CONTENTS

3 LETTER FROM OUR CEO
4 WHO WE ARE
5 OUR CORE VALUES
6 2020 BY THE NUMBERS
7 OUR STAKEHOLDERS
8 SUSTAINABILITY
9 Our Environmental Impact
10 Measuring Our Footprint
11 Avoided Emissions
13 Big Wins for Mother Earth
14 CUSTOMERS
15 Our Customers: The Most Passionate Foodies We Know
16 Adapting to an Unusual Year
18 Engagement and Feedback
19 Our Customers Lead With Heart Too
21 EMPLOYEES
22 Who We Are
23 Our Anti-Racist Pledge
24 Culture and Wellness
25 Employee Resource Groups
26 COMMUNITY
27 At a Glance
28 Reduced Cost Box Program
29 Donations
30 Feeding Change Fund
32 Partners
I joined Imperfect Foods in November 2019, and I—like the rest of the world—had no idea the extent of what challenges awaited during the year ahead. We entered 2020 focused on tackling the enormous challenge of improving a wasteful food system and addressing climate change, and emerged with a newfound awareness of how much our mission intersects with other pressing issues facing our country.

When the COVID-19 pandemic upended our lives, grocery shopping became difficult and fraught with challenges for so many people. With more people than ever looking to us for support, we learned that we could do more than just deliver groceries; we could provide people with normalcy and peace of mind in uncertain times. Every time we saw a hand-written thank you note or appreciative drawing left out for our delivery drivers by a customer or their child, we reaffirmed the power of food to improve the world for the better.

Of course the pandemic was far from the only upsetting crisis on all of our plates this past year. The murders of George Floyd, Breonna Taylor, and too many others made us take an overdue look at how food justice and racial justice intersect, and made us commit to being an actively anti-racist company. The California wildfire season and Southeast hurricane season reminded us of the fragility of our climate and the power of food to cultivate resilience in the face of so much uncertainty. As the pandemic exacerbated food insecurity we saw more opportunities to invest in food accessibility. Every step of the way we kept asking ourselves what it means to build a kinder, less wasteful world and adapt our mission to the challenges that 2020 made clear that we could no longer ignore.

While 2020 pushed us to apply our mission in new ways, we never wavered on our goal of saving food from waste. We saved even more food from waste and provided greater access to nutritious groceries than any year in our history. While we’re proud of this, we’re also humbled and reinvigorated by how much work we have left to do. Food waste is still a major contributor to climate change, and our agricultural system is responsible for 24% of global greenhouse gas emissions. We know we can and must do more to address this and use our business model for good.

As we take stock of our journey so far as a company, I want to use this report to celebrate every Imperfectionist who made our achievements possible in what felt like an impossible year. It is dedicated to every individual on our team, from our Customer Care team who provided answers and reassurances to individuals who relied on us for their groceries; to our Social Impact team who found innovative ways to collaborate in our communities to provide food security; to our Merchandising team who acted quickly to prevent food waste in industries that were hit hardest by the pandemic; and of course, to every single person on our Operations and Delivery teams. Without our frontline heroes we could not have fed a nation in need. From the bottom of my heart, thank you.
WHO WE ARE

Imperfect Foods is reimagining grocery delivery to build a kinder, less wasteful world. We offer thoughtful eaters sustainable, affordable groceries that make the weekly chore of shopping an effortless and delightful experience. With scheduled weekly deliveries we help our customers save time, money, and the planet.
Bring an Appetite
We’re ready. We work eagerly, with ambition, and make bold decisions. We’re constantly innovating to better our business and are committed to holding ourselves accountable and improving ourselves as well as our work.

Lead with Heart
We believe in taking good care of ourselves and others. We know that positive, collaborative energy is half the battle. We consciously work to create a kinder work environment and a lovable company culture.

Be Imperfect
We believe what’s different about us is worth celebrating. We understand that personal and team growth only happens if you bring your whole, authentic self to work and are excited to learn from mistakes. We embrace the intersection of compassion and accountability.

Use the Whole Carrot
We believe all resources are valuable and should be used with care. We seek to cultivate sustainability in everything we do.

