

TORTILLA

ESG Impact Report

August 2022



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About this report

Welcome to Tortilla's 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 intend to publish further reports annually, taking you on this exciting journey, led by our senior leadership team and delivered by our amazing crew.

This report covers our ESG performance for the financial year 2021 and the first six months of 2022 for Tortilla's UK wholly-owned operations. All data is as of 31 December 2021, unless otherwise indicated.



A message from Richard



Richard Morris
Chief Executive Officer

Hello and welcome burrito-lovers one and all.

We are proud to be sharing our first ESG impact report with you, just as we emerge from and continue to navigate a challenging period caused by the pandemic and various other global events. It's been a tough time for most.

ESG continues to be a key topic around the world, and indeed for our customers, as we all come to terms with the immediate threat of climate change and the growing social economic challenges faced by all people and communities. These causes need more support than ever before.

We as a Board have a responsibility to create a stable, robust business that delivers positive outcomes for all of our stakeholders; our customers, teams, suppliers, shareholders, the communities we operate in and of course our environment.

With the help of our sustainability partners, we have undergone a rigorous process to measure our impact on all areas of ESG and demonstrate the positive actions we are taking to improve our position. This report will look at where we've been and where we're going.

Past, present and future – Tortilla's people, values and culture are the foundation of our success. By developing the best people at all levels, we maintain an inclusive culture where values such as kindness, humility and integrity are recognised as highly as education, experience and skills.

We continue to embrace and encourage diversity throughout our business. Our multi-national workforce reflects the communities we serve, made up of 48 percent non-British nationals, and more than half of our management roles are carried out by women. We pride ourselves on growing and developing our people from within, with over 63% of promotions being internal.

We source goods and services from around the world and so it's our responsibility to ensure that we partner with like-minded suppliers that have the same high standards of ethics we do, upholding human rights, committed to animal welfare, and looking after the environment. We're working hard to understand the quantum of our carbon footprint across our operations so we can make the most meaningful impact and take concerted actions. We will steadily accelerate our efforts to promote a sustainable future as we continue our journey.

We understand the importance of transparency. I hope you find our first ESG 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!

Best wishes, Richard Morris

A handwritten signature in black ink, appearing to read "RM", with a stylized flourish underneath.

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.



Visiting a Tortilla takes us home. And as they say, *mi casa es tu casa.*



Then to now



80+

RESTAURANTS IN THE UK & UAE



5.7m

MAINS SERVED IN 2021



4.4m

BURRITO COMBINATIONS



22

HANDMADE TOPPING & FILLINGS



1,000+

EMPLOYEES

Our Sustainability Goals

We support the United Nations Sustainable Development Goals (UN SDGs) which aims 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. Through our 'Burritos to the rescue' (burrito donations) programme, launched in 2020, we have donated thousands of burritos to local food banks, shelters, homeless charities and emergency services.



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% of our ingredients are vegan and we add new options every year. Crew are provided with online wellbeing support and regular team building events.



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. We commit to keeping our food waste to a minimum of 1.5% of our sales and re-distribute any surplus food to those who need it in the community by partnering with organisations such as 'Too Good To Go'.



Take urgent action to combat climate change and its impacts

All 40 of our managed locations procure 100% renewable electricity, guaranteed by Renewable Energy Guarantees of Origin (REGO) certificates. We have set ambitious goals to measure and mitigate our carbon emissions moving forward, including our commitment to becoming Net-Zero.



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

We are aiming to carry out a biodiversity assessment of all our key ingredients to ensure that we are doing everything in our power to ensure we only source ingredients from sustainably managed forests and farms.

2021 / 2022 Highlights

The last year and a half, saw our teams work incredibly hard to face the challenges of the new world we live in. We're incredibly proud of what we've been able to achieve in our sustainability journey so far.

