2019

* SN00ZE * CHANGE MAKERS



TABLE OF CONTENTS

SECTION I: ABOUT US

Introduction	3
Note on being perfect	4
Letter from our Head Chefs	5
A Timeline on α Whole lot of Progress	6
Our Goals	7

SUSTAINABILITY

Environmental Impact / Food & Beverage	10
True Stories from the Snooze Breakfast Table	11
Environmental Impact / Materials	12
Environmental Impact / Waste	13
Environmental Impact / Resources	14
Environmental Impact / Education, Engagement & Community	15

SECTION III: COMMUNITY

Community Impact /	
Giving Back	18
Snoozer Incentives	21



MAKING BREAKFAST IS THE SAME. MAKING BREAKFAST THAT MAKES A DIFFERENCE, IS DIFFERENT.

At Snooze, we believe serving breakfast should serve a higher purpose. We not only work tirelessly every single day on being a champion of sustainability and giving back to our communities, but we also dedicate this entire report to those efforts. Restaurants can be wasteful at times. But, like everything else, we strive to do things a bit differently. Because the planet and our communities deserve more than just breakfast as usual. We hope you enjoy discovering just how far we've come in our efforts to make a difference, almost as much as you'll love how far we expect to go.



NOTE ON BEING PERFECT:

PERFECT,

WE WOULDN'T HAVE ANYTHING TO STRIVE FOR.

Being a steward for the planet and our communities is a work in progress. While being 100% perfect is the goal, it takes effort, innovation, and collaboration to get there. So, will the results you see in the following pages be perfect? No. But what you will see is constant progress.

And that's how you know we're moving in a different direction than all other breakfast places—away from being a wasteful operation with an irresponsible carbon footprint and toward a breakfast place that ushers a better tomorrow.



OUR SUSTAINABILITY AND COMMUNITY EFFORTS HAVE THEIR OWN "HEAD CHEFS."

As we approach a new decade, we have a lot to be proud of here at Snooze. We've reached the 30 restaurant mark, have over 2,000 Snoozers in our family and are continuing to grow. This year alone we will give \$1,000,000 back to our communities and keep at least 3,000,000 lbs of materials out of landfills. We call it breakfast, but different. Different is being conscious of the ways in which we grow, and the ways in which we reduce. In 2020, we plan to serve almost 10 million guests. That's a lot of pancakes!

Our Community and Sustainability efforts have been at the core of Snooze since we opened our doors in 2006. Through unwavering dedication to these pillars in our daily operations, community interactions, and sourcing efforts, acting upon this belief system became almost as second nature to us as breathing. We eat, sleep, spark smiles, flip pancakes, create ravers and pour coffee ... all while breathing our passion for making the world a better place. Maybe the second nature characteristics of these programs are a part of why it has taken us so long to put together a public facing report discussing our programs, hurdles, accomplishments, and goals over the years. This report is meant to be a recap of what we've been up to the last thirteen years and a nod to what we're aiming to accomplish in the future. It is a journey, one that we know will continue as complexities in our world evolve over time.

We are particularly excited to discuss our Snooze Approved sourcing program, which places strict standards around the food and materials we allow in our restaurants. We have been working hard toward these standards and believe they position us as a leader in this realm. Our dollars support a more responsible economy, and we feel great about that.

We take pride in the immense responsibility we hold in our roles. We are here to create a one of a kind breakfast experience while also creating the framework that ensures Snooze is working hard to make the world a better place for generations to come. How

cool is that?! But the real acknowledgment belongs in the hands of our persistently passionate Snoozers. Without their drive to reduce and revolutionize the environmental impact of their daily operations, or their true affection for being responsible members of their communities, Snooze would not be able to make the positive impacts we do today.

We view our growth as an opportunity to make a difference. Every time we open a new restaurant we have the opportunity to partner with incredible nonprofit organizations making a difference in the new community we are proud to call home. Everytime we bring on a new team, we teach everyone Sustainability 101 and how to sort waste into a 3 bin system. And every time we welcome guests through our doors, we give 1% of our sales back to our communities and keep up to 90% of our waste out of landfills. We vote with our dollars for a more responsible economy and truly believe in the impact our guests and Snoozers make on the world just by dining at Snooze. We hope this ripple effect continues, and to see the better tomorrow we imagine sooner than we had hoped we would.

