

TORTILLA

People, Planet, Burritos ESG Impact Report



August 2023



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About this report

Welcome to Tortilla's second Environment, Social and Governance (ESG) Impact Report! We're proud to share our sustainability journey and vision with you, what we have achieved so far and our commitments for the years to come.

We will continue to publish these reports every two years or more, bringing you with us on our exciting journey, led by our senior leadership team and delivered by our amazing crew.

This report covers our ESG performance for the financial year 2022 and the first six months of 2023 for Tortilla's UK wholly-owned operations. All numeric data is reported at 31 December 2022, unless otherwise indicated.



A message from Richard



Richard Morris
Chief Executive Officer

Hello again and welcome burrito-lovers one and all. We are proud to be sharing our second Environmental Social Governance (ESG) impact report with you!

As a national brand, we are responsible for creating a robust business that serves positive outcomes for all our stakeholders; our people, our customers, our partners & shareholders, and of course the planet.

People are the heart of our business and we're proud to champion diversity, inclusion and mental wellbeing; with 100% of our crew having access to Diversity Equality & Inclusion (DE&I) training and a 24/7 employee assistance programme.

We encourage our customers to make good food choices that are also great value for money. More than 70% of our menu is plant-based, with no artificial colours or preservatives.

For full transparency in our supply chain, we only work with a close network of like-minded, accredited partners who can assure our products are sustainably and ethically sourced. We're on board with the Better Chicken Commitment and only serve higher welfare meats.

We're proud to continue sending zero waste to landfill, sourcing 100% renewable electricity and using 100% recycled or recyclable packaging – with the removal of plastic forks at the end of last year. In June we hit our one-year milestone with our partners at Too Good To Go, together saving more than 58k meals from going to waste.

This year, with the help of our sustainability partners, we accelerated our efforts by producing our first Net Zero report and building on the rigorous process to measure our impact on all areas of ESG. This report looks at where we are at in our sustainability journey, as well as outlines our future targets and goals.

I hope you find this report insightful and that you come to realise that we are just as passionate about doing the right thing as we are in serving the best burritos and tacos this side of the Atlantic!

Thank you all for your continued support.

A handwritten signature in black ink, appearing to read "RM", with a long horizontal line extending from the end.

Best wishes, Richard Morris

Our story



Brandon and Jen

“We grew up eating tacos and burritos in San Francisco, the self-proclaimed burrito capital of the world. We were regulars at all the great taquerias in the Mission District.

Nothing could beat the tomato cracked rice, avocado-leaf infused pinto beans, cleaver chopped meats, fresh guacamole, and the endless table of salsas. All in burritos the size of your head. It was heaven.

When we moved to London, we searched for the same taquerias but couldn't find any. We loved this place but there were two things missing: Californian sunshine and Mexican food. So, we decided to do what we could about one of them! Tortilla breaks the rules of your typical takeaway with food that's fast, filling, fresh and doesn't cost a bomb.”



To this day we make every meal from scratch to your tastes - there are literally thousands of flavour combinations to try.



Then to now



85+

RESTAURANTS IN
THE UK & UAE



6.4m

MAINS SERVED
IN 2022



4.4m

BURRITO
COMBINATIONS



23

HANDMADE TOPPINGS
& FILLINGS



1.2k+

CREW

Our sustainability goals

We support the United Nations Sustainable Development Goals (UN SDGs) which aim to unite governments, businesses and non-governmental organisations to end poverty, fight inequality and address climate change globally in a united manner.

At Tortilla, we have chosen five SDGs to align with:



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Our menu boasts fresh ingredients hand-made from whole foods to leave our guests feeling full and nourished. We support local and charitable communities in the global fight against hunger. For every new restaurant opening (there were 18 in 2022) we run free community lunches (2x 2-hour sessions in the week before opening) to support local communities – all welcome – as well as offer food donations to local shelters to further support homeless communities. Over 2,500 meals were donated in 2022 as part of this.



Ensure healthy lives and promote wellbeing for all at all ages

We feed our customers and crew great tasting, fresh quality food that supports a healthy balanced diet, with a free meal for team members on duty. We commit to promoting plant-based eating in our restaurants: 70 per cent of our ingredients are vegan and we add new options every year. Our crew are provided with online well-being support and regular team-building events. In 2022 we have added an Employee Assistance Programme (EAP) to our employee benefits and rewards platform.



Ensure sustainable consumption and production patterns

We strive to source sustainably produced ingredients and we aim to inform our customers about where their food comes from so they can make better choices. With our streamlined supply chain, we have full visibility on all meat procured, as well as a strict supplier vetting process. We commit to keeping our food waste to a minimum, below 1.5 per cent of our sales (in 2022, food waste was 1.23%) and redistribute any surplus food by partnering with organisations such as 'Too Good To Go'.