Grow the Movement
We’re not just here to earn a living. We’re here to nourish a kinder food system that benefits everyone. We’re inspired and motivated by causes bigger than ourselves and bigger than our company.
2020 BY THE NUMBERS

MARKETS SERVED: 80% OF THE U.S. POPULATION

NUMBER OF CUSTOMERS SERVED: 400,000
POUNDS OF FOOD SAVED: 50,000,000+
NUMBER OF EMPLOYEES: 1,531
EMPLOYEE RESOURCE GROUPS FORMED: 3
HOURS SPENT ON ZOOM (IT HAD TO BE DONE!): 77,502
THAT’S 3,229 DAYS!

THIS YEAR WE EXPANDED TO THE SOUTHWEST AND STARTED DELIVERING TO TUCSON AND PHOENIX.
WE ALSO DEBUTED IN SALT LAKE CITY AND BOISE.
OUR STAKEHOLDERS
Who we keep in mind when we run our business

Environment
Our home. We take the earth’s resources into consideration with each product we offer. We only have one planet, and we must take the best possible care of it for generations to come.

Customers
We’re fortunate to have an engaged group of customers who, like us, are committed to fighting food waste. Our customers inspire us to find new ways to provide a responsible, effortless, and delightful experience in every box.

Employees
The heart and soul of Imperfect Foods. We’re passionate, mission-driven foodies who want to make a difference.

Community
From the neighborhoods we grew up in to the ones we now operate in (and there are a lot!) we give back to our communities in an effort to build a better food system for everyone.

Partners
Farmers and producers are the unsung heroes of the food world. We seek out opportunities to work with partners who offer quality ingredients thanks to high standards and humane practices.
OUR ENVIRONMENTAL IMPACT

Imperfect was founded to fight food waste by finding a home for the imperfect or “ugly” fruits and vegetables that farms couldn’t sell to grocery stores. This concept took root and grew like a zucchini after a rainstorm. While reducing food waste is a natural part of what we do every day, we are committed to supporting all aspects of our mission statement and making sure we’re building a better food system for everyone.
MEASURING OUR FOOTPRINT

Every piece of our business emits carbon: production of the food we source, transportation of that food to customer, electricity to power our buildings, employee commutes to work, and more. We rigorously measured these emissions so we could identify ways to reduce them and operate as a more sustainable company that is kinder to the environment.

OUR FULL 2020 CARBON FOOTPRINT

- **64,892 tCO₂e** Corporate and operational emissions
- **272,761 tCO₂e**
- **207,869 tCO₂e** Food production emissions

CARBON INTENSITY

As our business grew, so did our carbon footprint. Purchasing and producing more food for our expanding customer base led to a higher emissions output, but we worked hard to ensure our operations became more efficient. While our footprint has grown since 2019, our carbon intensity (tons of carbon dioxide per $1/revenue) has decreased as we adapt our business to design out emissions.

EMISSION INTENSITY OVER 2020

Tons of CO₂e per $ of revenue
AVOIED EMISSIONS

Shopping with Imperfect Foods helps strip greenhouse gases from the traditional food system. Since the heart of our mission is to save food from waste, we are in a unique position to measure avoided emissions!

To measure our avoided emissions impact we compare a hypothetical scenario that shows where food would have gone if Imperfect hadn’t existed to buy it, and the real world where Imperfect exists to purchase and efficiently deliver food that would have been wasted.

**FOOD WASTE**

25% of the food system’s emissions comes from producing food that is ultimately wasted. If a product would have been completely wasted, Imperfect prevented emissions in the production, transportation, and landfilling of wasted food that would be equivalent to powering 3,498 homes’ electricity use for one year!

**WITHOUT IMPERFECT**

GROW FOOD

+ TRANSPORT IT

+ THROW IT OUT SO NO ONE GETS TO EAT IT

= WASTED + MORE FOOD NEEDS TO BE PRODUCED TO ENSURE YOU HAVE FOOD

**WITH IMPERFECT**

PRODUCTION

+ DELIVERY FOR SOMEONE TO ENJOY!

**TOTAL AVOIDED EMISSIONS FROM FOOD: 20,663 tons CO_2e**
TRANSPORTATION

Imperfect’s last-mile delivery network is efficient: we batch customers and neighborhoods together to reduce miles traveled. We purposely ship by neighborhood one day a week to deliver groceries to your entire community in one trip, with one van.