So dig in. See the progress we've made on our 2020 sustainability goals, and what we plan to do if those journeys are not yet complete. This year we plan to announce our 2025 goals, which will expand to include our Community efforts as well. We hope you are as happy with our progress as we are, and encourage you to follow along in the coming years because this momentum is not dying down anytime soon. We call it breakfast, but different.



MEGAN JORGENSEN

Director of Sustainability I "Green Bean"

SHELLY LANDAAL
Director of Community | 1 "8 Mile"



A LITTLE TIMELINE ON A WHOLE LOT OF PROGRESS.

We've come a long way since we first opened our doors in The Ballpark Neighborhood of Denver, CO in 2006. Both in terms of slinging world-class pancakes and bennies, and doing our part to make our world a better place. We've grown to over 35 restaurants in 4 states, and from two to over 2,000 Snoozers. So here's some

of the most significant do-gooder milestones over the years, as well as some of the goals we have in mind for the future. The main goal being that the more we grow, the harder we'll work to make sure our impact on the environment doesn't.

SUSTAINABILITY AND COMMUNITY MILESTONES

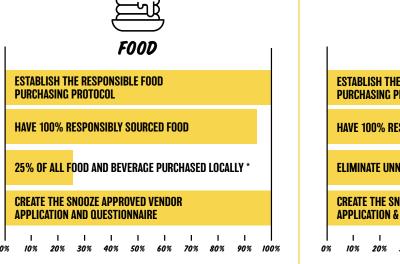


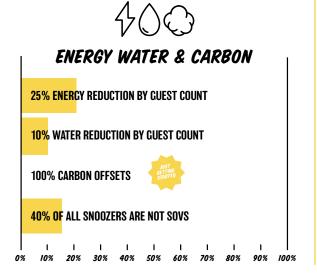
2006

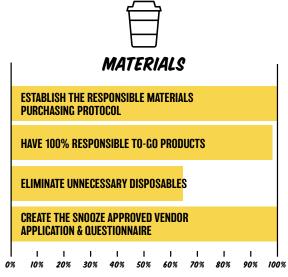
Opened 1st restaurant with recycling service and our first community partnership.

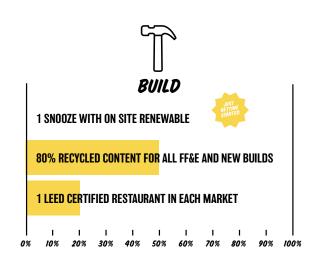


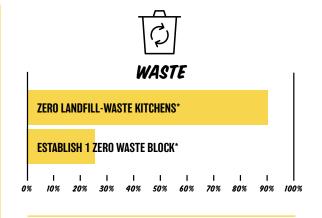
OUR 2020 GOALS & PROGRESS





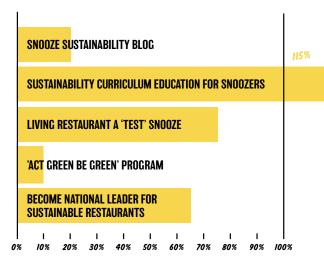








EDUCATION, ENGAGEMENT & COMMUNITY



AND THIS YEAR, WE'LL RELEASE OUR 2025 GOALS FOR BOTH OUR SUSTAINABILITY AND COMMUNITY EFFORTS. STAY TUNED!

*We established these 2020 Sustainability Goals back in 2013. Since these goals were established, some topics have evolved and goal projections may have changed. Check out each individual report area for related updates.





YOU CAN SPELL

3 N O O Z E

WITHOUT SUSTAINABILITY,

BUT WE NEVER WOULD.

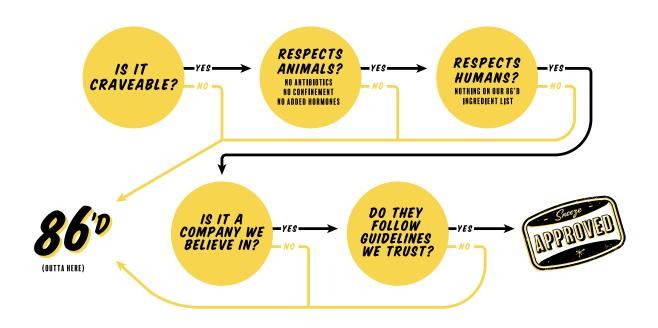
The restaurant industry can be wasteful. But we're committed to reducing our waste and being that "different" kind of restaurant. The kind that recognizes we don't make breakfast in a vacuum, we make breakfast on planet earth.