Take urgent action to combat climate change and its impacts

All 45 of our managed locations procure 100 per cent renewable electricity, guaranteed by Renewable Energy Guarantees of Origin (REGO) certificates. We completed our first Net Zero report in the last financial year, setting ourselves a target date of 2045.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss

Through our supply chain and procurement partners, we do everything in our power to ensure we only source ingredients from sustainably managed forests and farms; including committing to no deforestation for deforestation-linked commodities (directly sourced) and supporting suppliers' transition to nature-based solutions; aimed at bringing back biodiversity and reducing harm.

2022 / 2023 Highlights

Environment



Maintained **0% waste to landfill** at all managed sites



Removed plastic cutlery & achieved **92% of our packaging to be reusable, recyclable or compostable**



All **13,660 litres of waste cooking oil** produced at our central production kitchen was **turned into biofuel**, a replacement for diesel



Set our **Net Zero date** of 2045

Social



100% of staff offered Diversity, Equity and Inclusion (DE&I) training



100% of managers received soft skills training to support personal development



Launched plant-based chipotle mayo in Veganuary – a delicious, vegan alternative to sour cream



57.8K meals saved through Too Good To Go, the equivalent to 144 tCO₂e



£5K donated to Choose Love's Pride appeal; supporting LGBTQI+ communities seeking asylum in the UK



Donated 2.5K meals through new restaurant opening community lunches



£39K+ awarded in NHS & blue light discounts

Governance



Welcomed a new female board member; **gender split 30:70**



Have set up an extensive employee **cybersecurity training** programme



DE&I policy implemented and available to all stakeholders



Created a **company Risk Register**

Environment

Road to Net Zero

Our Greenhouse Gas Footprint

As 2022 bore witness to yet another year of record-breaking temperatures, extreme weather events and soaring global emissions, businesses have come under increased scrutiny to ramp up climate commitments. In order to avoid the worst impacts of climate change, man-made carbon dioxide emissions must fall by around 45 per cent by 2030 (from 2010 levels) and reach Net Zero by mid-century.

We have committed to hit Net Zero emissions by 2045, having completed our first Net Zero report, in line with the UK government’s Net Zero strategy. This means adhering to a carbon reduction strategy and recalculating our total operational emissions annually to assess our progress.

In 2022, we calculated our entire Scope 3 emissions for the first time, taking accountability for our operational footprint across all areas of the business - from our business travel to the waste generated in our operations.

kWh	2020 GHG emissions (tCO ₂ e)	2021 GHG emissions (tCO ₂ e)	2022 GHG emissions (tCO ₂ e)
Scope 1 - Natural Gas	114	83	91
Scope 2 - Electricity	840	986	296 ¹

¹This figure doesn’t include the 902 tco₂e of renewable electricity we procured in 2022



What are our carbon emitters?

Scope 1 emissions are those emissions that we make directly, predominantly gas used in our stores and Central Production Unit, they account for around 0.4 per cent of our total carbon emissions. Scope 2 emissions are those emissions we make indirectly, such as by buying electricity, these account for 4.7 per cent of our total emissions - although 902 tCO₂e of this came from renewable sources. Scope 3 encompasses emissions that are not produced by Tortilla and are not the result of activities from assets owned or controlled by us, but by those that we are indirectly responsible for up and down our value chain, they make up 94.8 per cent of our total emissions.

