

Doing the Right Thing

2023 Environment, Social and
Governance Report

★ PRET ★



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A message from Pano

This report illustrates the great work that our brilliant Pret teams have delivered and collaborated on in 2023 across our People, Product and Planet ambition. I want to extend a heartfelt thank you to everyone for their continued efforts and passion in this space.

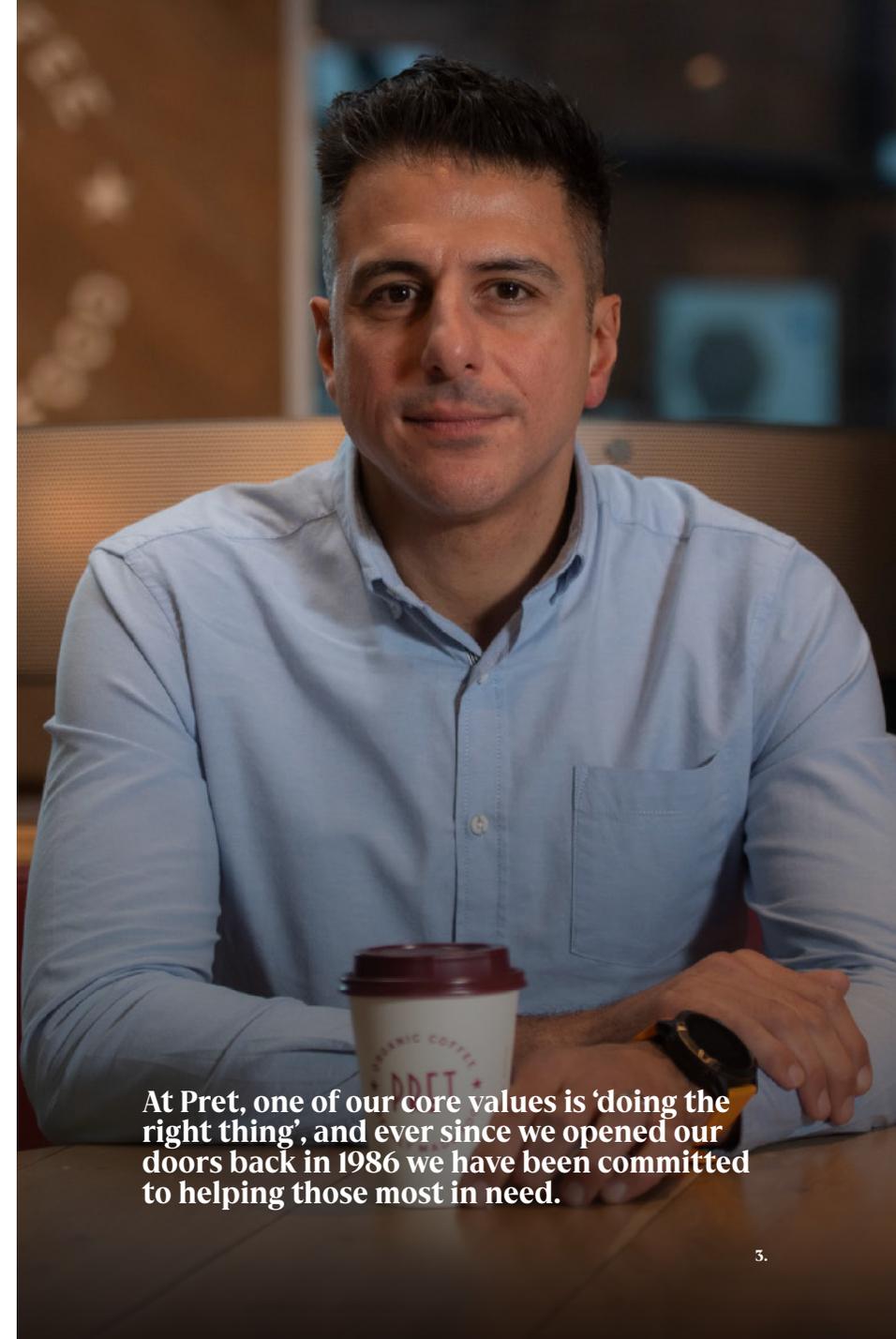
One of the most special moments of 2023 for me was hosting His Royal Highness, The Prince of Wales, at our Bournemouth shop after Pret was selected as an activator of The Royal Foundation's Homewards Programme, which aims to end homelessness through collaboration. I was proud to introduce His Royal Highness to some of the incredible people supported by The Pret Foundation's Rising Stars Programme, which supports those at risk of homelessness into employment – just one of the ingredients that makes Pret such a special organisation to be part of.

For the first time, we are aligning with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), marking a milestone in Pret's reporting and governance of Environment, Social and Governance (ESG) issues. While this report showcases important areas of progress, we know we have more work to do. We are setting decarbonisation targets as we work towards achieving Net Zero.

We continue to work hard to find new ways to tackle packaging and food waste in our shops, including launching a new partnership with Neighbourly in the UK to get unsold food to local good causes every day.

As Pret continues to expand globally into new markets around the world we know that delivering our People, Product and Planet ambitions will require a fourth 'p' – Partnership. Collaboration will be key to driving and embedding long-lasting change, especially with our franchise partners and suppliers. We look forward to continuing this important journey together.

Best wishes,
Pano Christou, CEO, Pret A Manger



At Pret, one of our core values is 'doing the right thing', and ever since we opened our doors back in 1986 we have been committed to helping those most in need.

A little snapshot of Pret in 2023

81
new shops



647
shops
in **18** markets
(72% equity & 28% franchise)

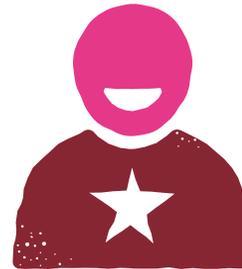
celebrating
10 years
investing in our Peruvian
coffee growers through the
Pret Coffee Fund



104 people
facing homelessness placed
into **employment**
in our UK operation

5 
new markets

over
5 million
items donated
from surplus food



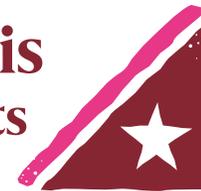
56%
female
representation
at Exec level

made to sell
packaging is
80%
recyclable

over **90%**
of our UK General
Managers started
on our shop floor

ranked **5th** in Which?'s
analysis of the most
sustainable
UK restaurant chains

lifecycle
carbon analysis
for 19 key products



17%
reduction
in carbon emissions
vs 2022

It started with a little London sandwich shop in 1986

Today we're a thriving global business, but our bread and butter hasn't changed. We are passionate about making every day a little bit brighter for our amazing people and wonderful customers. We're a business with heart; believing in being kind, honest and generous.

We're a place of opportunity, that's constantly creating. Where hardworking people from around the world are given the chance to shine. We proudly support our local communities, not only near our operations but also throughout the supply chain.

We don't believe in wasting good food (The Pret Foundation works with charities to donate as much food as possible at the end of the day).

We continue to serve organic coffee and make freshly made food from seasonal ingredients and thoughtful recipes.

We are Pret.



Our brand purpose & values

We exist to...

Make every day a little bit brighter

By...

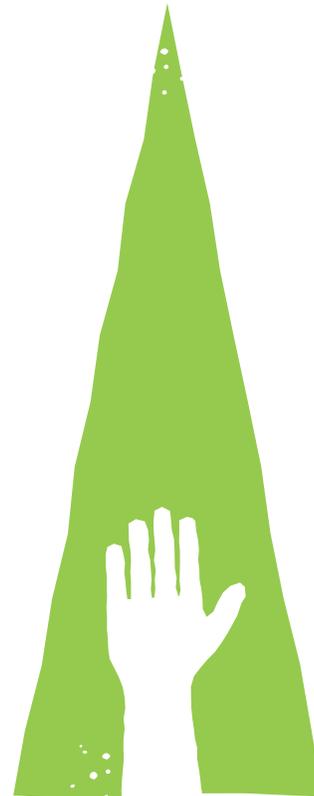
Generously spreading joy

Through...

Food with thought



Happy teams
Happy customers



Amazing
standards
everyday



Never
standing
still



Doing the
right thing

Our 2030 Sustainability Ambition

Shaped by our materiality assessment and the United Nations Sustainable Development Goals, our Sustainability Ambition guides our approach to doing the right thing.