In 2020, Imperfect Foods’ last mile delivery system emitted around 12,800 tCO₂e less than if each customer went to the grocery store themselves.

THAT’S THE EQUIVALENT OF TAKING

2,800 CARS

OFF THE ROAD FOR A YEAR!

AVOİDED EMISSIOnS FROM OUR LAST MİLE DELIVERY MODEL:

12,800 tons CO₂e

TOTAL AVOİDED EMISSIOnS

33,463 tons CO₂e
BIG WINS FOR MOTHER EARTH

WE COMPOST AT EVERY IMPERFECT FACILITY.

In 2020 we diverted over 75% of our waste from landfill. We work with amazing compost and animal rescue and rehabilitation partners who enable us to turn food that is not edible into animal food or beautiful soil to grow new crops!

IN 2020, OUR 100% POST-CONSUMER RECYCLED BOXES SAVED:

134,657 trees
31,684,000 kWh of power
55,447,000 gallons of water
7,921 tons of CO₂

from being cut down
or enough to charge 2,856,958,394 smartphones!
or enough to fill 1,386,175 bathtubs
as much as driving 1,711 cars for one year

SOLAR IN LOS ANGELES

Our new Los Angeles warehouse (and also our largest facility) now gets 100% of its electricity by purchasing solar power. Switching to clean, solar power will reduce the same amount of emissions as taking 470 cars off the road for a year. This is a big step towards reducing our carbon footprint.
OUR CUSTOMERS
OUR CUSTOMERS
The most passionate foodies we know

400,000 CUSTOMERS SERVED IN 2020

FAVORITE FRUIT: APPLES
Honeycrisp, followed by Granny Smith

FAVORITE GROCERY ITEM: CHICKEN BREAST
boneless and skinless

MOST POPULAR VEGGIE: ONIONS
closely followed by avocados and carrots

MOST LOVED ITEMS EXCLUSIVELY AT IMPERFECT:
GRASS-FED GROUND BEEF
UNSWEETENED DRIED MANGOS
NORWEGIAN SALMON
ADAPTING TO AN UNUSUAL YEAR

2020 had us thinking quickly on our feet and finding new industries from which to prevent food waste. Here are a few food waste recovery success stories from the year:

**JET BLUE CHEESE AND SNACK TRAYS**

Airlines were one of the hardest hit industries early on in the pandemic. We purchased and resold these snack boxes for an in-flight experience at home.

**MOVIE THEATER POPCORN**

originally destined for movie theaters and now in our customers’ homes

**STIR-CRAZY TRAVELERS ARE ORDERING AIRLINE FOOD TO RELIVE THE FLYING EXPERIENCE**

Some people miss travel so much that they are ordering airplane food delivered to their home.
GRANDY OATS
GrandyOats is a 40-year-old, 100% organic business. In addition, their facilities are solar powered and they are the largest employer in their small town in Maine. College dining halls are normally big granola customers. With so many cafeterias closed due to the pandemic, we sourced their product for our community and to support their business.

BROCCOLI FLORETS
These pre-cut florets were usually sold to restaurants, but we were able to save these convenient veggies and share them with our customers instead.
I don’t know if an actual human will get this, but I wanted to say thank you for this week’s box. Not only is it the best quality food I’ve ever received from an Imperfect box, it was a bright light during the COVID-19 crisis. As an asthmatic, we’re being extremely careful with all outside movement and a grocery store has been out of the question. Fresh food is exactly what we needed in our house. Thanks!

Hello, my name is Destiny. I wasn’t sure how to contact the right branch of customer service. I am a customer of imperfect. A happy one I may add. I just finished my order today. I went online to double check my order and admire all the vegetables I’m going to cook with this week, when I noticed my $86 order had a low income discount and was actually only fifty something dollars instead. I knew I got a discount for it but I never saw how substantial and generous it was. Times are tough. And to expect to spend nearly $30 more and then see on paper the savings from that.. I cannot say thank you enough. Not when that $30 means not running out of food before the end of the month.

Thank you, Imperfect. For saving the world one ugly vegetable at a time, one family at a time.