And we believe that comes with a responsibility to make sure we minimize our negative impact on the environment as much as we possibly can. All while absolutely and positively making the best damn breakfast in the galaxy.



RESPONSIBILITY STARTS WITH FOOD. BUT ONLY REALLY, REALLY, REALLY GOOD FOOD.

Every ingredient that goes into the food and beverages we serve has its own impact on the planet and our communities. From how it's grown, to how it's produced, packaged, transported and more. So we've established a pretty rigorous set of standards for not only the food we serve, but for the partners we source that food from. The bottom line is this: If it doesn't get Snooze Approved, it doesn't get served. Plain and simple.



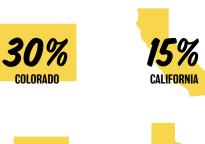
WHERE WE ARE

95%
OF OUR FOOD MEETS
SNOOZE APPROVED STANDARDS



100% SNOOZE APPROVED FOOD

LOCAL FOOD FOR EACH REGION





2025 & BEYOND

REGENERATIVE > SUSTAINABLE

We understand that sustainable agriculture is not enough, and the world needs to focus on regenerative practices to not only sustain, but also make our environment better. We're researching how we can make the biggest impacts in this arena, and vow to release our 2025 goals considering more regenerative practices and the climate impact of our food chain by 2020.

RESPONSIBLE > LOCAL (SOMETIMES)

Yes, we said it. Local is great, and we currently purchase local options such as breads, tortillas, hot sauces and beers. But, local options are not always the most responsible, humane or even craveable. So if the more responsible option is a little farther away, we may go the extra mile. This is why we've updated our future local percentage goals. We will continue to report annually on the percentage of local products we purchase in each region.



TRUE STORIES FROM THE SNOOZE BREAKFAST TABLE.

Sit back and let us tell you about the tastiest food on earth. These are stories about pushing the boundaries in order to raise our standards. They're stories about working with companies who believe in the same things we do, and continuing our efforts through the many hurdles we come across.

A TEN THOUSAND EGG JOURNEY.

Sorry to state the obvious, but as a place that's all about breakfast, we use a lot of eggs. Shell eggs, liquid eggs, egg whites, egg yolks. And we knew from the very start of our Snooze restaurants that we wanted to source cage free eggs. That's why in 2010, we started using our first cage free shell eggs. Sourcing liquid eggs was a little bit harder. Long egg story short, it took us over 5 years to land a steady source, making us today 100% cage free. And yes, cage free is everything it's cracked up to be.

LOVE IS ALL YOU NEED. AND SAUSAGE.

Welove Polidori Sausage. Which is why we've been partners with them since 2007. And you know you have a good partner when they're willing to come along on the responsible food journey with you. When we switched to responsibly raised pork, they did too. When we removed our 86'd ingredients, guess what? Polidori worked with us to remove caramel coloring from our sausage. And now, all of the sausage we get from Polidori is Snooze Approved, without any artificial ingredients, from responsibly-raised pigs and happy farmers. It's not hard to love sausage. And sausage is even easier when that sausage comes from partners who love what you love.

AND AN EXTRA SIDE OF GOODNESS.

Our responsible purchases add up and support a more responsible food system along the way.













WE THINK OF THE ENTIRE LIFECYCLE OF MATERIALS. BECAUSE THAT'S WHAT WE DO.

When purchasing materials (think disposables, paper products, retail, cleaning chemicals, appliances, building materials...everything!), Snooze considers the entire lifecycle of the product and the social and environmental impact of each stage. That is: What is it made out of? Where is it made? How is it made? What do we do with it? What happens to it when we're done?

"Snooze Approved materials" means products that are made from recycled materials or renewable resources that can be composted, recycled, reused, or repurposed when we are done with their use. It means non-toxic materials that are friendly to both human and environmental health. It means considering the long term impact our choices have on our communities and the planet.

SWAPPING FROM DISPOSABLES TO REUSABLES REALLY ADDS UP

Even though we recycle and compost at almost all of our locations, we're all about using reusables. It just makes sense. Why create waste if you don't have to?