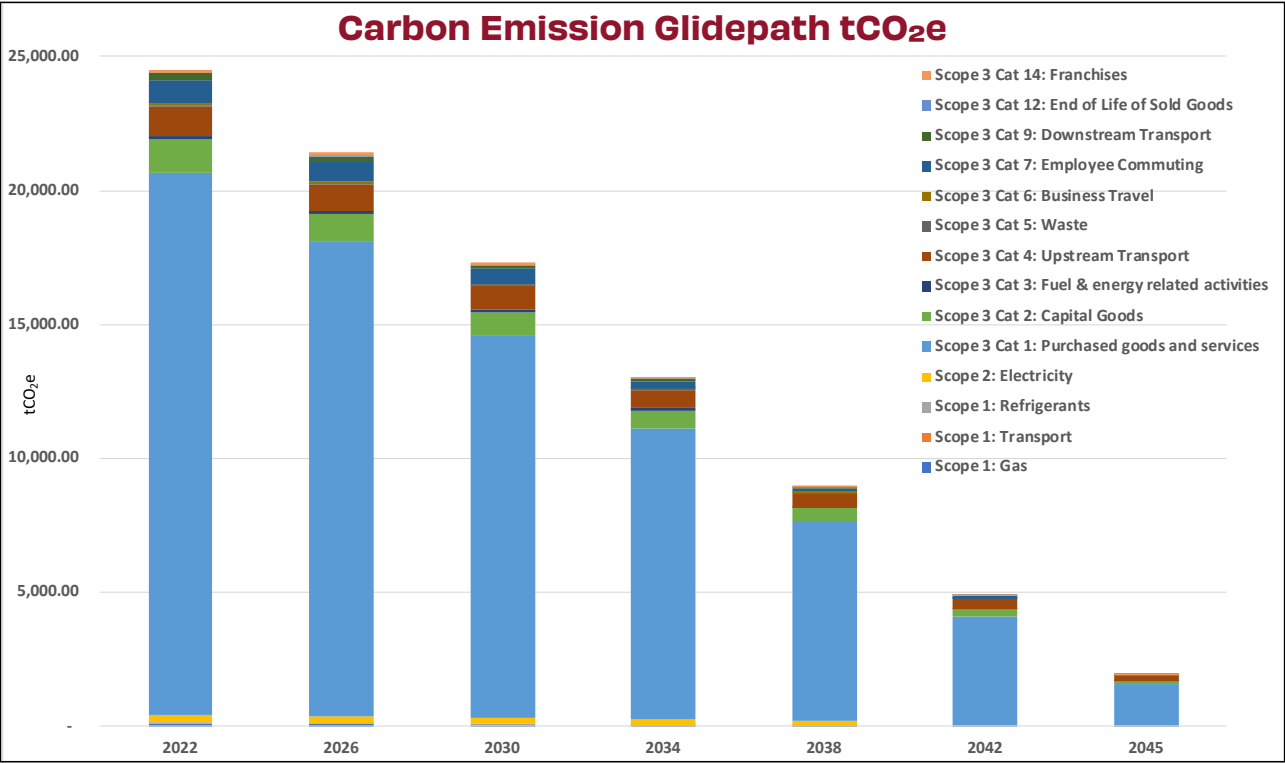


Scope/Category	Item	Total tCO ₂ e	%
Scope 1			
Stationary combustion	Gas consumed	90.99	0.4%
Transport	Owned and leased vehicles	N/A	0.0%
Refrigerants	HVACs	28.57	0.1%
Scope 2			
Electricity (Location based) ²	Purchased electricity, steam, heating & cooling for own use	1,197.72	4.7%
Electricity (Market based) ³	Purchased electricity, for own use (specific contract)	295.87	N/A
Scope 3			
Cat 1: Purchased goods and services	Goods and services	20,252.95	79.7%
Cat 2: Capital goods	CapEx expenditure	1,251.89	4.9%
Cat 3: Fuel and energy related activities	WTT (Well-To-Tank) & T&D (Transmission & Distribution losses) from electricity, gas, transport, business travel and employees commuting	119.80	0.5%
Cat 4: Upstream transport	Paid transport for goods (upstream & downstream)	1,070.72	4.2%
Cat 5: Waste	Waste	53.58	0.2%
Cat 6: Business travel	Land and air travel for business purposes	48.62	0.2%
Cat 7: Employee commuting	Employees commuting to and back from work	871.67	3.4%
Cat 7: Employee homeworking	Employees working from home	55.85	0.2%
Cat 9: Downstream transport	Warehouse to customers (WTW)	232.54	0.9%
Cat 12: End-of-Life of sold goods	Waste disposal and treatment of products	11.96	0.05%
Cat 14: Franchises	Only Scope 1 & 2 emissions of franchises included	138.59	0.5%

Our Glide Path to Net Zero

Working alongside, Sustainable Advantage, we have configured a glide path for Net Zero culminating in our projected Net Zero date of 2045, five years before the UK target. We have set ourselves the following guidelines, in the process:

- ✓ 9% absolute reduction in emissions by 2025 from 2022 baseline levels
- ✓ 29% absolute reduction in emissions by 2030 from 2022 baseline levels
- ✓ 51% absolute reduction in emissions by 2035 from 2022 baseline levels
- ✓ 72% absolute reduction in emissions by 2040 from 2022 baseline levels
- ✓ 92% absolute reduction in emissions by 2045 from 2022 baseline levels



Goals

- 1 Send out carbon surveys to tier 1 suppliers to understand their carbon footprint (Scopes 1 and 2)
- 2 Put in place initiatives encouraging green commuting, including public transport over cars and cycle to work schemes
- 3 Ensure our logistics partners have carbon reduction strategies in place
- 4 Work with suppliers to collaboratively set carbon emissions reductions targets (as recommended by the Science Based Targets initiative)

Energy

Energy efficiency is a key driver in reducing our environmental impact and we continue to work hard to reduce our energy consumption in our restaurants.

Since 2021, 100 per cent of our electricity (at sites we manage) has been procured from renewable energy sources (all are REGO certified). Renewable gas is currently prohibitively expensive; however, we monitor this supply closely and continue to have low gas consumption versus electric.

Energy use has been rising since COVID-effected 2020, which is to be expected as we return to normality; welcoming customers into warm, well-lit restaurants. Furthermore, we have opened 39 new stores in that time, and now include all non-centrally managed sites in our reports, therefore, the spike is in line with acceptable benchmarks.

Total Energy Consumption 2020 - 2022¹

kWh	Year		
	2020	2021	2022
Electricity (Green)	0	5,097,636	4,663,592
Electricity (Brown)	4,222,309	0	1,530,012
Natural Gas (Brown)	618,799	454,139	498,472
Total Consumption	4,841,108	5,551,775	6,692,076

¹2020 and 2021 only covers the sites for which we were in direct contract with suppliers. This data excludes the landlord managed sites. 2022 shows all sites.