People

Pret's ambition to positively impact our key communities.

People are fundamental to the Pret business, be that our amazing Team Members, supply chain partners or the communities where we operate. We care deeply about Diversity, Equity and Belonging, creating an environment where we listen, learn and then listen some more to constantly evolve and grow. For nearly 30 years The Pret Foundation has supported people experiencing or at risk of homelessness by donating surplus food and supporting people into employment.



Product

Pret's ambition to reduce the impact of our products and offer more sustainable choices for our customers.

Our product range is key to helping make every day a little bit brighter for our customers. We're constantly innovating to tackle waste, ensure our packaging is more circular, and develop new thoughtful recipes including our delicious veggie and vegan range. We remain committed to ensuring our products have clear allergen information.



Planet

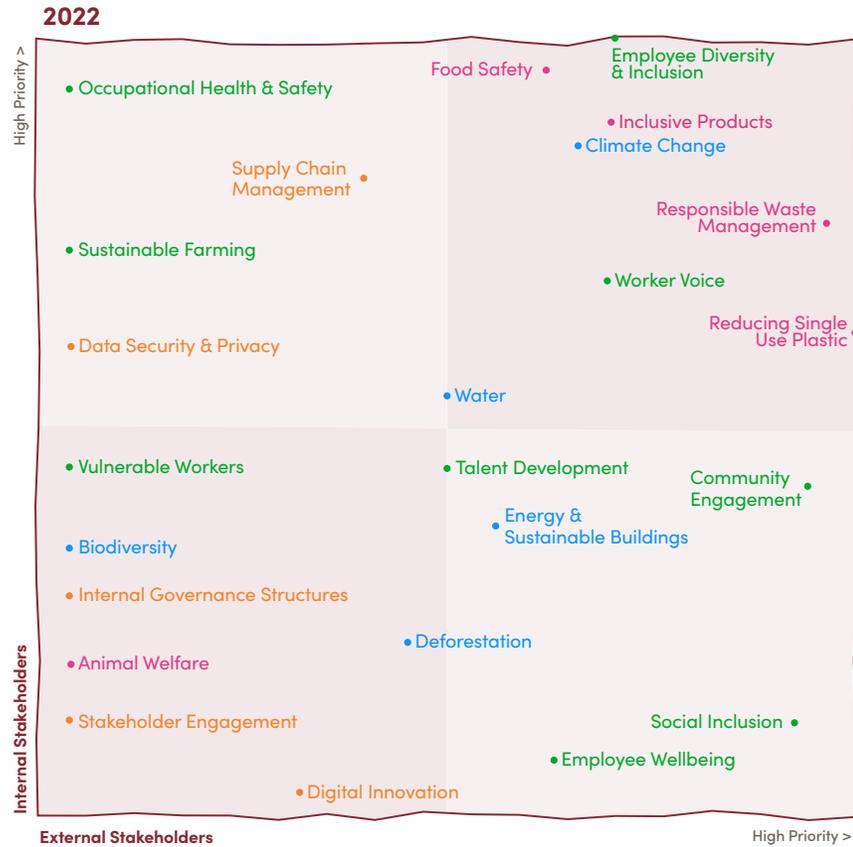
Pret's ambition to become a Net Zero business, committed to protecting the environment.

Every company, including Pret, has a part to play in understanding, reporting on, and reducing our carbon footprint across our global supply chain. We also aim to tackle other material issues including water scarcity and biodiversity.

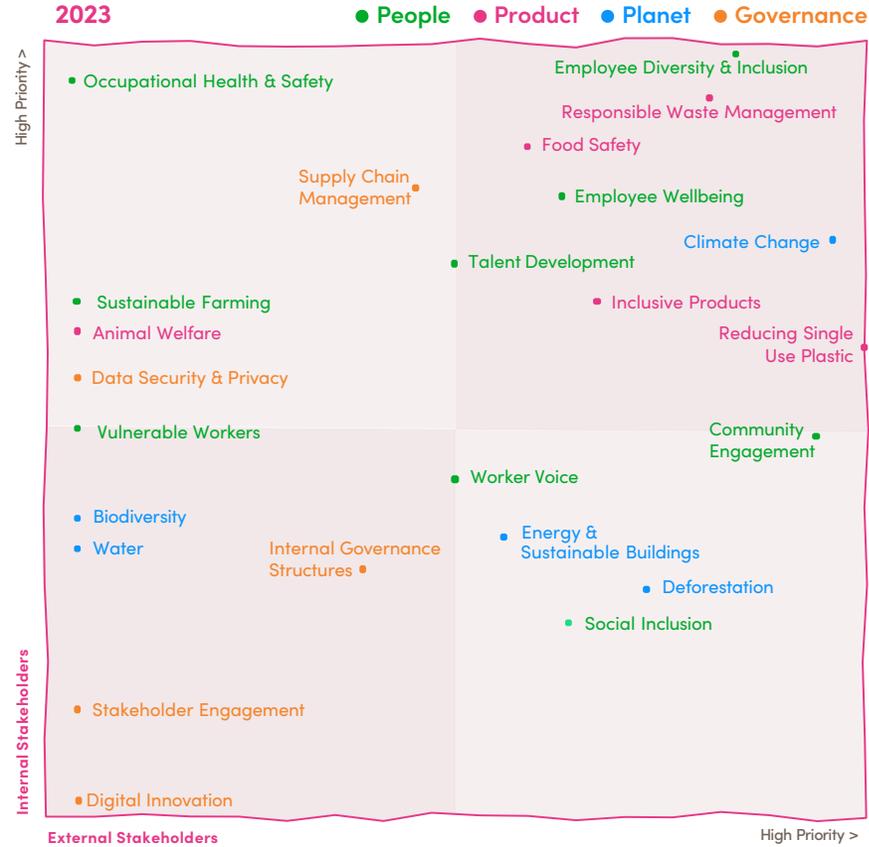


Our most material areas are flagged throughout this report 

The outside world



Source: Datamaran



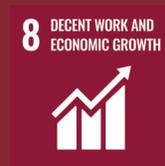
Source: Datamaran

In 2023 we conducted another materiality assessment with Datamaran to understand how external factors may have shifted, including changes in policy, markets, consumer behaviour and peers. This was then refined internally. We are constantly evolving our People, Product and Planet approach to align with shifts in materiality. Understanding which issues are most relevant, or material, to Pret as a food and drink company is fundamental to defining our Sustainability Ambition.

People

Pret's ambition to positively impact our key communities

Relevant UN Sustainable Development Goals:



People

Diversity, Equity & Belonging

Ensuring our diverse teams, customers and communities feel valued for their unique qualities and that they belong in Team Pret.

Sustainable Farming

Working with our farmers around the world to grow key ingredients more sustainably.

Responsible Sourcing

Championing sustainable livelihoods, safety, and labour rights for workers across our global supply chain.

We're working hard to identify ambitious, robust and credible targets to help us meet these goals, and to better understand how we will track our progress towards these ambitions.

Best bits of 2023:

- ★ Launched five employee-led Belonging Groups – Parents & Carers, Women, LGBTQ+, Multiculture, Body & Mind – to support our diverse talent to shine brightly
- ★ Supported 104 people experiencing, or at risk of, homelessness into employment through The Pret Foundation, 30 more people than in 2022
- ★ Provided mental health awareness training for Line Managers, across all of our markets, to support spotting signs and signposting to services

Did you know?

- ★ Over 90% of our UK General Managers and 22% of our Support Centre teams around the world started on our shop floor, including our CEO.
- ★ For nearly 30 years The Pret Foundation has helped people facing homelessness and refugees to find employment



The ★ PRET ★ Foundation

Registered Charity No. 1050195

We started The Pret Foundation nearly 30 years ago with a simple mission – to make a difference to the lives of people affected by homelessness, hunger and poverty.

Since then, The Pret Foundation has worked tirelessly to alleviate hunger, poverty and homelessness in our Pret communities.

The Foundation offers direct support to community organisations around the world, including donating as much surplus Pret food as possible each day to those in need.

The Foundation runs employment programmes to help those experiencing, or at risk of, homelessness. This includes the Rising Stars 12-week support programme. It's fully paid for by the Foundation and aims to remove barriers where possible, from covering the cost of travel during this period to offering access to weekly support groups.



Breaking down barriers into work

Since 2008 the Pret Foundation's Rising Stars employment programme has welcomed over 700 people into employment at Pret.