Environmental



Achieved **100% zero waste** to Landfill status across all restaurant locations



100% renewable energy (REGO certified) procured for all 40 locations we manage utilities for and 100% of gas offset for 14 sites (with certified emissions reductions generated under the Kyoto Protocol)



Launched our **first Climate Transition and Action Plan**



All, **4,140 litres, of waste cooking oil** produced at our central production kitchen was collected and **turned into biofuel**, a replacement for diesel



100% of disposable product packaging is made from recycled materials, with 88% being recyclable, compostable or biodegradable - and zero plastic straws



Signed the **Better Chicken Commitment**



Consolidated our supply chain from fifteen to just three high-performing Tier 1 suppliers and only work with accredited suppliers that have full knowledge of their tier 2 and tier 3 suppliers



Launched our new vegan chilli no carne in partnership with London start-up Club Cultured, adding to our menu of 70+% plant-based toppings and fillings



Completed carbon emissions calculations for Scopes 1 and 2, and one Scope 3 category

Community



Grew our **team** by more than **50%**



Continued to run our **apprenticeship programme** to grow internal talent. 49 were promoted to Crew Coach, 104 promoted to Supervisor, 20 promoted to Assistant Manager and 1 promoted to our Support Office



Raised **£35,020** for Choose Love's **Ukraine Humanitarian Appeal** (including our £10k match) with the help of our amazing customers and crew



Launched **'Burritos to the Rescue'** (burrito donations) to support local shelters, charities & the emergency services, following the donations of 1k+ meals when all restaurants closed in 2020. A further 900 meals and meal vouchers have been donated locally.



Too Good To Go

Launched our partnership with **Too Good To Go** in our fight against food waste, and set up the Tortilla Trust, a fund that directs all proceeds from Too Good To Go sales towards various ESG initiatives



£2.2k donated to **Llamau (youth homelessness charity)** from the proceeds made from charging for takeaway paper bags in Wales



Launched **nutritional tracker** to display full allergen and calorie information for all menu items, with recommendations for healthier food choices



Partnered with SMASH (Save Money and Stay Healthy) App, promoting **healthier food choices** to young people aged 18-25 y/o, offering discounts on naked burritos and tacos



£48k awarded in NHS and **blue light discounts** since 2021



Environment

Our impact

Tackling Climate Change

A third of global greenhouse gas (GHG) emissions is estimated to come from the food system¹. Our focus has always been to reduce absolute emissions for our Scope 1 and 2 emissions within our operational boundary. In 2021, 100% of our electricity was procured from renewable energy sources (all our purchased electricity is REGO certified). Renewable gas is currently prohibitively expensive, however we monitor this supply closely. In the meantime, we have implemented energy efficiency measures and 100% offset our gas usage via the purchase of high-quality carbon credits.

Path to Net-Zero

We are committed to transitioning the business towards achieving Net-Zero. This year, we will measure our baseline carbon footprint comprising of Scope 1, 2 and 3 and develop a carbon reduction plan to achieve Net Zero.

Our aim is to then set targets that are verified by the Science Based Targets Initiative (SBTi) in line with keeping global temperature rises to below 1.5 degrees Celsius from pre-industrialisation levels.

¹Nature (2021) Food systems are responsible for a third of global anthropogenic GHG emissions. www.nature.com



”

We're working hard to understand the quantum of our carbon footprint across our operations so we can make the most meaningful impact and take concerted actions. We will steadily accelerate our efforts to promote a sustainable future as we continue on our journey. ”

Richard Morris, CEO

Our Greenhouse Gas Footprint

We have been calculating our greenhouse gas footprint for Streamlined Energy and Carbon Reporting (SECR) since 2019.

SCOPE 1 and 2 emissions

Our Scope 1 direct emissions include combustion in our restaurants and corporate offices (primarily gas usage). Our Scope 2 indirect emissions include our purchased electricity used at our restaurants and in our corporate offices. Our Scope 1 and Scope 2 emissions in 2021 have increased by 11.6% from 2020, as we emerge from the pandemic. We procure 100% renewable electricity (REGO certified) and offset our gas usage offset with Certified Emissions Reductions generated under the Kyoto Protocol.

