15.1%.
- Institute sustainability prerequisites in order to be a carrier for GloryBee Foods.
- Create a social accountability questionnaire and a social accountability statement for our distributors.

**Product Sourcing** - GloryBee Foods sources our products keeping in mind ways to minimize environmental impact. Currently our products arrive by the following transportation modes: boat, rail and/or truck.

GloryBee Foods remains committed to local and regional sourcing. We partner with local farmers in Oregon to grow beans, buckwheat, ground oats, flour, brown lentils, ground flour, and teff grain, an ancient North African cereal grass grain gaining new popularity for its health benefits and unique taste. Also 13.7% of our honey is from Domestic Sources: Local, Regional, and Pacific Northwest (PNW) .

## Energy in Facilities



GloryBee Foods is dedicated to reducing energy consumption. We lease several properties, so we don't have the capability to sustainably adapt as much as we'd like, but still have made huge strides in this area. All of our facilities utilize 100% Green Power provided from Eugene Water and Electric Board (EWEB). EWEB's Green Power comes from Stateline Wind Energy Center in the Columbia Gorge and from photovoltaic (PV) electric generation facilities in Eugene. This is a carbon neutral power source, and in many cases, it can be carbon negative as it supports the Green Power industry, which is imperative in its success.

The following table summarizes data derived from EWEB, NW Natural Gas and Ferrell Gas on our energy usage over the past two years demonstrating our decrease in electrical energy consumption. The increase in natural gas usage is due to the implementation of a new water heater for our new heat room. This purchase and usage was due to company growth in sales of liquid sweeteners and is a modest increase when factoring growth and overall energy saved from implementation.


| Power Type           | 2010       | 2009     |
|----------------------|------------|----------|
| Electric (KWH)       | 686,551.00 | 756,500  |
| Natural Gas (Therms) | 24,755.10  | 22,589.4 |
| Propane (Gallons)    | 4,239.4    | 4,153.6  |

### Next Directions

- Partner with Bonneville Environmental Foundation (BEF) to be 100% green powered.
- Track energy consumption in the new DC facility to compare and contrast company-wide consolidation benefits with the development and growth of the company.

Our goal for lighting overhaul at our owned company was done in 2010. The goal of renovating the heating tanks to process honey was completed, which involved an upgrade of the ducting and heating system. It now operates more efficiently in half the time. It is very rewarding to see these two major energy saving goals implemented.

## Climate Change



Since the compilation of our first FTSLA report last year, GloryBee Foods remains in the evaluation process concerning compilation of our greenhouse gas inventory. We have set new goals to help us in that process. We have moved forward instituting new incentives for our employees. In addition, we have initiated an evaluation of our production processes to help take our sustainable practices to the next level desired as a company.

### Next Directions

- Have an Earth Works committee member attend the Climate Masters Program, then utilize this information to further educate our employees.
- Utilize the Earth Works Committee to help move the production aspects of our company toward the next level in minimizing our carbon footprint concerning greenhouse gas (GHG) emissions.
- Have Point to Point Solutions present their material to our employees at our Summer Health Fair to help encourage a personal responsibility toward controlling carbon footprint.

## Water



**Drinking Water** - GloryBee Foods continues to supply employees with city water that has been purified and filtered. We do not use a private distribution company as that would increase our carbon footprint. The system we use taps into the city's water system and it then it goes through a GREEN filtration system for purification. By installing this new self-sustaining water system, GloryBee Foods has reduced the carbon emissions caused by the manufacturing and transportation of the bottled water. It also reduces the need for the manufacturing of plastic water containers.

**Reduced Waste Water** - GloryBee Foods has also made efforts to reduce the amount of water used in their facilities. One way we accomplished this lower water usage was through the installation of hands-free faucets in all of our restrooms at our 120 North Seneca facility and our distribution center. Another way we accomplished lower water usage was through the installation of low volume toilets in our facilities. In addition, all of the company's irrigation systems are on a timer in order to dispense only the exact amount of water needed which reduces water waste.

|                          | 2010  | 2009  |
|--------------------------|-------|-------|
| Water Consumed (Gallons) | 1,030 | 2,998 |