Goals

- 1 Implement LEDs across managed estate & engage with landlords at serviced buildings
- 2 Appoint environment champions ('wave makers') that represent the business & help drive awareness
- 3 Conduct annual energy surveys a representative site sample, to better understand optimal performance



Waste Management

We are proud to have continued our Zero Waste to Landfill status across all our 45 managed locations since 2020; while also seeing a 6% increase in waste recycling across all sites (including those with external waste management programmes) by working with all partners and landlords (e.g. shopping centres) to improve processes.

All waste cooking oil produced at our central production kitchen is turned into biofuel, a replacement for diesel. 13,660 litres were diverted in our reporting period.



Food waste is maintained on average below 1.5 percent of sales (in 2022, this was only 1.23 percent, far below the 4-10 percent industry average), supported by stringent crew training as well as our partnership with Too Good To Go, the leading mobile app helping fight food waste.

Goals

- 1 Work with landlords to extend our zero waste to landfill to those restaurants we don't centrally manage

Too Good To Go Partnership

Our restaurants list 'magic bags' on the Too Good To Go app, for collection in the last half hour of each day. These bags sold at a third of the retail price, are filled with the leftover toppings and fillings that can't otherwise be saved. All proceeds go into a central fund dedicated to supporting our ESG endeavours.

In 12 months, we have achieved:



57.8k
Meals
saved



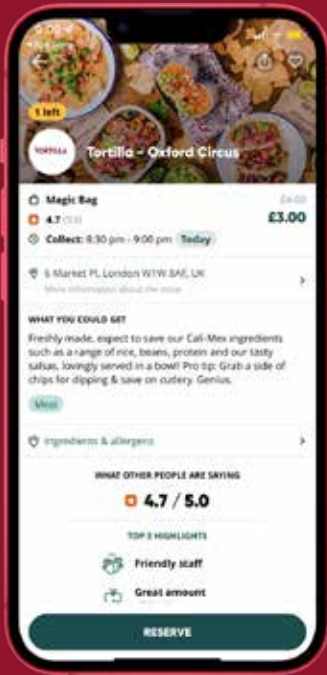
4.4
Customer
rating



144.7
Tonnes of
CO₂e saved



£40.1k
Raised for
the ESG fund



Sustainable packaging

Since 2019, where we removed plastic straws from our offering, we have endeavored to make 100% of our packaging to be reusable, recyclable or compostable. We have been innovative in our thinking, we serve our naked burritos and takeaway tacos in bagasse (sugarcane pulp) bowls as a sustainable alternative to paper-based products and our ultimate goal continues to be 100% of plastic packaging to be reusable, recyclable or compostable.

Our takeaway bags, napkins and naked burrito / taco bowls already met this brief - with our bagasse (sugarcane pulp) bowls being fully compostable and the rest made from recyclable materials, and in 2022 we said goodbye to plastic forks, introducing introducing fully recyclable wooden forks.

We also continued working closely with our suppliers who deliver all fresh produce in reusable plastic crates, with no cardboard boxes or unnecessary plastic used.

These steps have ensured we have hit one of our 2022 goals by ensuring 90% of our packaging will be recyclable, compostable, and / or biodegradable by 2023 (currently at 8%).

Tortilla Primary Plastic Footprint	Percentage in 2021/22	Percentage in 2022/23
Recyclable	24%	25%
Bio - degradable	22%	18%
Recyclable / Compostable	42%	49%
Non-recyclable	12%	8%

“

The food was unreal & staff were so welcoming and friendly. An amazing vibe overall! Can't wait to get back.

”

Lauren, customer review





Responsible supply chain

In 2022 our trusted supply chain management partner, Equinixe, became part of global contract foodservice company Compass Group PLC; which enhanced the visibility and robust nature of our already streamlined supply chain.

Equinixe, through Compass, have strict commitments and policies in place to ensure we only procure products in a responsible style; committing to no deforestation for deforestation-linked commodities (directly sourced) by 2025 as well supporting suppliers' transition to nature-based solutions; aimed at bringing back biodiversity and reducing harm. The welfare of all animals within our supply chain is an integral part of our responsible sourcing strategy. We strongly believe that all sentient beings share common rights, and we specifically endorse the 'Five Freedoms':

- **Freedom** from hunger and thirst - access to fresh water and a diet for full health and vigour
- **Freedom** from discomfort - an appropriate environment with shelter and comfortable rest area
- **Freedom** from pain, injury and disease - prevention or rapid treatment
- **Freedom** to express normal behaviour - adequate space and facilities, company of the animal's own kind
- **Freedom** from fear and distress - conditions and treatment which avoid mental sufferings

We, alongside Equinixe, work collaboratively with our suppliers, from onboarding new partners that reciprocate our vision on ethical and sustainable practises through to existing partnerships where we conduct annual site inspections and audits. With just three high-performing Tier 1 suppliers, we're more able to foster deeper relationships with these partners, a key to building trust as we pivot towards becoming a more sustainable business.