We've seen first-hand the positive impact that support and a sense of community can have. Through the Rising Stars programme we:

- ★ Break down the barriers to employment (no formal application process, a dedicated Employment Manager, and placed with experienced General Managers)
- ★ Offer 12-weeks of wages and travel costs, together with weekly support groups and 1-2-1 counselling if required
- ★ Supported 104 people into employment in 2023. 70% completed the programme and 35% have since worked at Pret for 6 months+
- ★ Developed our Shooting Stars programme, which provides additional support for people who have graduated from Rising Stars to further progress through a nine-month career development programme with Pret. We supported 6 Shooting Stars in 2023



“The Rising Stars Programme helped me. I was homeless. I was jobless. Pret gave me a good chance to stay alive so that I can sort my life out.”

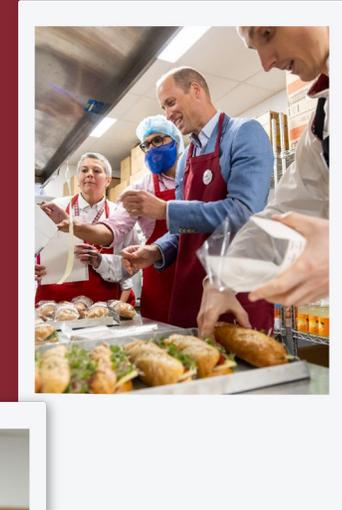
Zizo, Rising Star

A rather special Royal visit

We were proud this year to partner with The Royal Foundation for The Royal Foundation of The Prince and Princess of Wales Homewards Programme, in its mission to demonstrate that together it's possible to end homelessness.

We hosted HRH The Prince of Wales at our Pret shop in Bournemouth so that he could meet some of our Rising Stars alumni. We are committed to expand The Pret Foundation's Rising Stars Programme by supporting 500 people facing homelessness into jobs at UK Pret shops over the next five years.

We took part in a roundtable discussion with local businesses to champion the key role that the private sector can play to support people facing homelessness into employment. We also signed up to the Homelessness Covenant, led by Crisis, and serve as a member on the Advisory Board to share best practice with others.



Supporting Ukrainian refugees into employment

Building on our experience and knowledge working with refugees over many years, we set up the Ukrainian Employment Programme.

The programme offers those fleeing the war in Ukraine tailored support including:

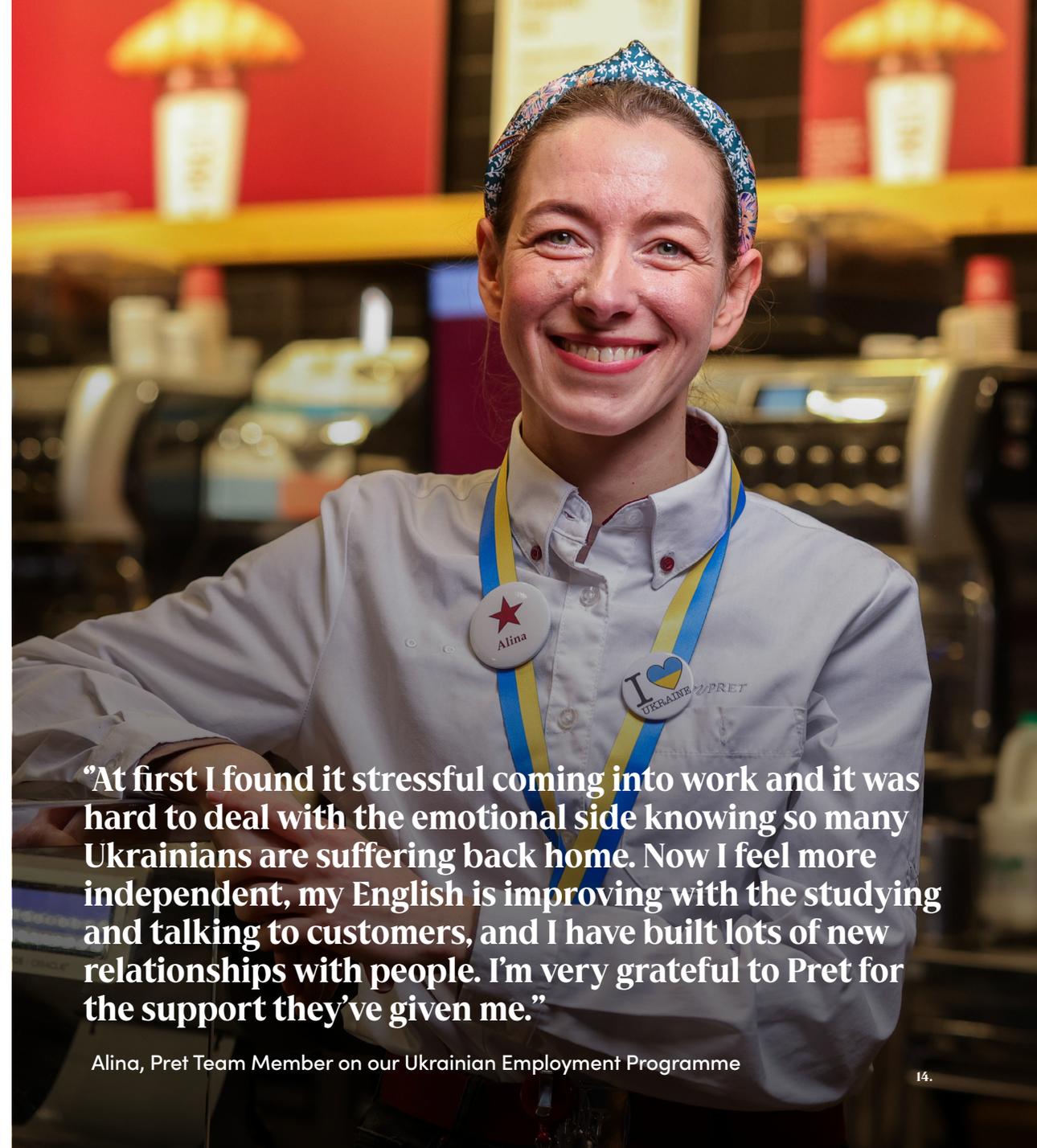
- ★ Fast-track into employment at Pret shops in the UK
- ★ English lessons, financial support and 1-2-1 counselling

What's next?

- ★ In 2024 we will join the global Tent Partnership for refugees, a network of major companies committed to integrating refugees into their businesses through hiring, training and mentorship

Since the programme began in March 2022, we've hired over 350 Ukrainian refugees into roles at Pret including Baristas, Front of House Leaders, and Hot Chefs - with a retention rate of over 50%.

11 participants in the programme are currently taking part in a Level 4 Business Transformation Fellowship (for Leaders and above) & Level 3 Digital Business Accelerator (for Team Members).



“At first I found it stressful coming into work and it was hard to deal with the emotional side knowing so many Ukrainians are suffering back home. Now I feel more independent, my English is improving with the studying and talking to customers, and I have built lots of new relationships with people. I’m very grateful to Pret for the support they’ve given me.”

Alina, Pret Team Member on our Ukrainian Employment Programme

Our recipe for success

In 2023 we launched our ‘Managing Wellbeing’ toolkit and mental health training, to help Line Managers to spot signs and signpost support. We partnered with The Wellbeing Project to review our policies and practices to support employee wellbeing (which we will action in 2024).

Establishing Pret’s Wellbeing Framework

Policies

Clear guidelines and impactful initiatives well communicated

Leadership

Role models for caring deeply and wellness

Practices

Healthy habits, behaviours, physical environment & ways of working

Helping Hand

Support when people are struggling

Healthy Finances

Minimising financial strain

Healthy Mind

Supporting mental & emotional health

Healthy Together

Keeping people connected

Healthy Body

Staying physically healthy



Diversity and Belonging is baked into who we are

At Pret, our purpose is to make everyday a little brighter. We'll achieve this by ensuring our diverse teams, customers and partners feel valued for their unique qualities. Regardless of who you are, your background, or how you take your coffee, you belong at team Pret as yourself.