	2021 GHG emissions (tCO ₂ e)	2020 GHG emissions (tCO ₂ e)
Scope 1 - Natural Gas	83	114
Scope 2 - Electricity	986	840
Scope 3 - Grey fleet	14	11
Total	1,084	965

SCOPE 3 emissions

Scope 3 emissions comprise all our indirect emissions, including our suppliers' emissions. We have analysed all Scope 3 categories and identified the following categories which we feel are material to Tortilla: purchased goods and services, capital goods, fuel, and energy related activities (not included in Scope 1 and 2), upstream transport, waste generated in our operations, business travel, employee commuting, and end-of-life treatment of sold products. We have created a Climate Transition Plan which:

- Identifies physical, financial, and regulatory risks
- Sets out the proactive steps we are taking and will take to address climate change risks
- Lists the KPIs we will use to measure the progress being made



GOALS TO ACHIEVE BY 2023:

1

Distribute **Climate Transition Plan** in 2022

2

Build a **Net Zero Roadmap** and a carbon reduction plan spanning **Scope 1, 2 and 3**

3

Establish a **2022 baseline year** and set a **Net Zero date** in 2023

4

Submit **Task Force on Climate-related Financial Disclosures (TCFD)** report by 2023



Energy

Energy efficiency is a key driver in reducing our environmental impact and we will work diligently to reduce energy use in our restaurants.

Energy use

Environmental Performance	2021 (Kilowatt hours (kWh))	2020 (Kilowatt hours (kWh))
Total Energy Consumption	5,097,636	4,222,309
Total electricity	4,643,497	3,603,510
Total gas ²	454,139	618,799

We manage electricity consumption for more than 40 locations, including our corporate office, central production kitchen, restaurants, and delivery kitchens. In 2021, all 40 locations procured 100% renewable electricity.

Energy efficiency

In addition to actioning our phase 2 Energy Savings Opportunity Scheme (ESOS) programme, we have also engaged our staff through behavioural programmes. These have been rolled out across our restaurants to increase energy awareness, share information, obtain ideas and impart best practice. For example, our energy awareness posters are now live across all our sites with crew members signing the bottom to show their commitment!

²This only covers the 40 sites for which we are in direct contract with suppliers. This data excludes the 11 landlord managed sites.



COMMITMENTS / GOALS TO ACHIEVE BY 2023:

1

Install temporary sub-meters across 5 key locations by 2022 and expand to 10 locations by 2023

2

Achieve ISO 50001: 2018 accreditation for Energy Management and submit ESOS phase 3 report by 2023

3

Allocate capex budget for energy efficiency by 2022 and implement short payback projects

4

Continue to procure 100% electricity from renewable sources and continue to investigate the possibility of procuring some or all renewable gas

Waste Management

Producing waste is unavoidable and given the nature of our business and the volumes involved, this is a material area of focus.

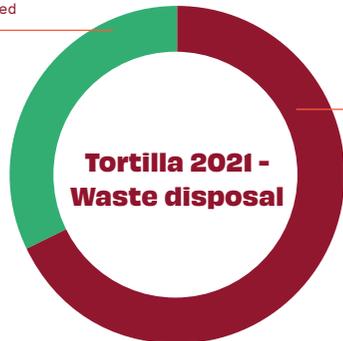
We are proud of achieving 100% Zero Waste to Landfill status across all our locations since 2020. Diverting waste from landfill has been a key area of focus, especially food waste, given the carbon emissions generated from food which ends up in landfill is 70 times higher. The amount of our food waste is maintained on average at 1.5% of sales.

Restaurants based in shopping centres across the country have internal waste management systems provided by the centre management. We actively engage to ensure recycling levels are high and that waste to landfill is minimised to mirror our operations.

All of waste cooking oil from our Central Production Kitchen (CPU) is collected and turned into biofuel, a replacement for diesel. 4,140 litres was diverted in our reporting period.

Our focus in 2022 will be to enhance our business wide recycling programme, including appointing a waste champion and providing training for our employees.

