



THE SIMPLY GOOD FOODS COMPANY

Environmental Policy

(April 2021)

The Simply Good Foods Company (“Simply Good Foods” or the “Company”) is committed to operating in accordance with its environmental policies and applicable legal requirements. In addition to complying with applicable environmental laws, we aim to continually improve upon our environmental performance and conduct our operations in a way that reduces adverse impact on the environment, particularly regarding water usage, energy usage, emissions and solid waste. In selecting supply chain partners, we are mindful of our supply chain’s overall carbon footprint and strive to source ingredients and materials, directly or indirectly, that do not contribute to deforestation of high conservation value areas, or interfere with the habitats of endangered species.

Under this policy, we commit to:

- Conserving natural resources, including the planning and efficient use of water, energy and raw materials,
- Minimizing waste through source reduction, reuse and recycling;
- Establishing specific annual goals to support the foregoing and assessing our progress against our environmental goals;
- Encouraging our employees to conduct their activities in an environmentally responsible and sustainable manner and increasing our recycling programs across our corporate offices;
- Implementing recycling programs to eliminate certain single use plastics, including the elimination of plastic water bottles from our corporate offices in favor of reusable containers and water filtration systems, and replacement of plastic straws with reusable metal or biodegradable straws;
- Promoting a paperless office approach and encouraging the reduction of use of paper;
- Handling and disposing of waste through safe and environmentally sustainable methods;
- The reduction of pollution, including greenhouse gases, and the prevention of the unintended release of substances that could cause harm to air, water or land;
- Conducting environmental assessments at new facilities within our operations and making design choices that support efficient use of water and energy and minimize waste;
- Identifying and implementing sustainable sourcing initiatives within our supply chain; and
- Seeking that our suppliers and business partners adhere to our Vendor Code of Conduct and support sound environmental practices.

LEED Certification

Our corporate headquarters in Denver earned a LEED-EB O&M Gold Certification¹ and the building has earned an Energy Star rating almost every year since 2003 for improving and optimizing the building’s energy efficiency.²

¹ <https://www.usgbc.org/projects/17th-street-plaza> (Last visited January 8, 2021).

² https://www.energystar.gov/buildings/reference/find-energy-star-certified-buildings-and-plants/registry-energy-star-certified-buildings/b_1047174 (Last visited January 8, 2021).



Water and Energy Use Disclosure

Our most recent water and Scope 2 energy usage statistics for our primary Denver, Colorado and El Segundo, California offices are provided in Appendix A hereto. Simply Good Foods is prepared to measure its Scope 3 emissions to establish a baseline measurement after the Company returns to its full-time office routine and removes its limitation on non-essential business travel.

The Corporate Responsibility and Sustainability Committee of Simply Good Foods' Board of Directors is responsible for overseeing the Company's strategy on global sustainability, including environmental and social responsibility activities and risks, and evaluating outcomes of this policy's implementation. The Committee intends to review this policy and the Company's related activities at least annually.

Appendix A
Updated April 2021

The estimated energy and water usage data for our Denver, Colorado corporate headquarters is as follows:

Metric	Annual Total
Scope 2 Purchased Energy	
Energy	321,931 kwh
Electricity (kwh)	321,931
Non-Renewable Energy Use (kwh)	133,312
Renewable Energy Use (kwh)	188,619
GHG Emissions (CO2e)	228
Water	
Water use (m3)	153

These numbers capture estimated water and energy usage at the Denver headquarters for fiscal year 2020, which included months where Covid-19 required the majority of employees to work from home and therefore this usage may be lower than a typical year. For the Denver headquarters, we were able to calculate the non-renewable percentage by using the energy breakdown provided by the utility provider, Public Service of Colorado (Xcel). The power to our headquarters is supplied by a mix of direct steam (7%) and electricity from the grid (93%). As of the end of 2017, Xcel reported a grid breakdown as follows: Coal – 37%; Natural Gas – 23%; Nuclear 13%; Hydro – 3%; Solar – 2%; Biomass – 1%; Wind 21%. According to our 2020 *Energy Star® Statement of Energy Performance*, our energy use and emissions statistics are 39% lower than the national average.

Denver Water’s primary water sources are the South Platte River, Blue River, Williams Fork River, and Fraser River watersheds, but it also uses water from the South Boulder Creek, Ralston Creek, and Bear Creek watersheds. Colorado’s water is sourced from watersheds that are low to extremely high stress.

The estimated energy usage data for our El Segundo, California office is as follows:

Metric	Annual Total
Scope 2 Purchased Energy	
Energy	231,801 kwh
Electricity (kwh)	231,801
Non-Renewable Energy Use (kwh)	150,439
Renewable Energy Use (kwh) ³	81,362
GHG Emissions (CO2e)	164
Water	
Water use (m3)	117

³ https://www.sce.com/sites/default/files/inline-files/SCE_2019PowerContentLabel.pdf (Last visited January 15, 2021).



These numbers capture estimated energy usage at the El Segundo office for an annual year ending in September 30, 2020, which includes months where Covid-19 required the majority of employees to work from home and therefore this usage may be lower than a typical year.

The estimated non-hazardous waste data for our Denver, Colorado office is as follows for fiscal year 2020:

Metric (in lbs)	Annual Total
Total Materials Collected	10,105
Trash Collected	7,055
Recycling Collected	2,575
Compostable Materials Collected	476

Simply Good Foods' diversion rate at Denver HQ for FY20 was 32%.