“Imperfect: You don’t know what a life line you are to people who can’t go to the store, or people (like me) whose grocery stores are picked clean. We know you are all human, and by continuing to operate, you may be putting your own health at risk—particularly your delivery drivers. I just wanted to say, it is very very appreciated.”
OUR CUSTOMERS LEAD WITH HEART TOO

HOLIDAY BOX DONATION
We’re floored by our customers’ generosity: this year we donated 27,371 orders of food to nonprofit partners between Thanksgiving and New Year’s through our “Donate Your Order” program. This is almost four times the number of orders the Imperfect community donated in 2019!

By donating orders instead of skipping them, our customers showed us what a kinder, less wasteful food system can look like. In an especially difficult year we are deeply grateful for how our customers embraced the spirit of compassion this winter.
OUR DONATE-YOUR-ORDER PARTNERS:

**PACIFIC NORTHWEST**

The Oregon Food Bank works to eliminate hunger and its root causes in Oregon, with a focus on fresh foods, community empowerment, and government advocacy work.

Birch Community Services addresses the roots of hunger and economic hardship by offering groceries and financial counseling to Portland families in need.

**THE MIDWEST**

The Greater Chicago Food Depository works with over 700 partner organizations across Cook County to end hunger and provides job training to help folks overcome poverty.

Lakeview Pantry works to eradicate hunger and poverty in Chicago by providing nutritious food and social services to those in need.

**THE EAST COAST**

Small Things Matter is a kid-powered organization that provides groceries to food-insecure families and individuals in Maryland.

Food Rescue US uses technology to rescue would-be wasted food and deliver it to social service agencies.

**NORTHERN CALIFORNIA**

Project Open Hand uses food as medicine to nourish sick and vulnerable individuals in the San Francisco Bay Area.

White Pony Express rescues fresh food and delivers it to organizations serving people in need throughout Contra Costa County.

**SOUTHERN CALIFORNIA**

The Pomona Valley Food Bank provides boxes of nutritious food and household items to families in Los Angeles in need in addition to education and referrals to other social services.

**THE SOUTHWEST**

The San Antonio Food Bank serves 58,000 individuals each week in Southwest Texas and works with over 500 partner agencies across the state to make food more accessible in Texas.

Second Servings works to alleviate hunger and reduce waste in Houston by rescuing surplus food and delivering it to local charities.
OUR EMPLOYEES
This year we made a commitment to progress and action to address issues of racial injustice. This was the first of many steps to create accountability for ourselves as a company with the goal of building the systems we want to see in the world.

**IMPERFECT STANDS UNITED AGAINST ANY FORM OF RACISM, DISCRIMINATION, AND INJUSTICE.**

**HERE IS HOW WE’RE GETTING TO WORK:**

These are the three main pillars of our Anti-Racist Pledge:

- **SUPPORT BLACK COMMUNITIES**
- **IMPROVE INTERNAL PRACTICES**
- **SOURCE TO PROMOTE RACIAL JUSTICE**

For our full pledge, visit our blog.

**OUR PROGRESS**

Our DEI board has assessed that in the last half of 2020 we have achieved the following from our pledge:

- Collected and shared resources that amplify Black voices
- Provided dedicated time for employee education, particularly around race as it intersects with food and farming
- Delivered 282,207 orders through our Reduced Cost Box program (a 366% expansion of the program)
- Donated $30,000 to the NAACP and Appetite for Change through company donations and our employee match program
- Organized inclusive hiring training for our Talent Team in July
- Hired a Talent Manager with a DEI background
- Established a DEI board
- Invested in a DEI software for recruiting to minimize implicit biases in our hiring process

*This makes up 25% of our stated commitments,* and it is abundantly clear that we still have a long way to go. Meeting all the commitments of our anti-racist pledge will take time and hard work, but we are dedicated to change and will not settle for anything less.
Creating a kinder, less wasteful world starts at our own doorstep. Whether you are a remote employee, on the ground in our warehouses, or on the road as part of our delivery team you are part of the Imperfect family. All full time employees at every location receive the following benefits:

- Investment options
- Medical
- Vision
- Dental insurance
- Paid sick and vacation days
- Imperfect Foods box credit

We also offer access to an Employee Assistance Program (EAP); a 24/7 emotional support app, Ginger; and behavioral health/therapy options through Cigna.