THIS IS HOW IT'S DONE:



Snooze switched to paper straws upon request, which reduced straw use by over **65,000** straws in the 2nd half of 2018 alone



The orange reusable cups at our coffee whileyou-wait station avoid the unnecessary use of **50,000** disposable cups per Snooze restaurant each year.



The reusable kids cups we rolled out in 2017 help each Snooze avoid the use of **15,000** disposable cups per year.



It is estimated that the reusable HACCP cup rolled out in 2018 will help each Snooze avoid the use of **18,000** disposable cups per year.

PERCENTAGE OF MATERIALS THAT ARE SNOOZE APPROVED BY CATEGORY









AVOIDING THE LANDFILL LIKE WE OWN THIS PLANET

We put a lot of love, sweat, and smiles into making sure we produce less waste and keep as much of the waste we do produce out of landfills. From single stream recycling, to commercial compost hauling, to new biodigesters and odd-item recycling, taking care of this planet is as much a part of our job as taking care of our guests.



MEET OUR FOOD EATING, ENVIRONMENT LOVING, AMAZING ORCA.

As we venture into new parts of the country, we sometimes find ourselves in places with limited recycling and composting options. ORCA 15 saves the day, with innovative technology and mad food-digesting skills. It fits in our kitchens, and our budgets. And since we brought our ORCA to our Clear Lake location in January of 2019, we've kept 6,500lbs of food waste out of landfills. Thank you, ORCA.

AND A NOTE ABOUT OUR GOAL OF 100% LANDFILL WASTE-FREE KITCHEN

We are happy that we set our goal of 100% zero landfill waste kitchens, as it pushed us to have the impressive program we have today. Looking to the future, we understand that for food safety and other technology reasons, getting to 100% may take a while longer. For this reason, we will keep 100% zero landfill waste kitchens in our goal set, knowing it could take until 2030 for the industry to catch up to this goal (i.e. affordable compostable gloves, reusable container programs, etc.).









ENERGY, WATER, & CARBON. OH MY.



ENERGY

In 2013, we set some pancake-in-thesky goals for ourselves. And looking back, we wouldn't have changed a thing. We aimed to reduce energy per quest count by 25%. We've worked with different energy management companies to see where we can reduce energy, but it turns out, we're already working super efficiently, with LED light bulbs, EnergyStar rated appliances, and more. Since we made our goal, we've seen a 5% reduction in energy use by quest count. But looking toward tomorrow, we're updating our goal to focus more on renewable sourcing instead of trying to reduce energy by 25%. But had it not been for us setting the bar high, we wouldn't have gotten to where we are today.



CARBON

We believe in leaving big sticky smiles, not big carbony footprints. We dug into our Scope 2 GHG emissions for the 2017 year, and are looking forward to doing the same for each year moving forward. As we look into sourcing our energy from renewable sources, we hope we can reduce our overall carbon footprint as a business. Our upcoming goals will include digging into our Scope 3 emissions, and keeping our footprint in check. For now, we'll continue to focus on our annual Bike to Snooze Day events to inspire our Snoozers to reduce their personal GHG emissions, and supporting other transportation and carbon related efficiencies.



WATER

When you eat at Snooze, you're conserving water. It's true. We conserve water wherever possible, through our efficient dish machines, low flow water fixtures in our restrooms, only bringing water to quests upon request, and not over brewing coffee close to the end of the day. Although we've had a hard time separately metering our water use from neighboring tenants, for the most part, our water use by quest count (where we can measure it) has remained pretty steady. We'll continue to keep our eye on water use and keep conserving wherever possible. After all, you can't make breakfast without



BUILD

Buildings are like breakfast burritos. The outside may look great, but it's the inside that makes it incredible. And that's why many of our beautiful restaurants are built following our circular economy and non-toxic standards. And this year, we plan to create our Snooze-specific (LEED-like) scorecard for the building of all new Snoozes. Just wait till you hear where we are and where we plan to go in the future.



SPREADING OUR PASSION FOR COMMUNITY AND SUSTAINABILITY LIKE JAM ON TOAST.

