

ZÈGO

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2023 Sustainability Report



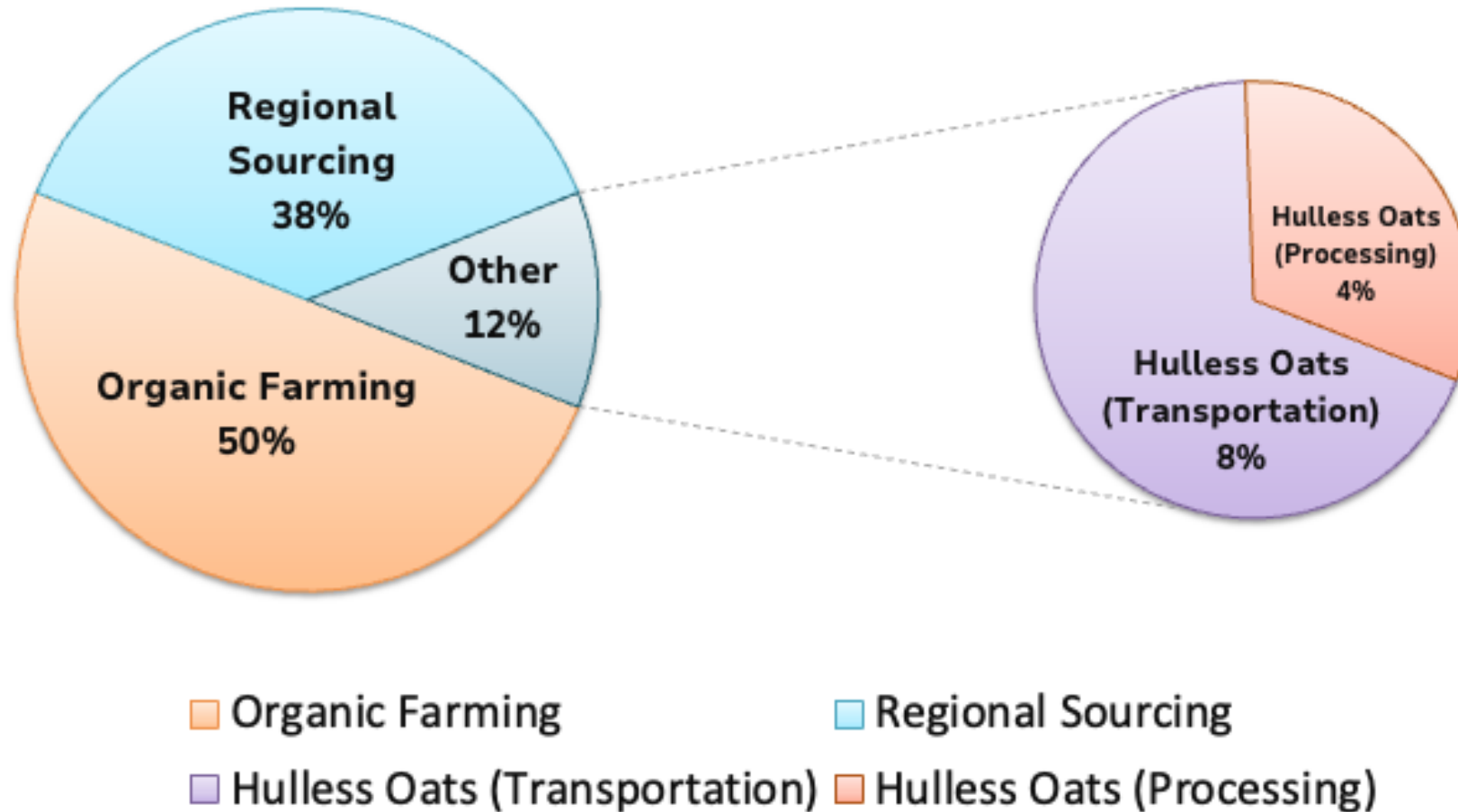
zegofoods.com

What is ZEGO's Environmental Impact Focus?