This year we also implemented an emergency sick leave policy, which allows up to an additional two weeks of paid time off to enable our team to do what they feel is best for their own safety and the wellbeing of their coworkers.

2020 Engagement Results Survey

We send out an anonymous bi-annual employee survey to measure employee satisfaction and also identify areas in which we excel and can build upon and areas where we need to improve.

“I know my work contributes to the goals of Imperfect Foods.”
89%

“I know what I need to do to be successful in my role.”
88%

“I have a good understanding of what our values mean.”
87%

“I can be my authentic self at work.”
81%

“People from all backgrounds have equal opportunities to succeed at Imperfect Foods.”
81%

Although 2020 was our most challenging year yet, company confidence has risen by 2%.

“Imperfect Foods is in a position to really succeed over the next 3 years”
78% in 2020
76% in 2019
Employee Resource Groups (ERGs) are a newly formed resource for us to optimize diversity, equity, and inclusion at the workplace by providing an opportunity for employees to be empowered, make an impact, and connect over shared experiences.

The Black Imperfectionists Group (BIG) is setting out to foster a sense of belonging and create opportunities for greater inclusion of members and allies of the Black community.

The Imperfeminists mission statement is to “build community, empower one another and champion gender equality in our environment at Imperfect Foods.”

Imperfectly Out is creating a space for LGBTQ+ employees to truly bring their whole selves to work.
COMMUNITY
3.6 MILLION POUNDS OF FOOD DONATED to food bank and nonprofit partners across the country

78 FOOD BANK AND NONPROFIT PARTNERS committed to food rescue, hunger alleviation, and food security

$119,000+ raised through company donations and employee matching to give back to our community

282,207 orders of Reduced Cost Boxes in 2020 (3+ times the size of our program in 2019)

$0 THE COST OF DELIVERY for low-income seniors in our Reduced Cost Box Program in partnership with The Kroger Co. Zero Hunger | Zero Waste Foundation
We believe no one should be priced out of good food.

Our Reduced Cost Box program is for qualifying low-income customers. This year the program more than tripled in size due to increased need because of the COVID-19 pandemic.

**BY THE NUMBERS:**

12,890
CUSTOMERS IN 2020

282,207
TOTAL ORDERS

All Communities Can Eat Sustainably and Save (ACCESS) Pilot:
We partnered with the Kroger Zero Hunger | Zero Waste Foundation on a pilot to expand access in Chicago food deserts by offering a 50% discount for Reduced Cost box customers.

**BY THE NUMBERS:**

465
TOTAL ACCESS PROGRAM PARTICIPANTS

7,476
TOTAL ORDERS DELIVERED

We also offered free delivery for an especially vulnerable segment of our customers: seniors on our Reduced Cost Box program.

**BY THE NUMBERS:**

564
HOUSEHOLDS BENEFITING

9,780
TOTAL ORDERS DELIVERED
**DONATIONS**

**Food Banks and Nonprofits**

We donated over **3.6M** pounds of food to **78 nonprofit partners**, including food bank and pantries.

**S’well Donation**

In tandem with our S’well collaboration, **we donated $10,000 to Taste for the Homeless**, a SocialWorks & Michael Airhart project that provides low-income individuals and those experiencing homelessness with food, resources, and community. SocialWorks empowers Chicagoland kids through the arts, education, and civic engagement.

**COVID-19 Relief**

**Raised $58,000** for Feeding America with our customers

**Provided $15,000** in emergency food relief to 18 nonprofit organizations (more below)

**Wildfire Relief**

**World Central Kitchen Donation**

**Raised $6,132** through an employee match campaign to World Central Kitchen, an organization feeding first responders and folks displaced by the fires.

Our Pacific Northwest team organized quickly to **donate more than 500 boxes of food** to firefighters around Portland, Oregon.

**Black Lives Matter**

To invest in a more just and prosperous future for Black, Indigenous, and People of Color in America we **donated $30,000 to the NAACP and Appetite for Change** thanks to company donations and employee match program.
FEEDING CHANGE FUND

This year we offered $15,000 in emergency food relief grants to 18 nonprofits to help support emergency food distribution efforts in response to the COVID-19 crisis.

