



## Our sustainability targets

# Our strategy has been developed to align with the issues addressed by the UN SDGs

Our strategy aims to deliver long-term sustainable shareholder value through organic and sustainable growth.

Operating the business in a sustainable way underpins our strategic priorities and is a part of the way we want to do business. We have purposefully interlinked sustainability into our strategic priorities so that it becomes part of our culture. Our strategy has been developed to align with the issues addressed by the UN Sustainable Development Goals and we have committed to reducing the negative impact of our business model on the environment in light of these objectives.

Through a materiality assessment we have identified the UN Sustainability Development Goals which we believe we can have the greatest impact on and have aligned these to our strategic pillars as shown on the facing page. For each of the pillars we have defined our objective, key actions and targets. We work closely with the Sustainable Restaurant Association and industry groups to share best practice and learning to move the industry forward as a whole.

### Our targets

#### 1. Greenhouse gas emissions

# -25%

**Target** Reduce greenhouse gas emissions by 25% by FY 2030 (measured as GHGe/meal, including Scope 1, 2 and 3 emissions) from our FY 2019 baseline.

**Performance** Our Scope 1, 2 and 3 greenhouse gas emissions have decreased by 68% against our FY 2019 baseline. The reduction is primarily due to closure in the period and is not reflective of expected ongoing levels of emissions now that our pubs and restaurants have reopened. Details of the breakdown of our emissions and opportunities for reduction can be found on pages 58 to 60.

Total Scope 1 and 2 emissions reduced by 25% in the year. Scope 1 emissions include direct emissions from controlled or owned resources and Scope 2 emissions include indirect emissions from the generation of purchased electricity, heating and cooling. The reduction of Scope 1 and 2 emissions is due to mandated closure of our estate in the period in response to Covid-19 and therefore does not contribute towards our long-term ambition to reduce the overall

emissions of the business. However, as part of our roadmap to emissions reduction we do have energy consumption reduction initiatives live in the business. For example, energy ambassadors are in place in each geographical cluster of sites helping managers to understand and identify opportunities to reduce energy consumption. Meanwhile we are reviewing opportunities to invest in more efficient equipment and technology.

Our Scope 3 emissions include all other indirect emissions that occur in our value chain, these include food and drinks purchased, guest travel, employee travel, our capital programme, logistics, other purchases and waste generated in operations. As a founding member of the Zero Carbon Forum the business is developing a roadmap to achieve net zero emissions. Opportunities to reduce Scope 3 emissions are currently being investigated; there are many areas of opportunity for reduction and these include reducing the emissions of the ingredients of our menus through the Cool Food Pledge, and by working with suppliers to reduce the emissions of input products and the delivery network.

2. Food waste

**-20%**

**Target** Reduce food waste by 20% by FY 2025 from our FY 2019 baseline.

**Performance** The requirement for a reduced number of menu items on reopening following the Covid-19 related closure has resulted in a reduction in food waste. However, our plans to tackle food waste within our sites, following the Wrap UK roadmap, have been delayed due to closure.

We plan to restart this initiative in FY 2022. All of the food waste from our pubs and restaurants is sent to anaerobic digestion. The digestion process itself creates biogas which is then captured and used to generate electricity.

3. Recycling

**80%**

**Target** Increase proportion of waste recycled to 80% by FY 2025.

**Performance** Due to the impacts of Covid-19, with estate closure and reopening, the recycling rate at the end of the financial year was 53.5%. In addition, 2,085 tonnes of used cooking oil were recycled. Initiatives are now underway across our businesses and in partnership with our waste management provider, Biffa, to improve our recycling rate. We are also working with suppliers to reduce the amount of packaging entering our businesses and ensuring that the materials used are recyclable.

Sustainability strategic pillars

1. Sourcing

Objective

Reduce the negative impact of our food and drink supply chain on greenhouse gas emissions, biodiversity and deforestation

Key actions

- Participation in the World Resources Institute's Cool Food Pledge initiative which aims to reduce emissions of food supply chain with trials in two brands to begin in FY 2022
- BBFAW tier 2 rating maintained and remains a key focus
- Supplier agreements set out sustainability expectations and standards supported by annual supplier conferences
- All direct palm oil from RFA approved sources, working with supplier on embedded soy

UN Sustainable Goal alignment



2. Community

Objective

Increase the positive effect on people impacted by the business, be they employees, guests or the wider community

Key actions

- Strategic partnerships with charities developed, including Shelter, Mind and Social Bite
- Enhanced employee wellbeing strategy and improved resources and tools available to employees
- Brand-driven relationships with local organisations and charities
- Modern Day Slavery policies enhanced following review performed by Stop the Traffik

UN Sustainable Goal alignment



3. Resources

Objective

Reduce the use of natural resources and find opportunities to contribute to the development of a circular economy

Key actions

- Founding member of the Zero Carbon Forum which aims to develop a roadmap for hospitality to achieve net zero emissions by 2040
- Greenhouse gas emission baseline completed on FY 2019, including Scope 1, 2 and 3 emissions
- Strategic initiatives to reduce greenhouse gas emissions as part of Ignite 3 programme
- Focus on reducing waste and increasing rate of recycling
- Identification of opportunities within the capital programme to enhance sustainability of buildings

UN Sustainable Goal alignment



Greenhouse gas footprint

**Target: reduce greenhouse gas emissions by 25% by FY 2030**

The challenge to reduce greenhouse gas emissions is central to our sustainability strategy and remains a priority for the business. The Board is actively involved and supportive of these ambitions and influences the strategy directly through the Corporate Responsibility Committee. We are building measurable, data-led initiatives to achieve our target reduction, allowing us to clearly understand our progress. We continue to consult with third parties to measure our emissions footprint and to explore opportunities for reduction. We are also a founding member of the Zero Carbon Forum, bringing the hospitality sector together to share best practice, tackle group challenges and to develop a roadmap of reduction for the sector.

Our current target is to reduce our greenhouse gas emissions by 25% by FY 2030, measuring Scope 1, 2 and 3 gases and using FY 2019 as a baseline. Greenhouse gas emissions in the year reduced by 68% against the FY 2019 baseline, primarily reflecting the periods of closure during the year.

We are working hard to reduce our Scope 1 and 2 emissions by lowering the consumption of energy within our businesses and by developing a programme of investment to enhance the efficiency of our buildings and equipment. In addition to focusing on reducing our energy consumption we have worked with our energy providers to ensure that 100% of the energy we use is generated from renewable sources.

Our food purchases represent the largest single contributor to our emissions footprint and capture the emissions generated in the production of the ingredients we use in our menus. This is typical of a restaurant or catering company and reinforces the importance of understanding the food we serve to our guests and the impact that has on the environment. We are working with the World Resources Institute on the Cool Food Pledge programme to develop a roadmap to achieve a significant reduction in the emissions generated by the food we serve. The emissions reduction plan will be designed to lessen the negative impact food production has on biodiversity and maintaining high standards of animal welfare.

Greenhouse gas emissions FY 2021 (Scope 1, 2 & 3)