Chicken 649,244kg - 100% of our chicken was sourced in line with accredited welfare standards such as QS, Genesis GAP chicken production, which guarantee the conditions under which the chickens are reared. This provides us with the assurance that standards are met at every point in the supply chain. Our chicken is also certified as Halal through a selected European Halal body.

Pork 162,645kg - 100% from the UK, all adhering to higher welfare standards.

Cheese 154,310kg

Peppers 125,033kg

Onions 254,868kg

Red onions 163,960kg

Sour cream 101,728kg

Courgette 40,998kg



Chorizo 33,765kg - We source our Chorizo exclusively from the La Rioja region. The production process is BRC & IFS assured to the ultimate retail standard.

Tomatoes 136,085kg
- Spain & Italy



Avocado 474,980kg
- Responsibly sourced from farms in South America or Africa (Morocco), depending on season. Our supplier uses pioneering conservation techniques to ensure that the soil our avocados grow on becomes a net sink for carbon over time.



Beef 232,086kg - Our supplier monitors every aspect of production - from the welfare of the live animal through the entire slaughter procedure and finally the packaging and distribution of the meat. The supplier is also a certified member of Ireland's Bord Bia Meat Processor Quality Assurance Scheme (MPQAS) ensuring that cattle are purchased and processed to strict standards from approved farmers.



Garlic 8,470kg
- China



Jalapeno 15,963kg - Mexican chilli pepper suppliers are not only sustainably growing our chillies, but have invested in solar panels.



Goals

- 1 Conduct a biodiversity risk assessment for key ingredients in the supply chain by 2024 - top five ingredients include: palm oil, avocado, beef, chicken and pork
- 2 Complete supply chain mapping of tier 2 and 3 suppliers, which will give us a holistic and clear view of the supply chain

Social



Feeding people well

We don't like to label food 'good' or 'bad'. There's a place for all foods in our diets; overall healthiness depends on how often and how much. Our fully customisable menu, made with whole, fresh ingredients, enables our customers to choose the appropriate toppings and fillings for their diet.

To promote our 'healthier' food options, we run seasonal campaigns such as Veganuary and National Vegetarian Week, to promote those dishes that have a greater nutritional or environmental benefit (ie low Kcal or plant-based). Customers are also encouraged to discover the nutritional benefits of their favourite dish combinations through our online food tracker (www.tortilla.co.uk/food) – discovered through our website and via a QR code in all restaurants.

As an accredited partner of Vegan Friendly UK; an online aggregator promoting vegan-friendly hospitality brands in the UK, we're very proud that 70% of our toppings & fillings are plant-based! From the hand-smashed guacamole to fragrant pinto beans, we do our best to cater to all diets, preferences and intolerances.

TORTILLA				
	Kcal	Fat	Protein	Carbs
Base				
<input type="checkbox"/> MEXICAN RICE	170.7	0.5g	2.2g	41.7g
<input checked="" type="checkbox"/> ROMANE LETTUCE	4.4	0.1g	0.7g	0.7g
Beans				
<input type="checkbox"/> BLACK BEANS	99	1g	8.7g	14.7g
<input checked="" type="checkbox"/> PINTO BEANS	200	0.9g	8.2g	27.2g
Protein				
<input checked="" type="checkbox"/> GRILLED VEG	32.4	0.5g	6.7g	3.1g
<input type="checkbox"/> CHICKEN PIRLS	127.4	0.7g	10.9g	0.7g
<input type="checkbox"/> VEGAN CHEESE NO CARB	11.8	0.1g	1.4g	0.1g
<input type="checkbox"/> GARNITAS (PORK)	187.8	14.7g	30.2g	0g
<input type="checkbox"/> BARRACOA (BEEF)	147.2	0.7g	17.2g	0.7g
<input type="checkbox"/> CHORIZO	147.2	10.2g	7.2g	0.2g
Toppings				
<input type="checkbox"/> CHIPOTLE CHEESE SAUCE	70.8	7g	3.3g	0g
<input type="checkbox"/> MONTEREY JACK CHEESE	112.8	8.2g	8.2g	0g
TOTALS	222.2	10.6g	5.7g	28.6g



I LOVE these burritos. Many options, many flavours. 10/10!



Harrison , customer review



Our crew

At Tortilla, our dynamic crew is what sets us apart, even in the most testing of times. We have continued to grow over the past year and now boast a team of 1,200 talented employees.

In 2022, our focus has been expanding on our employee engagement and the well-being of all crew. To facilitate this, we have introduced a subscription-based employee benefits and rewards platform, Perkbox. Perkbox offers a variety of amazing discounts on cinema tickets, Apple products, holidays, and high street shops, as well as a 24/7 Employee Assistance Programme (EAP) line, which includes face-to-face, telephone or online support on both personal and work-related issues. We have also offered Wage Stream, a financial support application, to all staff – here our crew are offered financial support and advice, a platform to invest money and are able to bring a certain amount of pay forward – this initiative has been extremely successful and is used by 55 per cent of our team!

