

Sustainability Report



Hello,

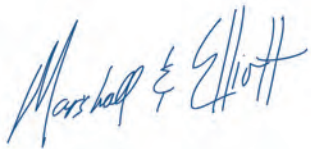
We're Marshall and Elliott, two celiac brothers who understand the struggle many face when trying to find simple, quality gluten-free food with protein. In fact, that's the reason we launched The Gluten Free Bar (GFB) in 2010.

What started out as a small side project has turned into a company with three product lines sold in 15,000 stores across the US and Canada. We're certainly proud of our growth, but we're equally proud that we've been able to make a positive impact on our community.

We're a little different in that we actually make all of our food in our own facility. It means that we can make a difference not only for our customers by giving them gluten-free products that make them feel great, but by providing opportunity for those in our local community, contributing to the local economy, and being stewards of our environment.

We like to say that we make *good-for-you food in good-for-you ways*™. We hope this sustainability report gives a little more insight into our efforts.

With gratitude,



Founders of the GFB



Our Commitment to a Triple Bottom Line

From the beginning, we wanted to create a company that "did the right thing." Initially, that meant things like paying our team members a living wage and recycling what we could. As The GFB has grown and we've learned more about what "doing the right thing" really means in business, we've evolved into a Triple Bottom Line company.

A Triple Bottom Line means that, as a business, our goals are people, planet, and prosperity. In other words, running a prosperous business is only part of what we consider being successful. Of course, all of this wouldn't mean much if it was just us saying we're "doing the right thing" ... we wanted to actually prove it and that meant becoming a Certified B Corp.

A B Corp stands for Benefit Corporation and it means that we are independently verified every 3 years by B Lab that we are meeting rigorous standards for social and environmental performance, accountability, and transparency.

By becoming a certified B Corp, GFB has joined a global movement to redefine success in business. As a B Corp, we believe business should think beyond their revenue streams, and work to benefit the community, team members, and environment as a whole.

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"At The GFB we're on a mission to make deliciously simple gluten-free foods. You'll find nothing artificial in our products – we use only high-quality ingredients and plant-based protein to keep you going strong." Marshall Rader, CEO

Certifications and Product Facts



Creating products that the gluten-free consumer can safely eat is at the core of what we do. There's no better way to demonstrate that commitment than being Certified Gluten-Free by the GFCO. This certification involves proving that all of our raw materials do not contain gluten and constantly testing our products in our facility to ensure that they are gluten-free.



We believe that plant-based products are better for the environment and animal welfare, consume less resources and are a healthy alternative to animal-based products.



All of our products are certified non-GMO, meaning that none of our ingredients have been genetically engineered. The primary reason for the use of GMOs is to make plants resistant to herbicides and pesticides which pollute the environment and when ingested by people are linked to a wide variety of health issues.



While there is no conclusive evidence that ties soy to any health issues, it is one of the common allergens. We aim to make food that can be eaten by people with a wide range of dietary restrictions so that is why all of our products are soy-free.



Kosher certification lays out strict rules throughout the food production process. Producing food in our own facility allows us to pay extra attention to what we are doing, and being Kosher certified (through Kosher Michigan) conveys the message that we produce safe and quality food.

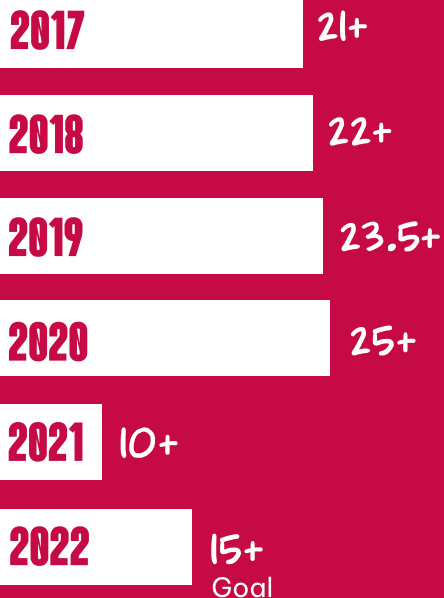
Food Safety

Making good-for-you-food isn't limited to just our ingredients ... it also has to do with how it's made. Since we do our own manufacturing, food safety is a major issue for us, which is why we voluntarily undergo an annual food safety audit.

NSF International, a leading firm in auditing, education and risk management solutions for public health evaluates our facility and food safety processes. Each year they conduct a thorough review of the plant, the personnel, and our procedures according to the BRC Global Food Safety Standard. Since adopting BRC Standards, we have achieved and maintained their most prestigious AA rating.

Units Donated

(in 1000s)



BRC AA Rated

Thanks to our BRC certification we can ensure that the food we produce is safe for our customers. A nutritious product, made in certifiably healthy ways. To date (and since being BRC Certified in 2016) we have never had a major food safety incident.

Community

We have a triple bottom line commitment: people, planet, and prosperity. Supporting our local community is an important part of our "people" commitment. Here are some key areas:

Volunteer Hours

We strongly encourage our team members to volunteer, and are working to increase our commitment. We offer all our full-time members 24 hours/year of VTO at a non-profit organization/event of their choice.

Donations

In 2021 we supported over 50 non-profit organizations and events with product donations. In 2021 we faced significant product shortage issues and were not able to meet our goal of donating 26,000 units. We hope to increase our donation levels in 2022.

Supporting Local Businesses

Unfortunately many of the ingredients we use in our foods are not locally grown, but we do support local businesses whenever possible – whether that be professional services, packaging manufacturers, or suppliers and vendors. To establish our commitment to local spending, we are publishing it as a ratio of our overall expenses, hoping to watch it grow as our business does.