What we've achieved so far:

- ★ 56% female representation at Exec level and at least 50% female representation at every level of our business
- ★ Signatory to the British Retail Consortium's D&I Charter
- ★ Set up a global Diversity, Equity & Belonging (DEB) governance group, chaired by our CEO, as well as listening forums in each market
- ★ Launched five colleague Belonging Groups
- ★ Launched the Female Leadership Apprenticeship Programme
- ★ Women's development programmes promoted, such as our Women's Non-Exec Director (NED) programme, in partnership with Welcome in Hospitality, Travel & Leisure (WiHTL)

Our Diversity, Equity and Belonging goals, to achieve by 2026:

- ★ 100% of our equity and franchise Managers trained on inclusive hiring and decision making
- ★ 85% of General Managers, 90% of Operations Managers and 25% of Support Centre colleagues to have started out on our shop floor
- ★ Maintain gender diversity, with women representing 50% of roles across the business at all levels
- ★ Rising Stars programme launched in one other market outside UK, with 80% graduation at 3 months
- ★ Diversity & inclusion employee engagement score in the top 10% vs industry average for both franchise and equity colleagues



We welcome everyone

In 2023 we launched 5 Belonging Groups made up of colleagues around the world.

Each group aims to:

Listen...
to the views, ideas and lived experience of members

Raise awareness...
of the lived experiences in Pret, beyond membership

Champion...
inclusion and belonging and deliver activity that positively contributes to Pret culture

Parents and Carers Group

Areas of focus:

Ensuring a safe space to listen and share tips and tools

Providing additional support for employees experiencing fertility challenges, baby loss, bereavement and wider caring responsibilities such as elder care, fostering and adoption

Influencing policies and benefits that support parents and carers in the workplace

What we've done:

- ✓ Added 2 days of paid fertility leave to our types of leave
- ✓ Support and care packages for our people returning to work from parental leave
- ✓ Educational video resources created by expert broadcaster, coach and author, Natalie Costa, focussing on resilience building for work - life balance

Women's Group

Areas of focus:

Creating a more inclusive workplace for women by influencing policies and workplace environment

Elevating the needs of women across Pret through education and development

Creating a (gender inclusive) community that champions women

What we've done:

- ✓ Guest speaker from AXA spoke to teams about how to support colleagues experiencing the menopause
- ✓ Global Leadership Team offered shadowing and mentoring opportunities for women

LGBTQ+ Group

Areas of focus:

Using more inclusive language

Creating a safe and affirming space to share experiences & ideas to ensure LGBTQ+ Team Members and customers all feel they belong

Influencing tailored adjustments for colleagues to help create a more inclusive environment

What we've done:

- ✓ Rolled out Transitioning at Work policy
- ✓ Guest speaker, Thea Bardot, spoke to teams on trans inclusion part of our 'All Together' Global Pride campaign
- ✓ Inclusive language toolkit launched
- ✓ Donation from a portion of sales from some products, such as Pret's UK Love Bar, raising £40,000 for Pride in London's Unity fund and AKT, supporting queer young people experiencing homelessness

Body and Mind Group

Areas of focus:

Educating Managers on the types of neurodiversity and how best to support neurodivergent people

Making Pret more accessible

Championing and communicating the wide range of support available already in Pret for our people with a particular focus on mental health

What we've done:

- ✓ Neurodiversity training for Line Managers
- ✓ Guest speaker, Dr Shani Dhanda, spoke to teams on disability inclusion and helped to strengthen awareness and education with a disability mystery shopper store visit
- ✓ Making mental health support services, such as our Employee Assistance Programme, more accessible

Multiculture Group

Areas of focus:

Raising awareness of race and racism

Appreciating the incredible diversity of our teams and provide educational tools to support

Building a greater sense of community, serving and celebrating diverse cultures, heritages and communities

What we've done:

- ✓ Inclusive language toolkit launched, including education on microaggressions
- ✓ Running of the Ethnic Future Leader and Ethnic Senior Leader programme, in partnership with industry body Welcome in Hospitality, Travel & Leisure
- ✓ Celebrated Black History Month by providing tools, resources and cultural foods competition



Dr Shani Dhanda disability inclusion expert, and Sarah, co-lead of our Body and Mind Belonging Group

We hire passionate people, and teach them to make sandwiches

We are proud to invest in our Team Members. Many of our colleagues started their journey with Pret on the shop floor, including our CEO, Pano, who started out as Assistant Manager at our Carnaby Street shop in 2000.



Meet Aimee.

Joining the Pret team after uni as a Barista, Aimee is now the UK Head of Coffee and Launch and has been instrumental in helping launch Club Pret.



Meet Julio.

Julio started as a Team Member in the kitchen in Cannon Street and is now Regional Operations Director after 25 years at Pret.



Meet Alice.

Joining as an Assistant Manager 16 years ago, today Alice is Head of Operations for Franchise, UK & Ireland, supporting our accelerated growth plans.



Meet Prakash.

Starting as a Team Member in 2003, Prakash is now Senior Operations Manager at Hub and Asia Partnership, supporting partners to open Pret shops in Kuwait, India and Qatar.



Another royal moment for Pret!

We are royally over the moon to have been awarded a Princess Royal Training Award, celebrating the time, effort, and dedication we place on people development here at Pret.

Creating bright futures through apprenticeships

Hundreds of Pret people benefit from our apprenticeship and qualification offer at Pret.

Apprenticeships can help individuals to develop the skills and knowledge they need to build a rewarding career, and they help businesses like ours to develop a talented workforce equipped with future-ready skills.

For 2023, we had 104 employees enrolled onto apprenticeships, with 18 completing programmes.



Meet Iker.

One of Pret's Front of House Assistant Managers who took part in the Hospitality Team Member Level 2 (Barista) apprenticeship programme.



Meet Carolyn.

One of Pret's Business Engagement Managers who took part in our new Female Leadership apprenticeship programme.



We are all ears

Pret's Big Conversation

Our annual employee survey gives everyone the chance to share their feedback on life at Pret. It's totally anonymous, offering teams a safe space to share what's working brilliantly and where we can be better.

This feedback informs and shapes our People strategy, ultimately aiming to make Pret an even better place to work.

Managers across Pret commit to putting action plans in place with their team based on their specific feedback, building a feedback loop which is also meaningful at team level.

Buddy Days

All our Support Centre employees spend two 'Buddy Days' each year working in one of our shops, and at least one whole week learning the ropes as part of their induction.

It's the perfect opportunity for our office-based colleagues to understand how our shop teams work, listen to their suggestions, and interact with customers.

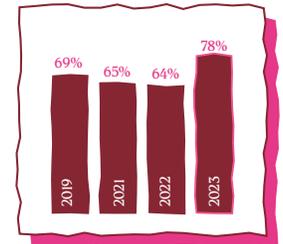
Pret's Big Conversation results

Global engagement score:



78%

Participation rate story



6,296 equity employees took part

Partners in Pret

Colleagues who are nominated to become Partners in Pret join a quarterly forum to share constructive feedback, which helps to inform decision-making across the business. We currently have 212 Partners in Pret with an average tenure at Pret of 14 years.



Dean, Global Procurement Director, on Buddy Day in London



Eira, Managing Director of Asia, Middle East and Africa on Buddy Day in Hong Kong



Mandy, Legal Director, on Buddy Day in London

Our communities

Sleep Out

In 2023 over 80 people from across our UK shops, operations and senior leadership joined the Lady Mayoress's Sleep Out, raising over £150,000.

While we know that just one night sleeping outside will never truly reflect the reality of someone experiencing homelessness, taking part helped raise awareness and vital funds.

Volunteering

145 people volunteered with 16 charity partners worldwide in 2023, including with The Felix Project and Soap Cycling. In the US, we donated 2,500 Pret treats and Support Centre employees volunteered at City Harvest's Share Lunch Fight Hunger events in May and October to re-pack snack bags and pallets of apples to be delivered to local shelters, pantries and NYC families experiencing food insecurity.

Random Acts of Kindness

Every day our Pret teams help make our customers' day a little brighter by treating them to the occasional free drink or pastry on the house.

Quarter Brief

A time for our shop Managers and Support Centres around the world to come together for strategy and a whole lot of joy. Groupies, icons and legends was the theme of our summer Quarter Brief!

Sharing the Joy of Pret

WOW cards to celebrate our teams for outstanding customer service with a surprise cash reward.

Getting Out

Every year we ask Pret teams across the world to compete in a walkathon, walking as much as they can during the month of May to raise money for The Pret Foundation. Our teams also regularly create communities and events to share the joy of Pret, just like our Hong Kong team's hiking group.