32% of total waste is recycled



68% of total waste is incinerated and turned into renewable energy



GOALS TO ACHIEVE BY 2023:

1

Trial-run of food segregation in restaurant areas in 2022

2

Maintain 100% zero waste to landfill in 2022

3

Business wide recycling program implemented

Too Good To Go partnership case study

In our fight against food waste, we've partnered with Too Good To Go, the leading mobile app connecting customers to restaurants and stores that have unsold food surplus. Through this partnership our restaurant teams sell 'magic bags' in the last half hour of each day, made up of all the leftover toppings and fillings that can't otherwise be saved. All the proceeds from this venture goes into the Tortilla Trust, a central fund dedicated to supporting Tortilla's ESG endeavours. Following a successful 8-site trial in April 2022, we launched our national partnership and are proud of the results to date:



4.4

Magic bags saved



95%

Saved ratio



4.4

Customer rating



7

Tonnes of CO₂e saved



8,000

'Favourites' by our users

These results projected over a year will return:



50k

Magic bags saved



£93.6k

Net annual funds to the Tortilla Trust



30k

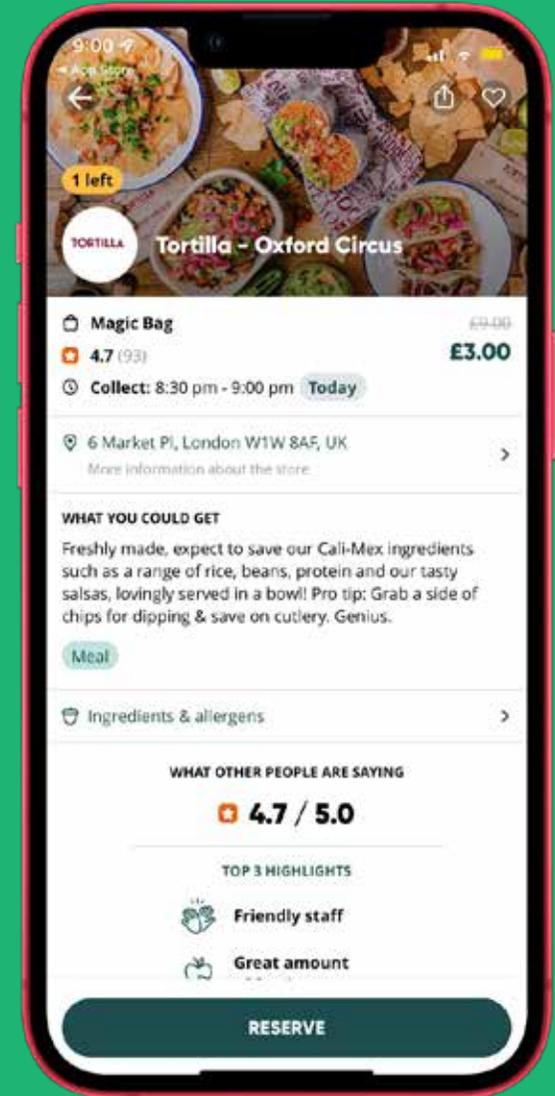
New customers



125

Tonnes of CO₂e saved

Equivalent to 46 London-San Francisco flights



Sustainable packaging

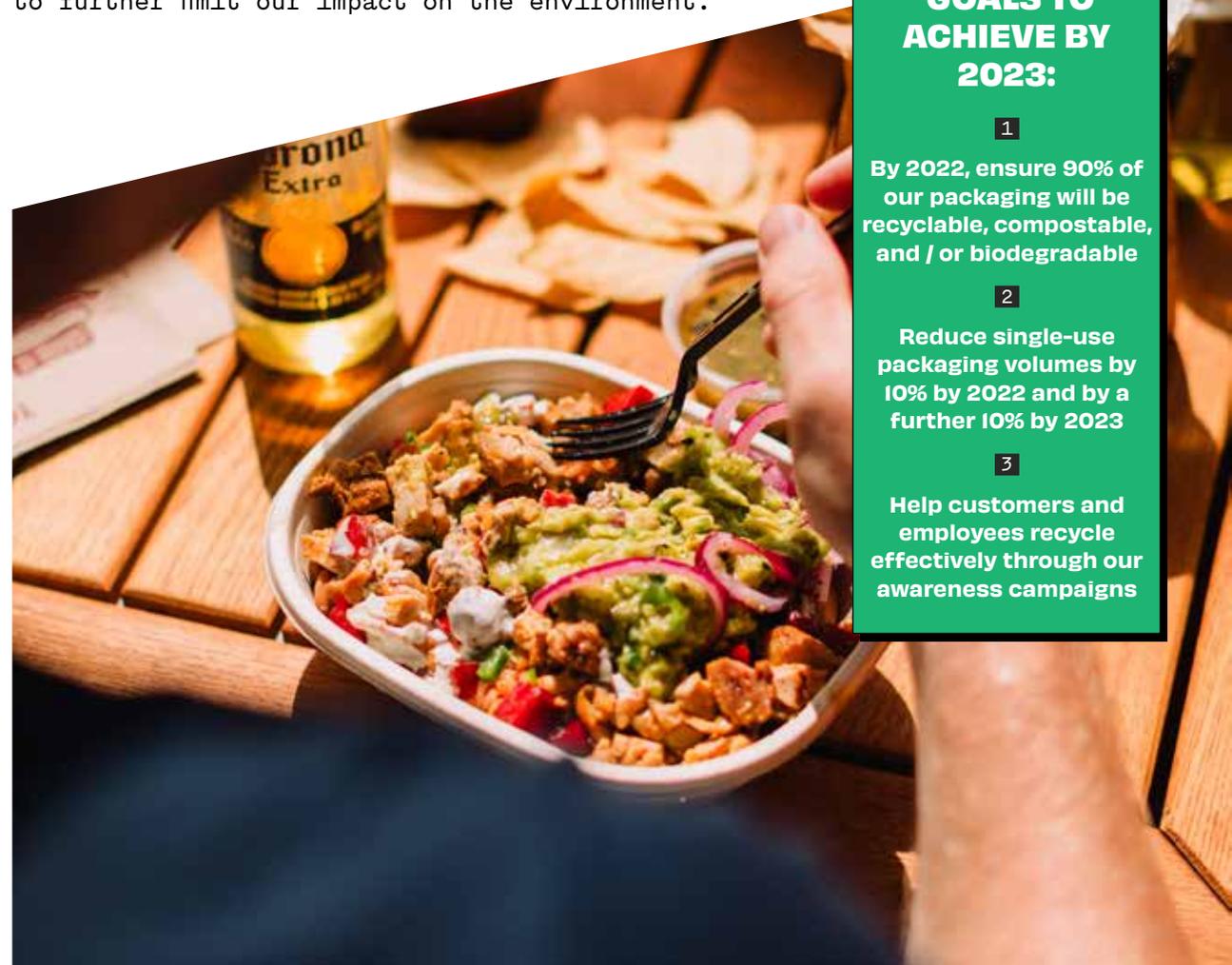
We are putting a great deal of effort into reducing the environmental impact of our primary and secondary packaging.

Between July 2020 to June 2021, we used 34,425 tonnes of primary packaging in our business, 88% of which is recyclable, compostable or biodegradable. All fresh produce is currently delivered in reusable plastic crates, our suppliers do not supply us with any cardboard boxes for secondary packaging.

We will continue to shift away from single-use plastics and champion the use of recycled content in our packaging and work towards 100% of plastic packaging to be reusable, recyclable or compostable.

Plastic straws were removed from the business back in 2019, and 100% of our disposable packaging is made from recycled materials. We serve our naked burritos and takeaway tacos in bagasse (sugarcane pulp) bowls as a sustainable alternative to paper-based products, to further limit our impact on the environment.