- Minimizing CO2 Emissions
- Water Conservation & Purity
- Regionally Sourced U.S. Ingredients
- Supporting Soil Health
- Organic Agriculture

CO2e Reduction

ZEGO Products vs Similar Conventional Products

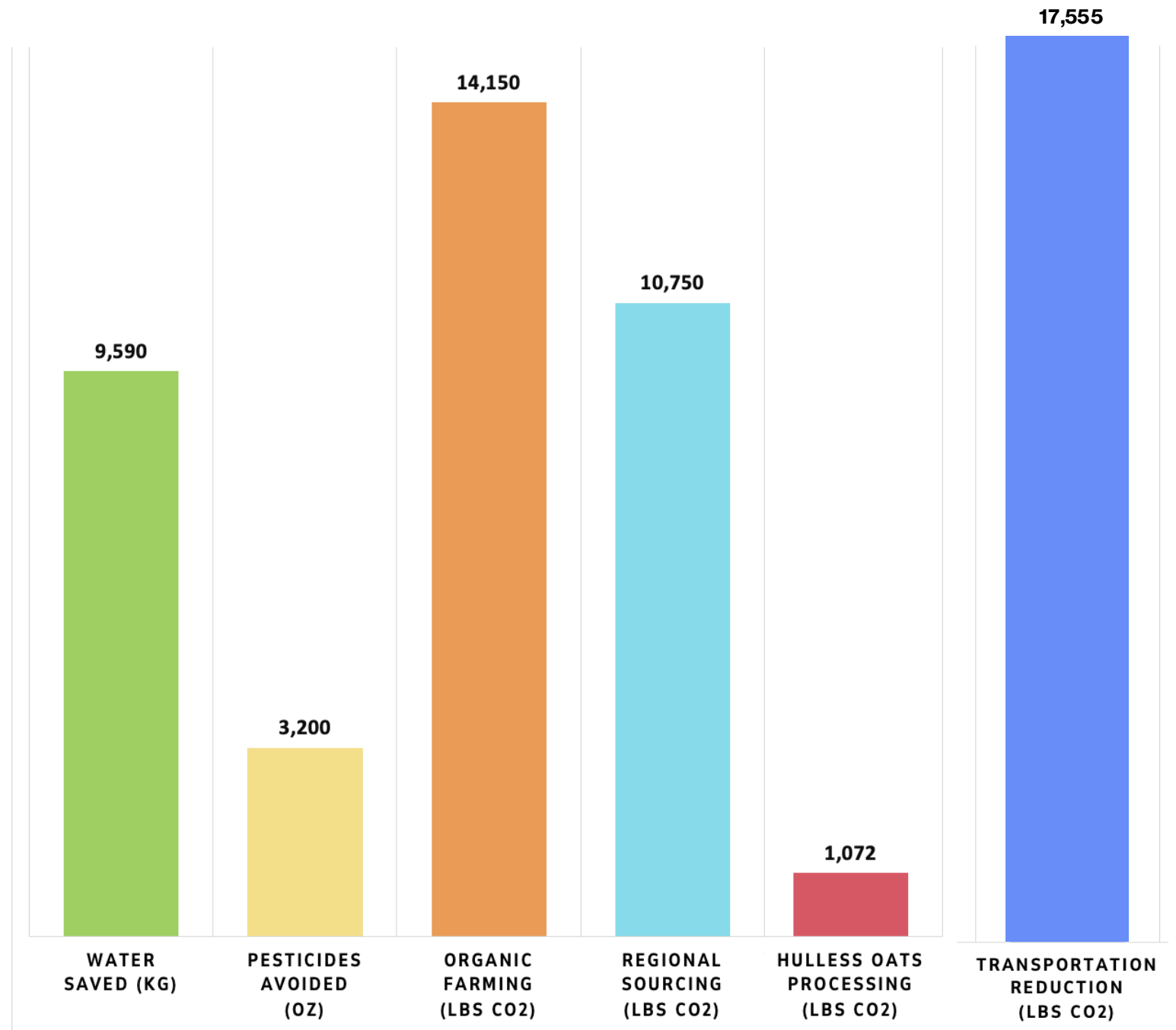


Source for hulless oats specific to ZEGO products. Other numbers are estimates based on available research, which can range significantly.

Summary IMPACT Metrics

Comparative
Reduction in
CO2e Emissions,
Transportation,
Pesticides &
Water Use*

*Metrics compare ZEGO products to typical conventional versions of the same product. Numbers are best estimate based on resources cited.