## Water

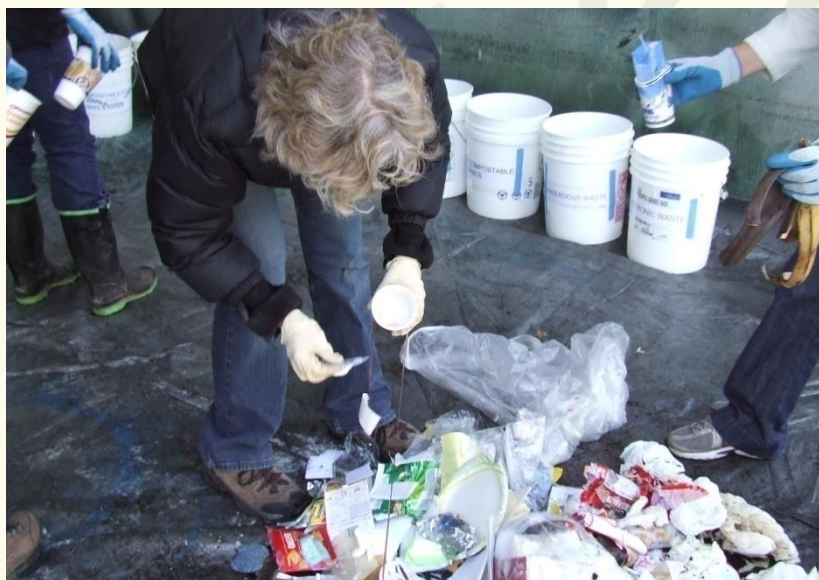
**Clean Storm Water** - All of the storm water running off of the 120 property of GloryBee Foods ends up in a local creek. The drains have filters installed on them and are inspected and changed 3-4 times a year to keep unwanted material from entering the local water supply. A bio-swale device remains installed to purify and filter the water coming from it before it makes its way to the storm drain and the local water supply.

**Safe Cleaning Products** - Water is one of our most precious resources so we continue using cleaning materials that are: Green-Seal Certified, U.S. EPA design for the Environment (EPA DfE). Sustainable Earth Green Sealed is one of the most widely used names in environmental standards. Cleaners pass this certification process after completing a rigorous evaluation to determine its environmental impact. Sustainable Earth products eliminate all harmful chemicals to humans as well as the environment.

### Where we are going:

- In 2011, we will also partner with Bonneville Environmental Foundation to purchase 500 Water Restoration Certificates. As a result of this, we will add almost 400,000 gallons of water back into the rivers than what we currently use.

## Waste



A GloryBee Foods Earth Works team member helps sort trash to learn about how we can reduce our waste during a meeting with representatives from the Lane County Master Recycler program.

GloryBee Foods is committed to reducing the amount of waste that is created as a by-product of our daily operations. This commitment requires a great deal of self-discipline and teamwork. In order to fulfill our commitment, over the last few years we have taken several innovative steps to reduce the amount of waste that we send to the landfill.

**Recycling Audit** – In 2008, we invited a representative from the Lane County Master Recycler Program (LCMRP), we instituted a tracking system for our waste, recycling, and compost output levels. As a result, we increased the number of recycling receptacles throughout our facilities.

**100% Recycled Paper Products** – We purchase paper towels and toilet paper made from 100% recycled fiber from a Northwest manufacturer.

**Composting Program** – We have a company-wide composting program to reduce waste from break rooms and restrooms. Paper towels and food scraps are collected and sent to a processor weekly.

**Other Changes** - We reduced printing by installing duplex printers as well as scanners to allow scan and email of documents and to store them electronically, in many cases eliminating the need to print on paper.

We created and began a Sustainability Training Program to educate our employees concerning our company's sustainability goals. The training includes the Three "P's" Principles of Sustainability : People (Social) Planet (Environmental) Profit (Economics) and the relationship they share.

## Waste



### Next Directions

- Track waste and recycling by volume instead of pounds. This allows us to track the entire company's waste and recycling
- Increase recycling/reuse goal to 67%
- Complete Earthworks Sustainability Training for all current employees as well as incorporate this training of all new employees

**Recycled Paper** – We use recycled paper for 99.8% of our in-house printing. Of this, 94.9% is 100% post-consumer waste and 4.9% is 30% post-consumer waste.

**Conservative printing** – Most printers within our facilities are set by default to double sided printing to conserve paper. Ink cartridges are returned to the manufacturer for recycling.

**Sourcing sustainable printing for our collateral materials** – We work with local printers whenever possible to reduce shipping of our printed materials. For our catalogs and other printed materials we use FSC-certified paper made from 30% post-consumer recycled content, produced at a local paper mill. Inks used are soy-based and low-VOC. Printers are evaluated on sustainable practices.