1. La Cocina
La Cocina is a nonprofit working to solve problems of equity in business ownership for women, immigrants, and people of color.

2. Mission Neighborhood Centers, Inc.
Mission Neighborhood Centers, Inc. has been serving the community with empowering multicultural, multigenerational social services for 60 years.

3. Food Shift
Food Shift develops practical solutions to reduce food waste, feed communities, and provide jobs.

4. LA Promise Fund
Preparing Los Angeles students for success in college, career, and life.

5. The Utopian Society Project
Making the world a better place through random acts of kindness and community involvement.

6. Porchlight Community Services
Porchlight rescues food waste and redistributes it to individuals and families in San Diego.

7. Safe Parking Program
The Safe Parking Program is a volunteer-run meal preparation and delivery program providing weekly dinners for 40–60 homeless women and families living in their cars in Kirkland, WA.

8. Free Food Ministries
Free Food Ministries is an independent food pantry based in Tigard, Oregon that services anyone regardless of demographics.

9. Oregon Food Bank
Oregon Food Bank collects food from farmers, manufacturers, wholesalers, retailers, individuals and government sources.

10. Urban Gleaners
Urban Gleaners collect delicious, fresh food before it can go to waste.

11. Our House of Portland
Our House provides 24-hour specialized care and integrated health and housing services to people with HIV/AIDS.
12. Grace Housing Complex
An economic and community development organization focused on providing low-income families with supportive services, personal development opportunities, and affordable housing access.

13. Chicago Refugee Coalition
A 501(c)(3) non-profit organization dedicated to the alleviation of human suffering through compassionate poverty relief services and community empowerment.

14. Second Helpings
Since 1998, Second Helpings has accepted donated perishable and overstocked food to prepare nutritious meals for thousands of hungry children and adults every day, and distributes them free of charge.

15. Kanbe's Markets
Kanbe's Markets provides access to fresh, healthy foods in the areas of Kansas City designated by the USDA as a "food desert", where residents lack consistent access to healthy and affordable food.

15. Rethink Food NYC, INC.
Committed to reducing food insecurity with practical solutions that have lasting impact.

16. Central Texas Food Bank
A leader in the fight against hunger for nearly 38 years, their mission is to nourish hungry people and lead the community in the fight against hunger.

Brighter Bites
Brighter Bites is a nonprofit that delivers fresh fruits and vegetables directly into families' hands. They teach them how to use it, track their behavior change, make it fun, and make it free.

Off Their Plate
A grassroots organization serving healthcare, restaurant, and community center partners in 9 cities across the U.S.
New York City
- Rethink Food NYC, INC.

Washington D.C.
- DC Central Kitchen

Madison
- Community Action Coalition
- Deerfield Community Center
- Sun Prairie United Methodist Church

Minneapolis
- Appetite for Change

Virginia
- Western Fairfax Christian Ministries

Portland
- Birch Community Services
- Buckman Elementary/Impact NW
- Columbia Gorge Helping Hands
- Do Good Multnomah
- Esthers Pantry / Our House of Portland
- Food Not Bombs
- Free Food Ministries
- Gladstone Food Pantry
- Grout Elementary
- Odd Man Inn Animal Refuge
- Oregon Food Bank
- Outside In
- Portland Open Bible Community Pantry
- Providence Milwaukie Community Teaching Kitchen
- Raphael House of Portland
- Rockwood Boys and Girls Club
- Salvation Army Moore Street
- Sitton Elementary
- Sunshine Awakenings
- Urban Gleaners
- Woodmere Elementary/Impact NW

San Diego
- Kitchens for Good
- Porchlight Community Services

San Antonio
- San Antonio Food Bank
- Southern Wildlife Rehab
- Texas A&M University at San Antonio
- Wildlife Rescue and Rehabilitation, Inc.

Seattle
- Emergency Food Network
- Food Lifeline
- Safe Parking Program

San Francisco
- Food Shift
- La Cocina
- SF Foodrunners
- Sprouts Cooking Club
- The Culinary Dude
- White Pony Express