We believe in educating our Snoozers about our sustainability and environmentally-conscious practices because it not only helps us to achieve our sustainability goals ... but we hope it can create a spark inside of them to be more environmentally friendly in their lives outside of Snooze. After all, it cannot only be us making these changes for a better future - it requires all people, businesses, and communities. So we share our passion and best practices.



GREEN CAPTAINS

- Each Snooze has hourly Snoozers dedicated to focusing on sustainability at each of our Snooze locations. They teach, lead, inspire, recycle and learn.
- We have over 60 Green Captains and 8 Green Captain Mentors.
- When they're not captaining, they're at one of our Annual Green Captain Retreats, visiting educationalbased places to learn more about sustainability outside of our restaurants.

KEEPING IT SUSTAINABLE

- Every new Snoozer goes through Sustainability 101 during their onboarding process, learning the Whys and Hows of Snooze's sustainability goals and operations, ensuring all Snoozers are on board.
- The 12 Months of Green is Snooze's guide to ensure we're focusing on a different aspect of sustainability all year long. Whether it is food, waste, resources or people - we're thinking about it, setting goals and making progress. Our 2020 sustainability goals help to share this story.
- And if that's not all, Snoozers who use alternative transportation to get to work receive an extra 10% discount on their employee meal that day.

ENGAGEMENT & COMMUNITY

Everyone knows we love sharing our pancakes. We also love sharing our passion for the environment with our communities. So you'll find us participating in as many green business programs as possible, and serving on boards to help better responsible business practices. We've won multiple awards for these achievements, and hope it encourages others to strive for the same. (Even though they still won't be able to make pancakes like we do.)



CERTIFICATIONS

COLORADO ENVIRONMENTAL LEADERSHIP



AUSTIN GREEN BUSINESS LEADERSHIP COUNCIL



CERTIFIABLY GREEN DENVER

PHOENIX GREEN BUSINESS LEADER: TOWN & COUNTRY

SAN ANTONIO: REWORKS SAN DIEGO

CLIMATEWISE



SURFRIDER'S OCEAN FRIENDLY RESTAURANT PROGRAM



AWARDS

2012: Denver 200 and Polar Bears International "PAW of Approval" Award

2013: Western disposal diversion award

2014: Coloradobiz Magazine's Winner of Inaugural Green Colorado Awards

2015: City of San Diego Recycler of the Year Award

2016: Creenovator Award From the City & County of Denver

> 2018: Best for Colorado Honoree



COMMUNITIES DESERVE MORE THAN A GREAT BREAKFAST.

For most restaurants, what's on the menu is all they offer. Well, we're not like most restaurants. And as long as members of the community eat and work here, they'll be part of something bigger. From our

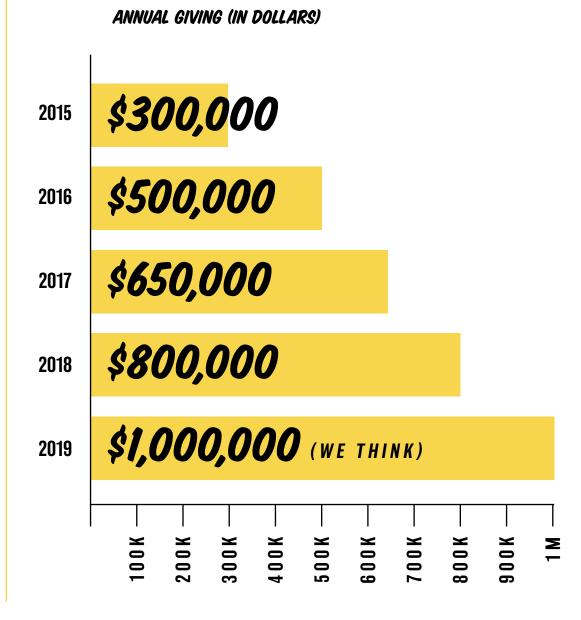
Snoozers to local organizations and local families in need, we do more for the community than serve breakfast. We'll serve the kind of breakfast that makes a difference.



1% OF ALL SALES GO BACK TO THE COMMUNITY. AS IF BACON WASN'T GOOD ENOUGH ALREADY.

That's right. Not 1% of profits. We're talking 1% of sales. And when you think about it, that's not exactly pancake crumbs. It goes to giving back to the community on Snooze Holidays, sustainability efforts, nutritional education, and other projects for non-profits within 10 miles of our front door. Not only are we giving back by serving great breakfast, our guests are giving back just by ordering it.