We accomplished improvements by meeting all of our goals in 2010 as well as adding these changes:

1. We added recycling containers throughout our facilities and minimized garbage cans. This helped employees to remember to recycle and use garbage cans less.
2. We changed the type of papers cups for employees usage to BPI and ASTM Certification that meets ASTM D6868 and/or D6400 Standards for composting in 90 days. We also provided employees with stainless steel drinking bottles.
3. We developed a twice monthly e-mail blast to communicate reminders to employees of our sustainability practices.
4. We reduced waste by recovering and repackaging 49.3% of damaged products converting them to local donations.

## Packaging



GloryBee Foods strives to recycle and reuse all packaging materials arriving at our facilities. It is our goal to have less waste, therefore successful processes which have previously been implemented remain in place as we further evaluate all operational processes.

**Bulk containers ... Recycling a last resort** – Metal drums and totes remain good examples of current workable practices. If in good condition, metal drums are reused directly by GloryBee. The company we buy new drums from allows us to sell back damaged drums if they are of useable quality for refurbishing. We make an effort to organize these drum exchanges to reduce our carbon footprint by saving multiple trips. Any damaged drums beyond repair we sell as scrap to local metal recyclers. GloryBee Foods gets liquid products via tanker trailers, which are transferred to reused plastic totes for storage. Other liquids are delivered in plastic 55-gallon drums. Once the product is emptied from the containers we either reuse them or they are sold to our customers and farmers to use as rain barrels, composters, or storage containers.

**Plastic Pails & Lids** – We also reuse our smaller hard and soft plastic containers whenever possible and sell the rest to our customers that utilize them for their own recycling/storage needs.

**Recycled wood pallets** - Pallets are reused throughout our warehouses until they become too worn. They are refurbished when possible and if not then they are recycled by a forest by-products company where they are made into mulch/bark to sell to the public for yard and garden use.

## Packaging



**Glass** – GloryBee Foods receives a minimal amount of glass. Once its use cycle is completed we recycle it locally.

**Shrink wrap, bubble wrap and packing fill** – Shrink and bubble wrap is reused by our shipping department for our own shipping needs. Unusable shrink-wrap and other plastics are collected and recycled locally at a rate of 30,869.89 pounds in 2010.

**Cardboard boxes** - All cardboard arriving at our Company is reused internally or recycled. About 50% to 60% of cardboard boxes received are reused by production. Others are reused for shipping by QA and other departments, and the rest is recycled locally.

### Next Directions

- Address packaging material impact in manufacturing productions, making changes as needed
- Research tray packed glass to eliminate cardboard by reusing plastic
- Change our agave bottles to 30% PCR

## Our Company



GloryBee Foods is a family owned distribution and manufacturing company. People are the heart and soul of what we do. We offer warehouse and production positions focused on production, shipping, trucking and receiving. We have administrative positions in sales, customer service, accounting, Information Technology (IT), Human Resources (HR), Quality Assurance (QA), and administrative roles as well. We work primarily a Monday through Friday day shift in a clean, safe and positive work atmosphere.

**Training** – Regular training is provided for safety, supervisor teams, and HR topics. Training is also offered through our Employee Assistance Program (EAP). In 2010, GloryBee invested over 900 hours in training for employees.

**Insurance and benefits** – employees receive paid medical, dental, and life insurance, 401K retirement, paid vacation and sick leave, and optional short term disability insurance.

**Safety** - GloryBee is committed to safety. In 2010, the accident frequency ratio was zero per 1,000,000 miles of vehicle operation . Our injury frequency ratio was 2.64 injuries per 100,000 hours worked.

## Our People



**Work Environment** – GloryBee provides a positive, friendly work environment for employees. GloryBee Foods supports equal opportunities in recruitment, employment, promotion, training, compensation, benefits, layoffs and terminations.

GloryBee Foods educates its employees on healthy living and sustainability through company trainings, seminars, and by issuing a bi-monthly newsletter along with a healthy product from the company as a gift.

**Wellness Incentives** – Employees can receive rebates, bonuses and discounts on health insurance as part of a comprehensive wellness program. The program encourages participation in exercise activities, using alternative transportation, participation in weight loss programs, and enrollment in stop smoking programs.

**Community Outreach** – Employees are encouraged to participate in community outreach by participating in charitable projects such as LCHAY and Relief Nursery.