To gain greater insight into the thoughts and feelings of the Tortilla crew we started an annual employee engagement survey in 2022, supplemented by more frequent pulse surveys. All results are communicated back to employees with management responsible for implementing any highlighted areas.

We have also continued with our excellent perks and expanded our benefits programme:

- **Free meals** on shifts
- **Epic social events** and entertainment fund for the whole team
- **Far more sociable hours** than many other restaurant brands
- **50% discount** for friends and family
- **A 'Refer a friend'** recruitment bonus
- **Travel & relocation** opportunities across 50+ locations



The culture, people and brand are great! Working in hospitality can be hard work at times, but the people make it all worth it!

Tortilla Manager





“

There is huge potential for growth, you can work your way up from team member to General Manager, with a clear career path and training to do so

”

General Manager

Career development

We provide a great opportunity for young people entering the food service industry to find their career with Tortilla. We operate a high-energy work environment, reflected by our young and vibrant team (50+% in early 20s & almost everyone is under 35!).

In 2022, we undertook our first company-wide skills gap analysis², upon completion we acted on the findings, and **launched a new learning management system**. The new system creates tailored programmes for rising stars, managers and senior managers, in addition to expanding our apprenticeship programme. This holistic and blended approach means the whole team now has access to wide-ranging e-learning modules, internal and external training along with on-the-job training. The structure will provide clear pathways for employees aligning with the objectives that are set annually in their Personal Development Plans (PDP).

100 per cent of General Managers receive extensive soft skills training

Another key target we are proud to have achieved in 2022 is 100 per cent of General Managers receiving extensive soft skills training, this training will be repeated every 6 months moving forwards and rolled out to Assistant Managers throughout the remainder of 2023, into 2024.

²A skills gap analysis is a process in which employers identify missing organisational skills and develop a plan to fill them. A skills gap, more specifically, is a gap between the skills our employees have and the skills they collectively need to succeed



Diversity, Equity and Inclusion (DE&I)

We value diversity and respect people for their individuality. We look to cultivate a workplace free of discrimination, including direct or indirect harassment and victimisation.

We're proud to have achieved zero grievances or incidents relating to DE&I in 2022

As with all our policies, we make our Equality and Diversity Policy readily available to all employees. In our induction sessions, we underscore the importance of DE&I, by showing how these principles of equity, respect, and inclusiveness are applied to our day-to-day interactions with colleagues and customers. Furthermore, we conducted our first DE&I survey with all employees. The purpose of the survey was to collect data and insights on our employee experience by looking at the reality of different demographics.

In 2023 we will use this survey, coupled with pulse and annual surveys to build a tailored DE&I strategy for our workforce.

At Tortilla, we have been tracking pay equity through our gender pay gap analysis since 2018. Currently 51.5 per cent of our crew are women compared to 48.5 per cent men. We are very proud that we have equal representation between men and women in the highest-paid positions in the company with women occupying 50.4 per cent of these and men 49.6 per cent. At our most senior level of role in our restaurants, women occupy 62.5 per cent of our General Management roles versus 37.5 per cent that are occupied by men.

This has contributed to our median pay gap of 1.1 per cent, a slight increase from last year. We believe in the significant benefits that derive from a more inclusive and diverse workforce. Across all levels

of roles, we are committed to driving gender equality and we are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather the gap is the result of the roles in which men and women work within the organisation, the distribution of those roles across locations within the UK, and the salaries that these roles attract.

Goals

- 1 Develop a well-being strategy and policy, complete with KPIs
- 2 Create a Diversity, Equity and Inclusion Forum and appoint wellbeing champions ('wave makers')

Health and safety – keeping our crew and customers safe

Creating a safe work environment has always been a top priority and we endeavour to ensure all our crew understand and engage in safe working practices. Our policy promotes safe working conditions and a healthy environment on all our premises.

Health and safety (H&S) training is mandatory for our team members. It starts on day one, during induction, and continues throughout the year. Designated staff on each site are also trained in first aid, CPR and AED (Automated External Defibrillators).

In 2022, we provided 12,077 hours' worth of health and food safety to employees!

To ensure that our H&S system is effective, accidents and incidents are tracked using FoodAlert, an external specialist safety management system, designed specifically for the food and hospitality industry.

All incidents are collated and recorded and we are happy to declare there have been no serious incidents or injuries throughout the course of 2022.

Food safety

Food safety is critical, and we engage the services of Food Alert, internal audits and regulatory visits from Environmental Health Practitioners, to ensure we operate above and beyond compliance requirements. 86 per cent of our ingredients have BRC (British Retail Consortium Global Standards) accreditations and 12.5 per cent have SALSA (Safe and Local Supplier Approval) accreditations, demonstrating our adherence to robust safety standards.

“

Whenever I come to Tortilla,
I know I'll have a happy belly.
Awesome food, upbeat staff
and great frozen margaritas!