2021 Primary Plastic Footprint	Tonnes	% of total plastic
Recyclable	8,236	24
Bio-degradable	7,595	22
Recyclable / Compostable	14,442	42
Non-recyclable	4,152	12
Packaging materials		
Recycled plastic	5,296	15
Paper or Cardboard	16,128	47
Pulp	5,909	17
Single use plastic	2,940	9
Grease resistant paper (non-recyclable)	4,152	12
Total	34,425	100%



GOALS TO ACHIEVE BY 2023:

1

By 2022, ensure 90% of our packaging will be recyclable, compostable, and / or biodegradable

2

Reduce single-use packaging volumes by 10% by 2022 and by a further 10% by 2023

3

Help customers and employees recycle effectively through our awareness campaigns

Ethical sourcing & supply chain



Ethical sourcing & supply chain

We are committed to protecting and promoting human rights and animal welfare while protecting and restoring the forests and natural ecosystems critical to the sourcing of our ingredients.

Since 2015, we have worked in partnership with supply chain management company, Equinixe, who understands and shares our vision. We work collaboratively to set supply chain priorities surrounding quality, efficiency, food safety, traceability, and ESG compliance.

Quality

We source the best quality ingredients possible from well-known, reputable suppliers. These are thoroughly inspected across a range of metrics such as taste, freshness, animal welfare, environmental credentials, and responsible sourcing.

Food safety

The quality and safety of our food is our top priority. 86% of our ingredients have BRC (British Retail Consortium Global Standards) accreditations and 12.5% have SALSA (Safe and Local Supplier Approval) accreditations, demonstrating our adherence to robust safety standards.

Efficiency

Over the years we have consolidated our supply chain from fifteen to three high performing Tier 1 suppliers. This has meant that we have been able to foster deeper relationships, meaning lower costs and a more proactive, responsive partnership. It also means that we can devote more time to vetting these suppliers.

Traceability

We only work with accredited suppliers that have full knowledge of their tier 2 and tier 3 suppliers. Strengthening our supplier relationships through transparent communication is key to building trust as we pivot towards becoming a more sustainable business.

ESG

Our priorities have expanded to assessing the ESG credentials of direct and sub-tier suppliers by collecting data on suppliers' ESG practices. This means going beyond sourcing and looking equally at the practices of our suppliers, in terms of how they treat their staff, how attentive they are to their environmental impact, and whether they meet our requirements.



Our supply chain partnership with Tortilla has steadily grown over 7 years, from when they had 8 restaurants to 60 in 2021! We pride ourselves by working only with companies and suppliers who share our vision and values. We will continue supporting Tortilla with their growth ambitions, both in a commercial and sustainable way.



Steve Jones

BUSINESS DEVELOPMENT DIRECTOR, EQUINOXE SOLUTIONS LTD



COMMITMENTS / GOALS TO ACHIEVE BY 2023:

1

Develop and implement a Supplier Code of Conduct for suppliers in 2022

2

By 2023, on-site visits conducted at more than 50% of those suppliers identified as high-risk

3

100% of Tier 1 suppliers to receive a sustainable production practices questionnaire by 2022

4

100% of Tier 2 and 3 suppliers to receive traceability questionnaires in 2022

5

100% of provenance and ESG credentials for key ingredients shared with the Board and staff by 2022

Animal welfare

Our animal welfare policy covers chicken, beef, and pork that we source. We are committed to working with our suppliers to ensure the health and welfare of animals reared to produce products for our business are protected at all times.



Chicken

In 2021, we purchased 624,000kg of chicken, all of which met our animal welfare policy. 100% of our chicken was Red Tractor certified in 2021. In 2019, we made a public commitment by signing the Better Chicken Commitment (BCC), thereby committing to meet or exceed the standards set out in the BCC by 2026 for 100% of the chickens in our UK supply chain. In late 2021, we switched suppliers so that all the chicken is now 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.



Chorizo

In 2021, we purchased 24,960kg of Chorizo from Spain. We source our Chorizo exclusively from the La Rioja region. The production process is assured by certifications such as BCR, IFS, SAE. In 2022, we continue to source our Chorizo from Spain in line with EU standards.