Supporting migrant workers

The UK agriculture sector is heavily reliant on migrant workers. In 2023 we supported the B Corp, Fifty Eight, along with the Seasonal Worker Scheme Taskforce and other businesses to ensure migrant workers are not subject to exploitation.

This included supporting the running of the Just Good Work app, which gives migrant workers free and easily accessible information, helping them understand their rights when working abroad and supporting their migration at every stage of recruitment and employment. Multi-lingual guidance is clear, simple and up-to-date, including life outside of work, employment rights, responsibilities and practical considerations including weather, culture, housing and banking. Off-line capability means that once downloaded, the Just Good Work app can be used without internet connection.

The Just Good Work app is available in over 30 countries and 40 languages and was downloaded more than 30,000 times globally in 2023.



Product

Pret's ambition to reduce the impact of our products and offer our customers more sustainable choices

Relevant UN Sustainable Development Goals:



Product

Minimising Waste

Minimising food waste by donating as much unsold food as we can to local good causes.

Customer Choice

Helping provide a range of options for our customers and incentivising them to make more planet-friendly choices.

Packaging

Innovating to ensure all our packaging is fully reusable, recyclable or compostable.

We're working hard to identify ambitious, robust and credible targets to help us meet these goals, and to better understand how we will track our progress towards these ambitions.

Best bits of 2023:

- ★ Signed WRAP and UN Global Compact Courtauld Commitment to tackle systemic challenges like food waste
- ★ Donated over 5 million items of surplus food to local good causes
- ★ All the whole eggs sold in our Hong Kong shops became officially cage free
- ★ Experimented with packaging changes including pulp lids in Hong Kong, avocado stone spoons in Dubai, and paper spoons in the UK
- ★ 75 young coffee farmers in Peru helped to set up successful and sustainable coffee businesses through the Pret Coffee Fund

Did you know?

- ★ We offer a discount for customers using a reusable cup, 50p off a standard coffee in the UK (or equivalent in other markets)
- ★ We offer alternative milks to customers at no extra cost
- ★ Pret is a founding member of the National Coffee Cup Recycling Scheme in the UK
- ★ In our UK shops we have clear allergen information for our products including full ingredient labelling and prominently displayed QR codes





From farm to fork

We worked with FoodSteps to conduct life cycle assessments of a sample of 19 key Pret products. Our goal was to better understand the embodied carbon of some of our most popular recipes, giving us an indication of the carbon emissions produced at every stage of our supply chain for each product.

For our products, the farm stage (growing ingredients like tomatoes or farming chickens) is by far the most carbon-intensive life cycle stage. That's why working together with our supply chain partners is critical to reducing our impact over the long term.

This analysis has helped give us the tools and data to shape our strategy moving forward, by ensuring we understand where our data gaps are and move away from using data estimations.

Carbon intensity average for all 19 products in the sample = 4.10 kg CO²e / kg.



Highest Impact Meal found in the sample



New Yorker Rye Roll
 2.50 kg CO₂e per serving
 15.78 kg CO₂e per kg
 95% of CO₂e by ingredient comes from the salt beef!

Emissions from each life cycle stage:
 Farm = 80% | Processing = 3% | Packaging = 2% | Transport = 2%
 Retail = 1% | End-mile = <1% | Cooking = 2% | Food waste = 10%
 (Percentages are rounded up)



Lowest Impact Meal found in the sample



Humous and Chipotle Wrap
 0.37 kg CO₂e per serving
 1.50 kg CO₂e per kg
 20% of CO₂e by ingredient comes from the humous!

Emissions from each life cycle stage:
 Farm = 54% | Processing = 7% | Packaging = 14% | Transport = 11%
 Retail = 2% | End-mile = <1% | Cooking = 5% | Food waste = 8%
 (Percentages are rounded up)

Donating unsold food to those who need it most

Donating unsold food from Pret shops is part of our DNA – we’ve done it since day one, and we’re working hard to replicate this tradition in our shops around the world.

Donating to grassroots good causes:

- ★ We said goodbye to our Pret charity run delivery service in the UK – we still use a charity van in France. For the UK, we expanded our partnership with Neighbourly to all eligible shops (83% of UK estate) to donate surplus food
- ★ In 2023 we donated over 5 million surplus food items from Pret shops in the UK through The Pret Foundation
- ★ In the US we donated over 700,000 surplus food items to good causes
- ★ Over 85,000 food items and nearly 15,000 units of ingredients were collected by Feeding Hong Kong and local charities across 25 Hong Kong Pret shops

Saving food waste:

- ★ We continued to redistribute surplus hot food through our partnership with Too Good To Go, saving over 300,000 items of surplus hot food from the bin
- ★ We also scaled up our partnership, expanding to redistributing surplus cold food which cannot be donated to charity from shops that close too late or are in airports. Across these shops in Q4, approximately 42,000 items of surplus cold food were sold via 12,000 Too Good To Go ‘surprise bags’, with half of sales going to The Pret Foundation
- ★ We are currently working with Yindii in Hong Kong to reduce food waste by bundle-selling unsold product at a lower price towards the end of the day



Reduce, reuse, recycle

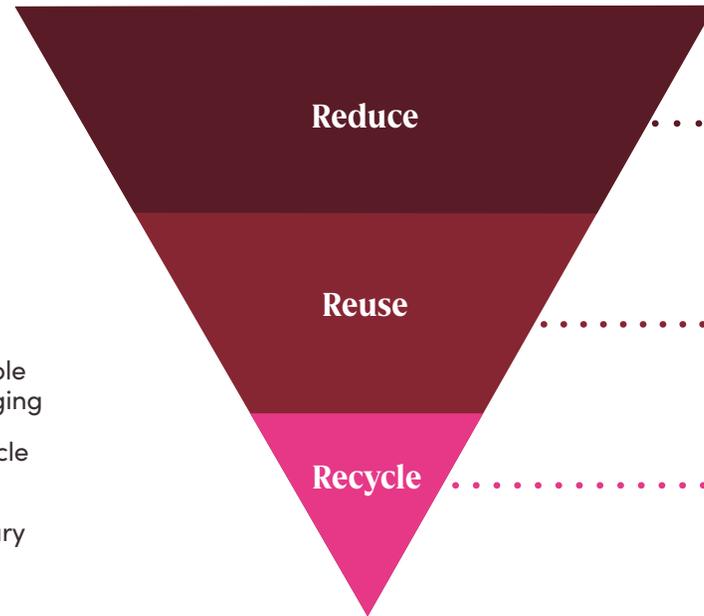
We are seeing more and more packaging legislation on the horizon. Whilst bespoke solutions will sometimes be necessary to comply with local laws and market demands, we are keen to standardise our packaging, taking the best practice packaging ideas and materials from our different markets and rolling them out internationally.

Some market specific packaging changes made in 2023:

- ★ We replaced burgundy, polystyrene spoons with a white, paper design in the UK
- ★ We're trialling spoons made from avocado stones in the Middle East
- ★ Our coffee cup lids are now made from paper and sugar cane pulp in Europe and in Hong Kong

Goals:

- ★ 100% reusable, recyclable or compostable packaging
- ★ Help customers to recycle effectively in our shops
- ★ Eliminate all unnecessary single-use plastics



Following the waste hierarchy, we've reduced the weight of our packaging wherever possible. In 2023 this included reducing the cardboard content of our baguette pouches and the film content of our rye roll bags. The vast majority of our wood-derived packaging now comes from FSC or PEFC certified forests. This includes our new paperboard spoons which replaced single-use plastic ones. We've switched to recyclable bags for our coffee bean bags and removed PFAS chemicals wherever they were previously used.

All of our French shops with more than 20 seats began offering reusable tableware for on-site consumption in 2023, in line with local legislation.

We're working hard to reach our goal of 100% of our front of house packaging to be reusable, recyclable or compostable by the end of 2025. Currently we're at 80%.



New French eat-in and takeaway packaging

The Pret Coffee Fund

We love our coffee just as much as we love our food. Behind the rich, bold aroma in every cup is a whole heap of passion, skill and obsession.

So much love goes into crafting Pret's perfect blend, from our farmers handpicking each and every coffee cherry, to our tasters ensuring each batch is to Pret's standard, to our roasters who ensure the perfect roast level. Our organic coffee beans come from Peru, Honduras, Ethiopia and Sumatra (yup, that's four different continents!)