”

Julia, customer review



Engaging with our customers

We operate an integrated feedback system that monitors customer sentiment and feedback via online surveys and third party review sites (incl. Google and Trip Advisor); and maintains regular engagement with our customer base through social media (100k+ followers) and regular emails out to our mailing list (300k+ subscribers).

Customer feedback is managed centrally and we respond to more than 85 per cent of customer feedback, while all restaurant managers receive a monthly scorecard of their overall reputation metrics (eg. Google score and delivery app rating) alongside others, tracked for the period.

In 2022, we made some further enhancements to our customer engagement strategy.

We re-launched our loyalty programme, Club Tortilla, in June 2022 to provide burrito fans with even more tasty perks for visiting their local. As well as removing plastic swipe cards from production, the Tortilla Club (a simple digital card added to your phone wallet) has grown by 54 per cent to 310,000 members in the first 12 months of launch.

We also launched an independently verified Mystery Diner program to ensure our '7 steps of service' is embedded across the restaurant teams.

Every year we recognise the restaurant team that achieves the greatest customer feedback throughout the year. This year, Team Newcastle (pictured below) won and enjoyed a day out at their favourite theme park, while the support centre team (pictured right) took over their restaurant for the day!



84% of Tortilla reviews in 2022 were 5-star!



In 2023, Tortilla won the Reputation Transform'23 Europe 'Customer Acquisition: The Acquisition Acceleration Award', for being the highest rated fastcasual Mexican brand in the UK, with the highest feedback response rate versus competitors.



Community

Tortilla's community engagement is currently led centrally, via our marketing department. While there is no formalised community investment strategy, contributions are ad-hoc and based on community and customer needs, which allows us to be dynamic and align with the current, and poignant issues.

In 2022, we have continued to build a central fund with the proceeds from Too Good To Go sales. These funds are used to support ESG initiatives, including;

- **Charity donations:** last year we supported Choose Love's Ukraine appeal, this year we supported their LGBTIQ+ campaign for Pride, with a £5k donation & online community engagement with customers & staff, highlighting our diverse community
- **Meal donations:** for every new restaurant opening (there were 18 in 2022) we run free community lunches (2x 2-hour sessions in the week before opening) to support local communities – with all being welcome – as well as offer food donations (up to 30 burritos at a time) to local shelters to further support homeless communities. Over 2,500 meals were donated in 2022 as part of this initiative
- **Voucher donations:** we offer restaurant vouchers to charity/community groups to be included in fundraising raffles or for volunteer incentives. These aren't specifically tracked however the biggest example is that we send 150 vouchers to City Year UK (youth education charity) for their volunteer appreciation campaign (every year since Jan 2021)



Goals

- 1 Develop a community investment plan by 2022 with company contributions linked to strategy, including measuring KPIs for input and output of activities



Governance

Leadership team

We understand the importance of effective leadership and know transparent and strong governance is key to success. Collectively, the board is responsible for setting the vision and strategy for the company – promoting its long-term success and viability and ensuring we pursue our sustainability targets. Our Board of Directors is committed to the highest standards of corporate governance by complying with the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”).

In 2022 we welcomed a new Director to the Board, Francesca Tirtiello, who not only brings a wealth of business development, franchise and financial experience to the team, but also increased our representation of females in the Board to a third.

Committees

The Board delegates authority to the following three committees to oversee and maintain the governance structure of the group:

A Audit Committee **N** Nomination Committee

R Remuneration Committee **Chair** Committee Chair

Risk management and internal control

The Board has overall responsibility for maintaining sound internal control and implementing risk management systems. In reviewing the effectiveness of the system of internal controls, the Audit Committee will:

- Review the risk register compiled and maintained by senior managers within the Group and question and challenge where necessary
- Regularly review the system of financial and accounting controls; and
- Report to the Board on the risk and control culture within the Group

The Board



Emma Woods
NON-EXECUTIVE CHAIR



Richard Morris
CHIEF EXECUTIVE OFFICER



Andy Naylor
CHIEF FINANCIAL OFFICER



Brandon Stephens
NON-EXECUTIVE DIRECTOR



Loeiz Lagadec
NON-EXECUTIVE DIRECTOR



Keith Down
SENIOR INDEPENDENT
DIRECTOR



Francesca Tirtiello
NON-EXECUTIVE DIRECTOR

Business ethics

Upholding ethical practices within Tortilla is of utmost importance, we are determined to conduct ourselves in an exemplary manner. Our policies are updated at least three times a year and always available on our e-learning system FLOW so that all staff can access them alongside the staff handbook. We arrange training sessions on for policies that may be more complex or involve significant changes.

Staff Code of Conduct

We expect the highest standards of conduct from our teams. The staff handbook provides a great deal of information on the employment arrangement between Tortilla and our crew.

Whistleblowing

We worked on our formal whistleblowing policy in 2022, and it's now fully implemented. It sets out the formal process by which a crew member may, in confidence, raise concerns about possible improprieties in financial reporting or other matters.