### Next Directions

- Track preparation time for all GloryBee training
- Create a social accountability supply chain questionnaire and a social accountability statement

## Animal Welfare



### Next Directions

- Identifying all products qualified for Leaping Bunny certification
- Further research for natural beekeeping methods

Although GloryBee Foods does not directly partake in the upbringing and care of any animals, we do supply many products that are either produced from animals, (honeybees, emu, etc.) or that could affect the environment that animals live in. It is a goal of our company to ensure that all animals are treated ethically and that their welfare is not harmed by the production of the ingredients we supply. We have taken steps to ensure this in a variety of different ways, including:

**Antibiotic testing standards** – Stringent antibiotic testing standards for imported honey and hive products (Royal Jelly, Bee Pollen and Propolis) We strive to ensure that these products are Chloramphenicol (a broad-spectrum antibiotic) free.

**Cruelty-free ingredients** – We offer skincare ingredients that qualify for manufacturer certification through the Coalition for Consumer Information on Cosmetics' (CCIC) Leaping Bunny Program.

**Sustainability Sourced Palm Oil** – GloryBee Foods sources only sustainability-produced palm oil from suppliers that are members of the Roundtable on Sustainable Palm Oil (RSPO). The RSPO is an organization that was formed in 2004 and was designed to set clear ethical and ecological standards for producing palm oil, so no one can have their land stolen from them or have forests be demolished. These forests are the habitat for many animals but palm oil production has especially affected the habitat of the orangutan.

## Educating about Healthy Living



**Our Products** – We provide information about the sustainability of our products in our mail order catalog and product literature, on our website and in classes we offer. In 2010, we highlighted products that can be reused and promoted products that are recommended for natural beekeeping. We also identify items in our mail order catalog as bee friendly when produced with the help of bees. We highlighted sustainably produced palm oil for use in soap and skincare products. We also identify organic content on our products made with organic content. We include information on the benefits of organics on our website. We include a statement on all products encouraging reuse and recycling.

**Our Business Practices** – We regularly state on our materials the amount of recycled content. We also included a statement in our mail order catalog about the use of recycled, Forest Stewardship Council (FSC)-certified paper and a sustainable printing process. Our trucks include a graphic to inform people about our use of biofuel.

### Next Directions

- Provide more education through social media and our new website

## Governance

### Next Directions

- Gathering and reporting all third-party certifications
- Using software to enhance our tracking and reporting

Thirty-five years ago, GloryBee Foods was founded on a belief in healthy living and the desire to provide such products to the local community. We never dreamed then that our small home business would grow into a company that would become a provider of natural ingredients across the world.

**Audits and reporting** – A new software system was installed in 2009 that allows us to track statistics on products we purchase and sell. Our QA department ensures that our processing and manufacturing facilities are held to high standards. We participate actively with the Oregon Department of Agriculture (ODA) the local arm for the federal Food and Drug Administration (FDA).

**Certifications** - The past two years The American Institute of Baking (AIB) has recognized our high standards awarding us with superior ratings. GloryBee Foods also participates in Quality Assurance International (QAI) to authenticate all of our organic certifications. Additionally, the Orthodox Union verifies and provides certifications on the kosher products we carry.

**Supported Organizations** - GloryBee Foods is a member of the NW Coalition for Alternative to Pesticides (NCAP). We also maintain a membership with the Fair Trade Act. Since our last report we have successfully launched our Fair Trade Organic Honey. Our company president and founder teaches sustainable bee farming practices in Africa through the organization “Beekeepers for Christ”.

**Community involvement** - We reach out to our community by donating foods to local homeless shelters and food banks, and partnering with Golden Temple and Grain Millers to provide free breakfast for low-income students. In 2008 GloryBee Foods gave over 77 product donations to local organizations. In 2009, we donated \$64,393.65 worth of food goods to community organizations, including Food for Lane County (FFLC) and the Eugene Mission (EM), to name just a few of the organizations we help.



**Beekeepers  
for Christ**



## About this Report



**Food Trade  
Sustainability  
Leadership Association**  
Member

For more information about GloryBee Foods sustainability, call us or visit our website.

**GloryBee Foods**

**(800) 456-7923**

**[www.GloryBeeFoods.com](http://www.GloryBeeFoods.com)**

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Each year we will strive for continuous progressive improvement and transparency in the annual auditing of our performance and in the selection of our reporting metrics that are relevant to our own business. This report is a compilation of information we have collected and have submitted to the FTSLA to qualify for ongoing membership in the association.