Beef

In 2021, we purchased 124,800kg of beef exclusively from Northern Ireland. 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 is purchased and processed to strict standards from approved farmers. In 2022, all our beef is sourced from Ireland and is pasture reared, in line with EU statute welfare.

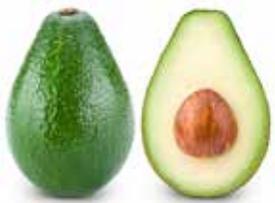


Pork

In 2021, we purchased 104,000kg of pork from the UK. 100% of our pork was Red Tractor certified in 2021. Our supplier shares our ambition to ensure the highest standards of animal welfare, efficiency, quality, and sustainability are upheld. Our supplier sources from their own 100% RSPCA Higher Welfare farming operation and other higher welfare pig farmers in the UK who produce sustainable quality pork products. In 2022, all our pork is in line with EU statute welfare.

OUR PRODUCE

We carefully source our produce from suppliers around the world and ensure all our suppliers adhere to our ethos, and high standards. Here are some of our key ingredients and the quantities we use on an annual basis to make our wholesome dishes.



Avocado

434,000KG



Tomato

230,000KG



Onion

222,000KG



Red onion

146,000KG



Cheese

136,000KG



Peppers

100,000KG



Sour cream

91,000KG



Garlic

48,000KG



Courgette

44,000KG



Jalapeno

15,000KG

Whole foods that benefit people and the planet

All our hand prepared toppings and fillings are made from fresh (never frozen) produce delivered to our restaurants up to 6 days a week.

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 ingredients, enables our customers to choose the appropriate dish for their diet.

To promote our 'healthier' food options, we run seasonal campaigns such as Veganuary, to promote those dishes that have a greater nutritional benefit (ie plant-based or low Kcal). Our 2021 Veganuary campaign saw a 12% uplift in vegan uptake at Tortilla.

With more than 70% of our toppings and fillings being plant-based, we cater for vegans, vegetarians and flexitarians alike and all our veggie and vegan dishes are approved by the Vegan and Vegetarian Society, and Vegan Friendly UK.

We ensure other popular ingredients are sustainably sourced, including avocados that are responsibly sourced from Africa and South America. Our supplier uses pioneering conservation techniques to ensure that the soil our avocados grow on becomes a net sink for carbon over time. Mexican chilli pepper suppliers are not only sustainably growing our chillies but have recently invested in solar panels; while Spanish Chorizo is made with 100% natural ingredients, without allergens, additives, artificial colours or colouring.

We only work with suppliers who prioritise the environment by ensuring the resources used are sustainably managed.



GOALS TO ACHIEVE BY 2023:

1

100% of ingredients for meal calories displayed in restaurants from April 2022

2

Conduct a biodiversity risk assessment for key ingredients in the supply chain by 2022 - top five ingredients include: palm oil, avocado, beef, chicken and pork

3

Develop a zero-deforestation policy in 2022 and implement it in 2023

4

Develop a sustainable sourcing policy in 2022 and implement it in 2023

5

Add carbon labels to restaurant menus, available in digital and print format by 2023

Social



Our crew

At Tortilla, our people are the mainstay of our business. Despite the pandemic, our team grew by more than 50% in 2021, to c. 1000 employees - indicating the success of our business model in a difficult market.

Our People Strategy is simple - to attract, retain and develop a workforce that is second to none. We do this by offering a great work environment, a rewarding job, opportunities for building a career, training and development at all levels, and great benefits too! These include:

- Free meals for team members while they are on duty and a 50% discount to enjoy on a visit at other times with friends and family
- Employee benefits and rewards programme with online wellbeing support
- Employee perks and discounts programme: discounts available at hundreds of major retailers
- A 'Refer a friend' recruitment bonus
- Team-building events at each restaurant
- Travel & relocation opportunities across 50+ locations
- Additional holiday days for key staff





Career Growth Opportunities

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!). We are committed to diversity and equality in all our actions, welcoming crew members from all backgrounds. Women make up over half of our workforce (58% last year).