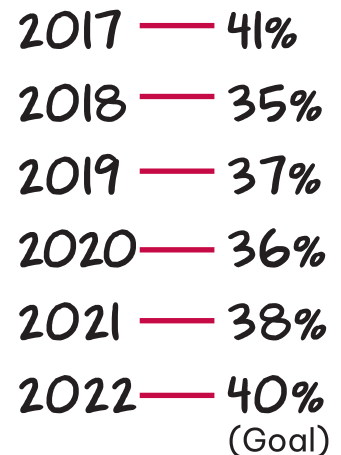
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Zero Food Safety Incidents



Local Sourcing Spend





Average Hourly Pay Increase

| | | |
|---------|---|-----|
| 2015/16 | — | 21% |
| 2016/17 | — | 5% |
| 2017/18 | — | 5% |
| 2018/19 | — | 4% |
| 2019/20 | — | 17% |
| 2020/21 | — | 11% |

Minimum Pay Is:

6% above living wage
55% above minimum wage

Our Team

One of our core values is “We Support One Another” - that means that if the company is successful, everyone shares in that success. Here are some areas where we all did win together.

Team Member Wages

100% of our team members earn above the official living wage in Kent County, MI. Our entry hourly wage is 6% above the living wage and 55% above the minimum wage for the state of Michigan. In 2021, we increased the average hourly pay by 11% for our production team.

Executive Salary Compared to Base Team Member Salary

We don't believe in inflated executive pay. The ratio for the top salary earners to base wage is 4:1, meaning that the highest paid person makes 4x the lowest paid team member. For reference, the Economic Policy Institute's latest study from 2016 shows top executive pay at large US companies is 271x the average worker wage.

Workforce Growth: Full-Time Employees

We're lucky to have experienced a fair amount of growth over the past few years and as a result have been able to add jobs to the local economy. Due to labor shortages, we were not able to significantly increase our workforce between 2020 and 2021, but we have increased

our workforce by 300% since 2015.

Paid Time Off

We recognize that hourly workers often are at a disadvantage when it comes to paid time off. Everyone has issues come up and not getting paid because you're sick or have a family emergency is simply not fair. In April 2018 we were able to launch a company-paid healthcare program.

Team Member Counseling

In 2018, we were able to launch a company sponsored counseling service for all team members through a West Michigan organization called The Source. Team members are able to receive confidential assistance on virtually any situation or concern at work or home, such as financial counseling, housing solutions, legal assistance, transportation help and many other areas.

Team Member Health Insurance

Taking care of our team members means more than paying them a living wage. It means increasing access to basic, necessary services like health care. In April 2018 we were able to offer a company paid health care program for all full-time employees that includes 80% healthcare coverage, 100% dental and 100% vision coverage.

401K

Full-time staff at The GFB are able to enroll in a 401k program with company match.

Employing Those From Chronically Underemployed Sectors

Becoming a sustainable business means investing in our community, and our community is made up of individuals from all walks of life. This diversity of experience is what makes our community resilient.

As part of our commitment to providing opportunities to those with barriers to employment, The GFB participated in the 30-2-2 program – an initiative started by a small group of forward-

thinking Michigan-based businesses. The goal of the 30-2-2 program was to create opportunities for formerly incarcerated citizens to prove they are valuable members of the workforce.

We believe in second chances and that a person's past does not dictate their future.

As a point of reference, in 2019, approximately 45% of full-time team members at The GFB were returning citizens. Since 2019 we have “Banned The Box” during the hiring process. This means we do not ask team members to disclose a criminal history so this is a metric that we no longer record.

Team Member Safety

At The GFB we believe in safety, quality, and consistency -in that order. We take our commitment to safety seriously. Our goal has always been to have zero workplace safety incidents but to remain transparent, we are recording our accidents here:

| | | |
|------|---|---|
| 2016 | — | 0 |
| 2017 | — | 0 |
| 2018 | — | 1 |
| 2019 | — | 1 |
| 2020 | — | 2 |
| 2021 | — | 3 |

“Sometimes doing the right thing is not always the easy thing. I think Elliott and Marshall’s vision for building a sustainable company that does not put profit above all else is inspiring.”

Andy Morgan, VP of Operations



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Zero Waste Initiative

We have made massive strides over the past few years in reducing our overall waste, and we set a goal that by the end of 2018, we wanted to become a Zero Waste Food Production Facility.

To be considered Zero Waste we needed to achieve an overall 90% diversion rate. This means that 9 out of every 10 pounds of waste needs to be recycled, composted, upcycled, or reused. In other words, 9 out of every 10 pounds of waste CANNOT go into the dumpster.

By April 2018, we had fully implemented all waste measurement procedures, and we were off and running. In 2019, we really started to hit our stride and recorded an annual overall average diversion rate of 91.2%. In 2020, we had our best year ever with a 91.4% diversion rate, and after calculating our 2021 numbers, we ended up with the exact same annual overall diversion rate of 91.4%.

This was a massive effort that involved every team member doing their part as well as plenty of oversight and meticulous recording, and several “dumpster dives.”

Overall, 2021 we diverted over 148 tons of waste through recycling, composting, upcycling, or reuse. Here is how that breaks down:



38,095 lbs
Food Scrap Composted



87,668 lbs
Cardboard Recycled



12,915 lbs
Plastic Recycled
or Upcycled

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2021 Landfill Diversion Rates

Overall Diversion Rate: 91.4%