Anti-Bribery and corruption

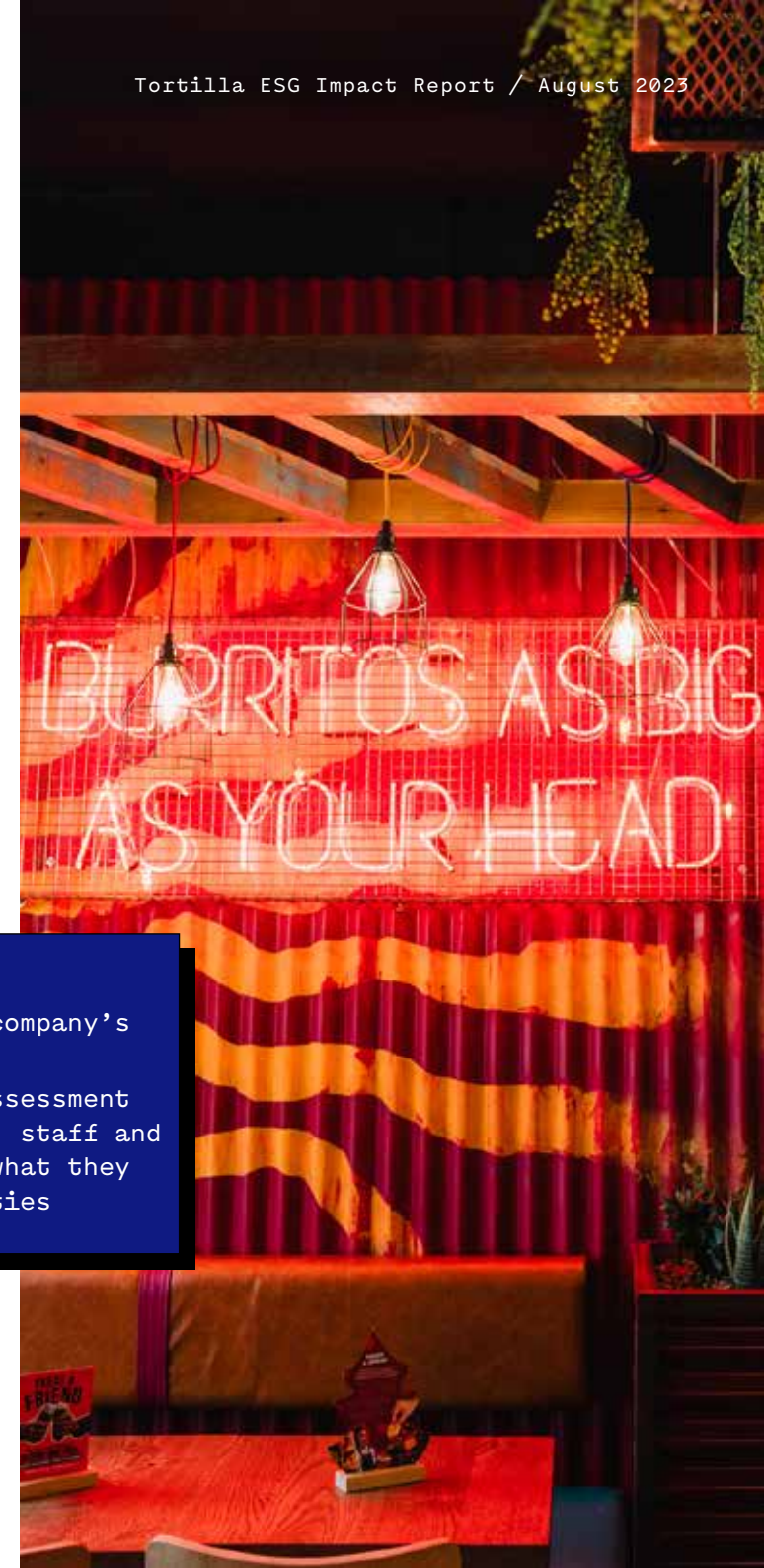
Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and that adequate and regular training is provided.

Diversity, Equity and Inclusion (DE&I)

Our commitment to fostering a safe and inclusive environment for all to work in has been underpinned by the creation of our first DE&I policy in 2022. The policy is live and available to all stakeholders.

Goals

- 1 Integrate material ESG risks into the company's corporate risk register
- 2 Conduct a stakeholder ESG materiality assessment by 2024, engaging clients, shareholders, staff and suppliers on their approach to ESG and what they expect of Tortilla and output of activities



Data Ethics

Cybersecurity

Cybercrime cost the UK £4 billion in the past year, and having a vigorous cyber security programme has never been more important.

We were delighted to welcome our first Head of IT to the business, in early 2023. Andrew has already had a hugely positive impact, by enhancing the basic security of the network, introducing multi-factor authentication throughout the business, adjusting password rules to ensure they are the most stringent and implementing a new IT policy. Furthermore, we now only accept card payments in store, which protects against a variety of fraudulent activities.

We have also conducted a variety of penetration tests, with the next stage being to test crew with internal phishing emails & enrolling those that fail onto an IT security course.





An intelligent approach to energy, waste & sustainability

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