IN CASE YOU NEEDED MORE REASONS TO LIKE PANCAKES AND BACON ...

While every day is a great day to give back, we have three Snooze Holidays when we kick the giving up a notch.

INTERNATIONAL PANCAKE DAY

On Pancake Day, when our guests order pancakes, local organizations get some cheddar.



100%

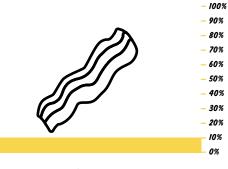
of pancake sales go to local community gardens.



In 2018 local community gardens got this much scratch. Plus, 240 Snoozers came to our Community Garden party and volunteered to get their hands dirty at the garden that we donated to on Pancake Day.

NATIONAL BACON DAY

The only thing better than bacon is what we do on National Bacon Day.



10%

of all sales go to community nutrition education.



\$31,130

in 2018 back to regionally focused nutritional education organizations like Colorado Cooking Matters, San Diego Food Bank, and Kids' Meals to name a few.

GIVE WHERE YOU EAT

While our hearts are big, our communities are pretty small. So we keep our giving close to home.

And each Snooze celebrates the anniversary of their opening by donating locally.





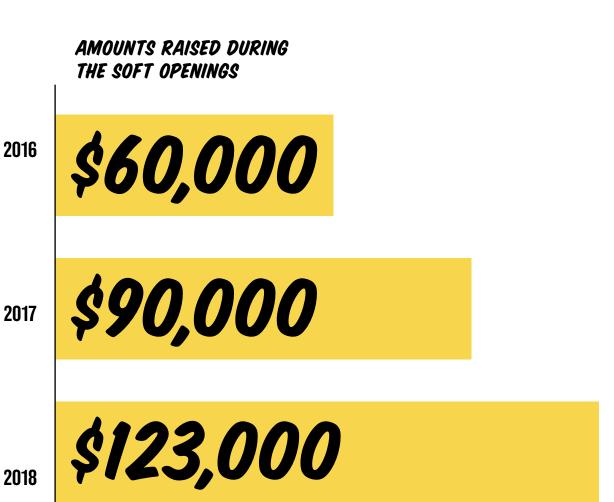
in 2018, donations to local causes that are near and dear to us. We call this the Wild Card. We give to organizations that are 5-10 miles from our front door.



CIVING IS ALMOST AS GOOD AS SNOOZING.

Every time we open our doors, money pours out. While some restaurant soft-openings are meant to work out the kinks, ours are meant to workin the community. When a Snooze opens up in a new place, we scout out the most incredible non-profits that fall inline with our beliefs, and are within 10 miles of our front door. We weave them into our culture from day one. During the soft-openings, the organizations are invited to officially become part of our family through free pancakes. Snooze offers a free breakfast in lieu of donations towards the partners we are now calling family. Guests are invited to give, raising anywhere from \$2,000 - \$10,000 in just one day. But that's just the beginning. On the yearly anniversary of the grand opening, each restaurant gives 10% of sales that day to a Wild Card organization. Can you say community Cha-





OUR BREAKFAST DOESN'T JUST MAKE A DIFFERENCE TO OUR GUESTS. OUR SNOOZERS GET IN ON THE ACTION TOO.



SNOOZE COMPASS FOUNDATION

Life's not always sunny side up, so we created this Snoozer run and funded program. Snoozers can opt to donate any dollar amount from every paycheck to this fund which goes to help a Snoozer in times of financial need. We have helped over 50 Snoozers in 2018 because our people don't just make breakfast. They make a family.



MORNING MATCH

Everyone has the power to make a difference. So Snooze will match individual Snoozer donations to organizations in our community.



PAID VOLUNTEER DAYS

We encourage our managers and Community Commanders to get out of our four walls and volunteer. And we'll even pay them for it. Because it's great to cook up goodness inside our restaurants. It's even better when we get things cooking outside as well.





We call ourselves Snooze Change Makers, because we're changing how breakfast is done. Not just making our food better, but changing our industry for the better too. It's our future goals that will keep us growing, and proving our impact on the world, one pancake at a time. But we're not alone in this journey. You can help. Share your ideas with us, or just come in for some breakfast.

CONTACT

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