Climate change is affecting the way coffee farmers nurture their land. And with such rapid change, growing a business is a challenge and many choose to leave the industry. Through the Pret Coffee Fund we're helping coffee farmers in Peru with new approaches, tools and techniques to master regenerative agriculture in growing organic coffee beans - the same ones that go in every cup of our coffee.

Supporting the next generation of coffee farmers

The Pret Coffee Fund focuses on supporting young coffee farmers in the Cenfrocafe cooperative in Peru - one of Pret's biggest coffee suppliers in the region.

Working together with NGO Producers Direct, the project helps participants to hone their skills and expertise through extensive training, supporting them to run their own successful and sustainable coffee farms and ultimately helping to safeguard the longterm future of Pret's coffee supply chain.

Producers Direct invest in smallholder farmers to address power imbalances in the way we grow, distribute, and access food. Producers Direct are a trusted, global network of over 1 million smallholder farmers and use their voice to tackle persistent global challenges. They blend traditional wisdom and new technology to strengthen smallholder farmers' incomes and resilience. Together, we are supporting the growth of a profitable, sustainable and smallholder-owned global cooperative.

Our impact since we launched The Pret Coffee Fund:

- ★ 406 young people have participated (75 in 2023)
- ★ 95% of participants have remained in coffee production and have their own farms
- ★ 400 jobs created and 14 new enterprises, including coffee roasters and cafes
- ★ 69% of young people have accessed follow-up financing
- ★ 80% of participants using environmentally friendly practices on their farms, for example buffer barriers and hedges
- ★ 42 young women who participated in the programme are now managing their own farms, and 84 young women have set up kitchen gardens

Coffee farmer in one of our coffee cooperatives in Peru

Tea time!

Pret has sourced our organic tea from English Tea Shop Organic, a tea supplier based in Sri Lanka, for nearly 20 years.

As a certified B Corp, English Tea Shop Organic’s mission is to create a positive impact on both the local Prajava (community) and the planet by addressing social inequality. Their vision is to empower a tea revolution in organic farming and employee ownership.

In 2023, we partnered with English Tea Shop Organic on their Prajava Wellbeing project. The project aims to support tea farmers and their communities through education, support and knowledge sharing.

With our support, the project has expanded to reach beyond English Tea Shop Organic employees to wider farming communities, with a focus on reaching women and children. Our support has provided additional school supplies to employees and farmers’ children, helping fund school uniforms, books and shoes.



How is our tea made?



Organic tea leaves from our Sri Lankan tea supplier

Planet

Pret's ambition to become a Net-Zero business,
committed to protecting the environment

Relevant UN Sustainable Development Goals:



Planet

Climate Change

Reducing carbon emissions in our global supply chain.

Biodiversity

Ensuring we are not contributing to deforestation. Working with suppliers to protect and enhance biodiversity.

Water scarcity

Understanding our water use and working with our suppliers, particularly in water scarce regions.

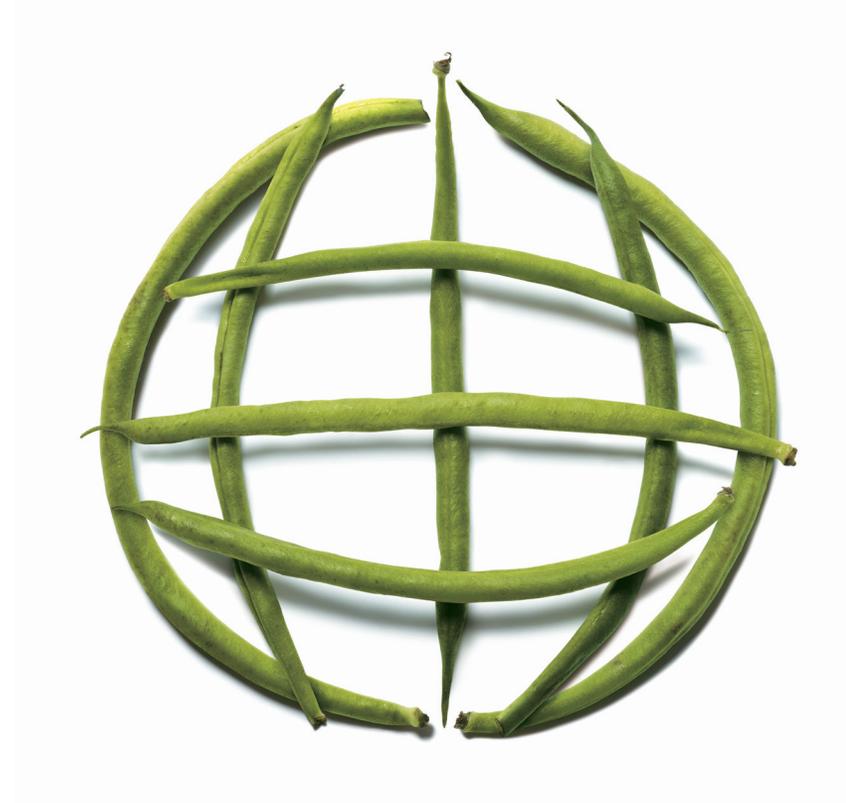
We're working hard to identify ambitious, robust and credible targets to help us meet these goals, and to better understand how we will track our progress towards these ambitions.

Best bits of 2023:

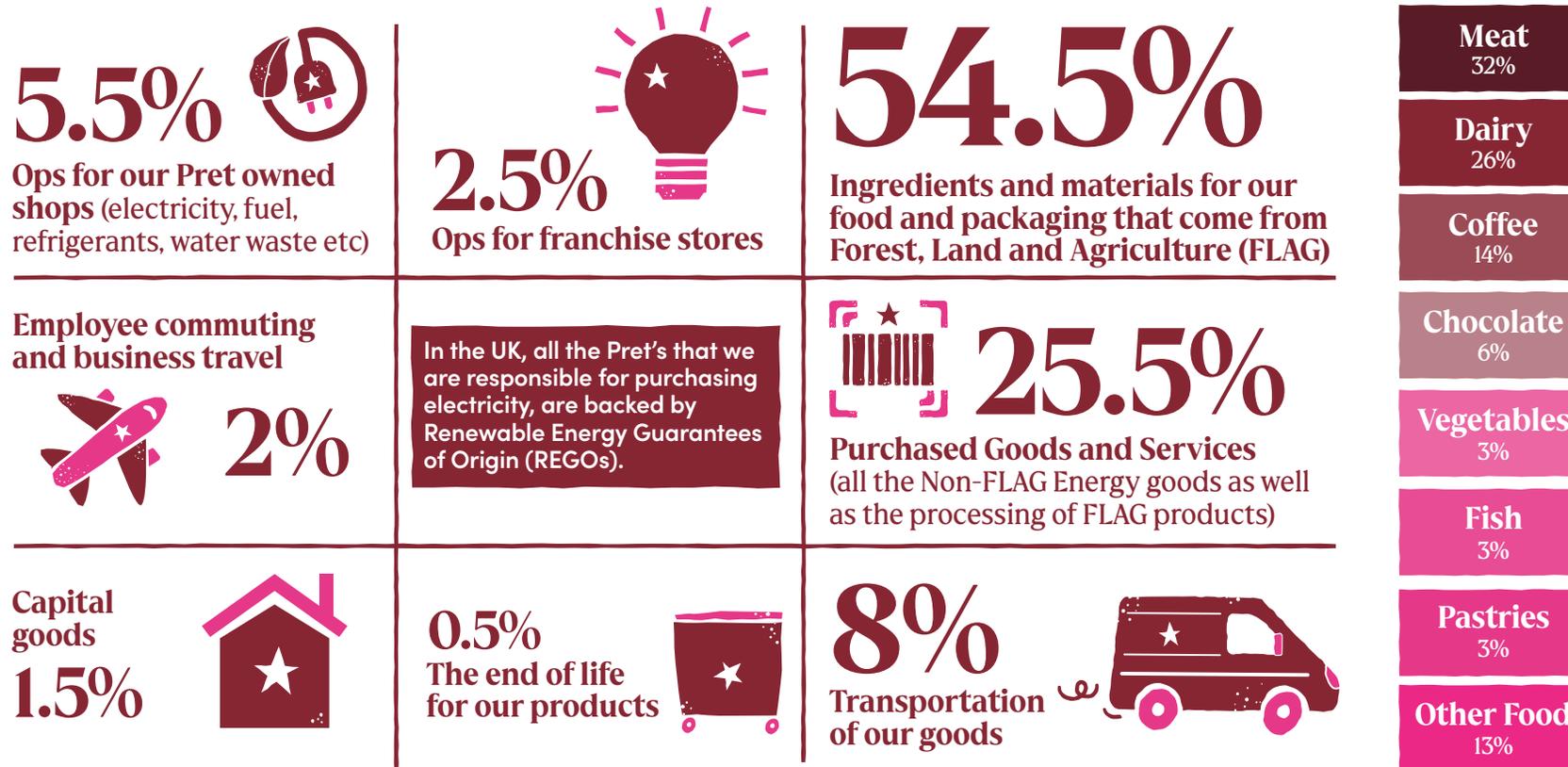
- ★ Analysed and understood our carbon emissions via improved data
- ★ Absolute reduction in carbon emissions by 17% year on year
- ★ Conducted scenario analysis to understand the impact that climate change could have on our global business

Did you know?