CO2e Emissions IMPACT

Drivers:

Hulless v Hulled Oats
Cold Pressed Oatmeal
Organic Farming
Regional Sourcing

- **Transportation Reduction**
 - 38% reduction in CO2e due to hulless oats
- **Processing CO2e Emissions**
 - Hulless oats have zero CO2e emissions v hulled's 1072 lbs CO2e
- **Steam Usage Processing & Rolling**
 - Hulless oats: Zero steam usage (metric TBD)
- **Organic Farming**
 - 6,626 to 21,500 kg of CO2e emissions avoided
- **Regional Ingredient Sourcing**
 - 17,555 CO2e emissions avoided by reducing miles travelled for regional sourcing v long-haul shipping by 3100 miles/truckload

• **Hulless Oats**

- "Hulless oats" have loose hulls that fall off into field during harvest
- Spent hulls build organic matter, increasing topsoil
- Spent hulls improve biome of soil
- Soil is regenerated for improved health of future harvests

• **Organic Farming**

- Organic farmed soil sequesters more carbon than conventional farmed soil, and has
- Improved beneficial microbial activity
- Higher Ph levels (less acidification)
- Higher nutrient retention
- Higher water retention due to better soil structure

Soil Health IMPACT



Organic Farming Practices IMPACT

Compared to
Conventional



- **Certified USDA Organic Ingredients**
 - Grown without synthetic pesticides, herbicides, or GMOs
- **Pesticide Use Avoided**
 - 2720 ounces of synthetic pesticides avoided
 - Some pesticides are so toxic that consumption of one ounce can kill a human
- **CO2 Emissions Reduction**
 - 6,626 to 21,500 kg of CO2e emissions avoided through pesticide reduction

Water IMPACT

- **Water Conservation**
 - 7.3 million gallons of water saved by using seeds instead of nuts like almonds
 - 9900 gallons of water saved with hullless oats from farm to factory
 - Additional water saving in cold rolling process (metric TBD)
- **Reduction in Synthetic Pesticide Runoff into water sources**
 - 150 to 250 pounds of synthetic pesticides avoided through organic farming (est. 2720 ounces based on 2023 USDA oats chemical use survey)



Regional Sourcing IMPACT

- **ZEGO's US & Regional Sourcing Priorities**
 - Reducing transportation emissions
 - Supporting smaller US farms
 - Supporting regional farmers
- **Ingredient Sourcing Statistics**
 - 80% sourced within 500 miles
 - 13% sourced within 1,200 miles
 - 7% sourced from overseas (seeds & spices)
- **CO2 Emissions**
 - Avoided 180 CO2e per tons/kilometer trucked and 14 CO2e per tons/kilometer shipped overseas
 - 63%-86% reduction in CO2e emissions compared to long-haul domestic and international transport

Sources

Hulless v Hulled Oats

[Modeling the Environmental Sustainability Naked vs. Hulled Oats](#), MIT Management Sloan School, 2018

Water

https://www.almonds.com/sites/default/files/2024-07/Carbon_Footprint_of_Almonds.pdf

<https://88acres.com/blogs/news/water-footprint-of-seeds-vs-nuts#:~:text=Nuts%20Versus%20Seeds&text=Tree%20nuts%20like%20almonds%2C%20pistachios,and%20impact%20on%20our%20environment>.

Pesticides

https://www.nass.usda.gov/Surveys/Guide_to_NASS_Surveys/Chemical_Use/2023_Barley_Oats_Peanuts_Soybeans/ChemHighlights-Oats-2023.pdf

<https://www.wispolitics.com/wp-content/uploads/2024/05/Chemical-Use.pdf>

<https://extension.uga.edu/content/dam/extension/programs-and-services/integrated-pest-management/documents/handbooks/2020-pmh-chapters/PesticideRate-Dosage.pdf>

<https://www.ars.usda.gov/ARUserFiles/21904/Others%20PDFs/J%20Env%20Mgmt%20112p309.pdf>

https://static.ewg.org/reports/2011/meateaters/pdf/methodology_ewg_meat_eaters_guide_to_health_and_climate_2011.pdf

Organic Farming

https://www.researchgate.net/publication/235407512_A_meta-analysis_of_the_differences_in_environmental_impacts_between_organic_and_conventional_farming

https://www.organic-center.org/sites/default/files/publication_files/2020/03/Soil-Health-Review_ShadeTully.pdf

Transportation

<https://8billiontrees.com/carbon-offsets-credits/carbon-ecological-footprint-calculators/truck-co2-emissions-per-km-calculator/>

https://pubs.acs.org/doi/epdf/10.1021/es702969f?ref=article_openPDF

<https://business.edf.org/insights/green-freight-math-how-to-calculate-emissions-for-a-truck-move/>

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We commit to environmental health with every ingredient we choose, every mile driven, every processing decision, and every packaging design.