- ★ Our coffee and tea are always organic, every time
- ★ In 2023 Which? ranked Pret the 5th most sustainable restaurant chain in the UK, the only 'takeaway' chain to be recognised as an Eco Provider



Where carbon emissions sit at Pret...



The breakdown of food emissions by categories

...all the numbers

We improved the accuracy of our carbon data and went back to our baseline year of 2022 to apply these improved data changes (which is why some of our emissions categories have changed a little bit, as per the restated figures).

Understanding the carbon footprint of our global supply chain is key to helping us focus our energy and efforts in the right places.

We're working towards setting decarbonisation targets with a 2022 baseline as we continue our journey to becoming a Net Zero company.

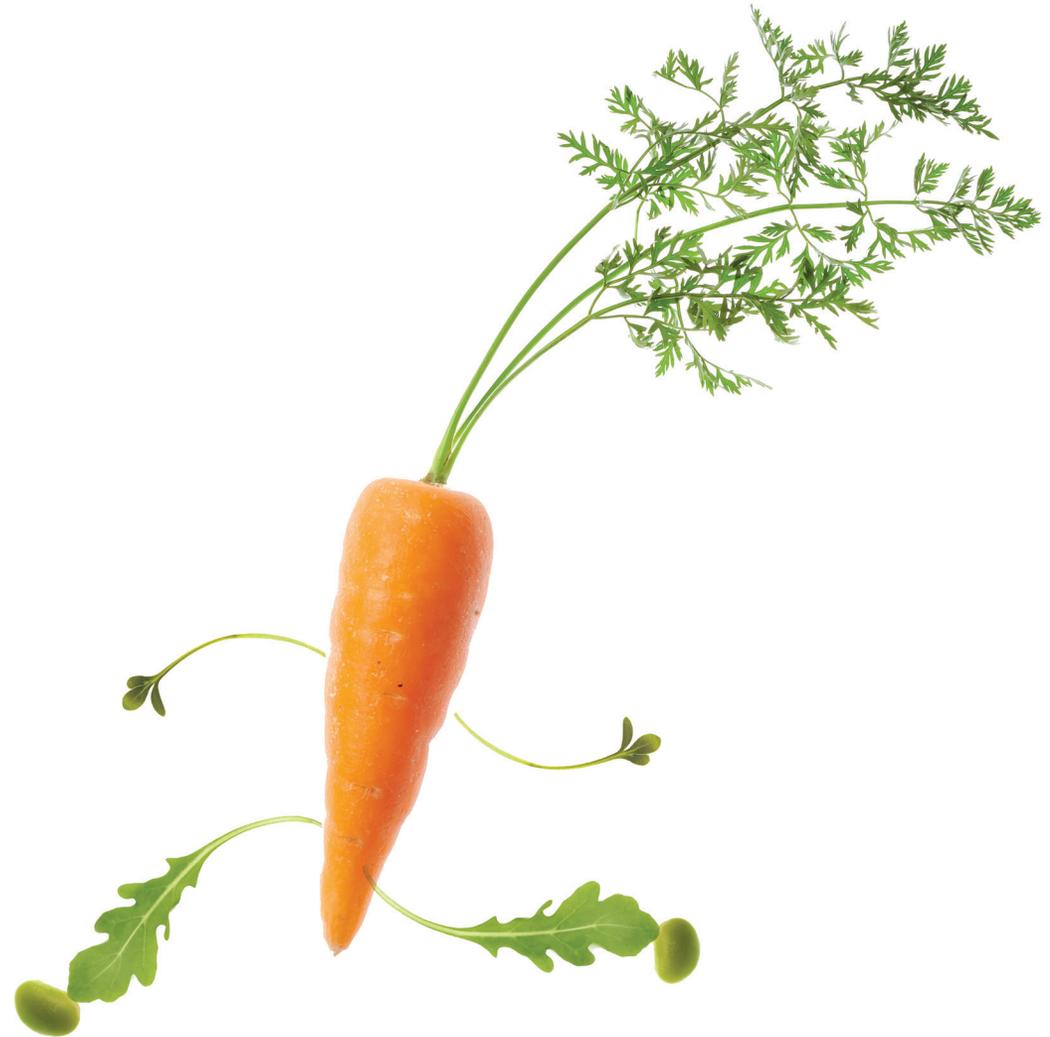
Scope	Value Chain	Category	Emission Source	Emissions (tCO2e) 2023	Emissions (tCO2e) 2022 original emissions	Emissions (tCO2e) 2022 restated emissions	% difference between 2022 restated emissions and 2023	
Scope 1	Energy		Refrigerants, stationary combustion and mobile combustion	5,756	3,515	3,515	+64%	
Scope 2	Energy		Location-Based - which uses emission factors from the grid	14,622	17,441	17,441	-16%	
			Market-Based - which takes into account our renewable electricity purchases	6,771	12,301	12,301	-45%	
Scope 3	Energy Upstream	1	Purchased goods and services	82,471	104,972	112,164	-26%	
		2	Capital goods	5,286	11,684	7,464	-29%	
		3	Fuel and energy related activity	2,898	3,734	3,734	-22%	
		4	Upstream transportation and distribution	25,353	6,210	35,224	-28%	
		5	Waste generated in operations	2,137	1,445	2,168	-1%	
		6	Business travel	682	491	473	+44%	
		7	Employee commuting	5,300	7,442	7,442	-29%	
	Energy Downstream	9	Downstream transportation and distribution	409	390	390	+5%	
		11	Use of sold products	130	171	171	-24%	
		12	End of life treatment of sold products	1,839	1,882	1,882	-2%	
		14	Franchises	8,851	4,121	4,127	+114%	
				Total Energy Scope 3 Upstream	124,127	135,978	168,669	-26%
				Total Energy Scope 3 Downstream	11,229	6,564	6,570	+71%
				Total Energy Scope 3	135,356	142,542	175,239	-23%
FLAG	Food		Land use change	46,829	60,212	60,211	-22%	
			Land management	129,295	138,492	138,492	-7%	
	Non-Food		Land use change	164	137	369	-56%	
			Land management	5,800	4,143	7,264	-20%	
			Total FLAG Scope 3	182,088	202,983	206,337	-12%	
Total Scope 1, 2 Market-Based and Scope 3				329,971	361,341	397,392	-17%	

Working with key suppliers to leave lighter footprints

Using the GHG Protocol's operational consolidation approach, we know that just 4% of Pret's total carbon emissions sit within our operational control. That's why engaging with our global supply chain and working together is fundamental to Pret tackling the remaining 96% of our emissions.

We're developing a new supplier decarbonisation programme, using data to identify our highest-impact suppliers and creating a tailored engagement campaign which will:

- ★ Give us a robust understanding of the challenges and opportunities within our supply chain
- ★ Move away from spend data to incorporate more supplier specific data, improving our emissions calculation methodology
- ★ Enable us to assign our suppliers with a maturity rating based on sustainability commitments, emissions data and Net Zero targets and prioritise our engagement



The impact of climate change on Pret

For the first time in 2023 we have integrated climate reporting into our financial reporting cycle and strengthened our governance of climate issues, aligning with the recommendations from the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#).

We undertook scenario analysis to better understand the possible impacts of climate change around the world on our operations and global supply chain. This will help us to consider how to incorporate climate mitigation into our medium and long-term planning.

Scenario analysis found that climate change may materially impact Pret in the future; both physically and transitionally. The first being the physical acute and chronic impacts of the changing climate, and the latter being the impacts associated with transitioning to a lower carbon economy.

Physical

- ★ It was identified that key raw materials could be highly vulnerable to physical climate impacts, which has the potential to result in decreased availability. Commodities particularly vulnerable to climate events are those associated with Forest, Land and Agriculture (FLAG) from tropical and sub-tropical regions including coffee, cocoa, fruit and vegetables.
- ★ We saw an example of this in 2023 when one of our coffee sourcing regions experienced significant draught.
- ★ Adverse weather events like this not only disrupt the way we operate, but are catastrophic for the farming communities who rely on selling their commodities.

Transition

- ★ The analysis also showed a transition-related opportunity for early adopters of Net Zero to demonstrate leadership.
- ★ For example, by leveraging consumer preferences to increase market share - assuming that consumer preference and dietary shifts will shape increasing demand for sustainable food and drink products in the future.



What's next for 2024?

While we have made great progress in many areas in 2023, we know we have work to do.

Targets

- ★ Set robust, ambitious and measurable KPIs for key material topics

People

- ★ Join the Tent Partnership for Refugees, a coalition of 70 leading companies in the UK committed to hiring refugees at scale
- ★ Support colleague wellbeing by implementing the Wellbeing Project's review of our policies and practices
- ★ Strengthen our commitments to Diversity, Equity and Belonging, and work on our 2026 goals

Product

- ★ Continue to develop and test a recyclable lid, one of the more challenging materials in our goal to reach 100% of our packaging to be reusable, recyclable or compostable

Planet

- ★ Finalise decarbonisation targets and roadmap
- ★ Accelerate the supplier decarbonisation programme

Governance

- ★ Evolve governance approach to ensure focus on key material topics in all our markets
- ★ Update key policies for material topics



Supporting partners

Partnership continues to be critical to delivering our Sustainability Ambition. Key partners include:

accenture

Accenture – previously known as Carbon Intelligence, we work with Accenture to help deliver our Planet pillar, including climate risk and scenario analysis for TCFD, carbon emissions calculations and decarbonisation work

akt

AKT – we supported during Pride to help young LGBTQ+ people who are at risk of homelessness



The Ali Forney Centre – supported to help alleviate homelessness of LGBTQ+ youth in NYC



British Retail Consortium (BRC) – we've signed up to the trade association's Net Zero roadmap and Diversity & Inclusion Charter



City Harvest – we have partnered with City Harvest since 2000, distributing food to hundreds of food pantries, soup kitchens and other community partners across NYC's boroughs

crisis

Crisis – refers clients looking for employment opportunities on a weekly basis to join Pret's employment programmes, we then work together to give someone experiencing or at risk of homelessness a second chance. We also serve as a member to the Homelessness Covenant Advisory Board, led by Crisis



Datamaran – ESG platform helping Pret ensure our materiality assessment is up-to-date and horizon scan for changing legislation



Feeding Hong Kong – a valuable partner in our initiative to collect and distribute surplus food. By working together, we have been able to rescue significant amounts of food that would have otherwise gone to waste, and channel these resources to people in need



The Felix Project – a London-based project which feeds local communities. They are one of the many good causes receiving Pret's unsold food from both shops and our distribution centre, plus hosting Pret colleagues for our annual volunteering days



Food Connect – a nonprofit technology organisation bridging the gap between surplus food and hunger in the US, by matching available resources with local food banks and shelters to provide food for those in need



Greater Chicago Food Depository – connecting food to those who need it and advancing solutions that address the root causes of hunger in the US

homewards

The Homewards Programme – we are part of The Royal Foundation of The Prince and Princess of Wales, aiming to demonstrate that through it's possible to end homelessness



Hot Bread Kitchen – we supported to help the creation of economic opportunity for women, immigrants, and people of colour through career training and food entrepreneurship



Hubbub – changing consumer behaviour to drive the re-use of coffee cups



Muuse – we partner with Muuse in Hong Kong to help reduce packaging waste via their smart reusable takeaway system



National Coffee Cup Recycling Scheme – Pret is a founding member of this UK scheme which brings major retailers together to create a system for collecting and recycling coffee cups



Neighbourly – helps us distribute as much surplus food as we can to communities across the UK every day



Pride in London and the Unity Fund – also supported during Pride to support young LGBTQ+ people who are at risk of homelessness



Producers Direct – a long-term partner of the Pret Coffee Fund, supporting our coffee farmers in Peru



SAGE – we donated a portion of the sales from the Pride cookie sales in the US to help improve the lives of LGBTQ+ elders



Supplier Ethical Data Exchange (SEDEX) – this platform is one of the tools we use to engage, manage and assess ESG within our supply chain



TENT

Tent – our next step on the journey of supporting refugees restart their careers with us is to join Tent, a coalition of companies in the UK that are committed to hiring refugees and helping them become job-ready



Too Good To Go – if we can't donate, we sell leftover food to customers via the Too Good To Go app, helping minimise food waste



United Nations Global Compact – we are signatories to the UNGC, which focuses on responsible business practices in human rights, labour, the environment and corruption

wrap

Waste Resources Action Programme – we are signatories to the Waste Resource Action Programme's Courtauld Commitment to tackle systemic food waste challenges



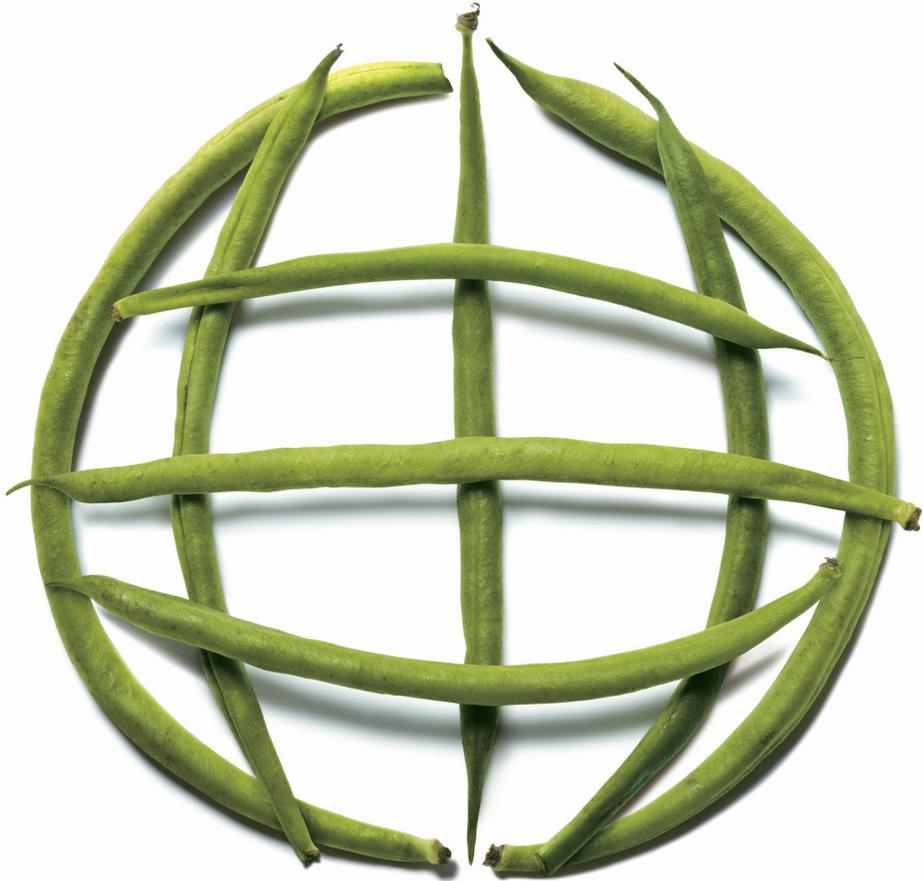
The Wellbeing Project – supporting us to review the wellbeing of our teams



WiHTL and DiR (Diversity and Inclusion Collab co) – industry body supporting us with DEB initiatives, such as our Ethnic Future Leader and Ethnic Senior Leader programmes



Yindii – we partner with the surplus food app to minimise food waste in our Hong Kong shops



Doing the Right Thing

2023 Environment, Social and
Governance Report

★ PRET ★