New starters receive extensive induction training required to fulfil their roles safely and successfully. Our Crew receive ongoing training in many forms, including online, on-the-job, and coaching. Upon completion of their initial training modules, our team members are mentored by their manager and given their own Personal Development Plans (PDP).

We provide management workshops to aid the development of our managers, and in 2022, we are rolling out a leadership programme for them, to ensure all have the people skills to excel as a manager and to bring out the best in their team.

Our Apprenticeship Programme

In 2019, we launched our apprenticeship programme to grow internal talent.

Before the launch, 48% of management positions came from internal promotions into management. By 2020 this percentage had risen to 63%. Last year, we were able to promote 174 members of our team into more senior roles.

- 49 Promoted to Crew Coach
- 104 Promoted to Supervisor
- 20 Promoted to Assistant Manager
- 1 Promoted to our Head Office

Our management apprenticeship training has also helped with retention: 20% of our crew supervisors were enrolled in the programme in 2019, and, to date, we have had a 100% retention. Due to the success, we will be expanding this programme!

Youth Employment via the Kickstart Scheme

With employment in hospitality at an all-time low, Tortilla offered 50 placements as part of the Government's Kickstart Scheme in January 2021.

The Kickstart Scheme aims to support young people aged 16-24 to gain valuable work experience by funding the relevant national minimum wage for 25 hours a week.



Embracing diversity, equity, and inclusion

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.

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.

In 2022, we have committed to building our formal DE&I strategy and setting ourselves measurable targets to achieve.

We understand how important financial factors are in driving workplace equity. We believe our staff deserve a wage which meets their everyday living costs, and recognises what people need to earn in order to have a decent life.

We have been tracking pay equity through our gender pay gap analysis since 2018. We are very proud that we have equal representation between men and women in the highest paid positions in the company, and as a result our median gender pay gap is 0.2%. Last year, our median bonus gap sat at 13.8% and we are committed to addressing this as part of our ongoing review and improvement of pay policies and procedures, bonus schemes, benefits and other initiatives supporting equal pay and opportunities for both genders.





GOALS TO ACHIEVE BY 2023:

1

100% of managers to go through a soft skills gap analysis by 2022, pilot training for 5 sites by 2022

2

90% of relevant demographic data collected by 2022, 100% by 2023

3

25% of staff to complete DE&I training by 2022, 50% by 2023

4

Continue to pay at or above the National Minimum Wage across the UK

5

Develop a wellbeing strategy and policy by 2022 and appoint wellbeing champions by 2023. Set KPIs to

6

Enhance our health and wellbeing programme with the addition of an Employee Assistance Programme (EAP)

Health and Safety at Tortilla

Creating a safe work environment is 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).

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.

We understand that good work starts with good health, including good mental health. We strive to cultivate a proactive and inclusive approach to improving mental health among our employees. We have provided mental health support to our teams throughout the pandemic.

In 2022, we will be enriching our health and wellbeing programmes for staff, adding an employee assistance programme (EAP) to support mental health at work.

Safety in our restaurants

The safety of our guests is of utmost importance. This was highlighted during and in the aftermath of the COVID-19 pandemic. Each store completed a Risk Assessment to ensure they were COVID-19 Secure, and imbedded rigorous hygiene standards to ensure safety for all customers and crew, including hand washing every 20 minutes, sanitisation of all contact areas, hand sanitiser for guests, protective till screens and the use of PPE.

Our valued customers

We value what our customers have to say. We monitor this feedback through an integrated system that monitors customer sentiment and feedback via online surveys and third party review sites (incl. Google and Trip Advisor); and maintain regular engagement with our customers through social media and email database.

Restaurant managers receive a weekly report of their overall feedback metrics, such as Google review rating and feedback response rate, and annually, the best performing restaurant is awarded a team day out, where members of Support Office look after their store for the day (quite the sight!).

Highlights



4.3

**average rating
across Google,
Facebook &
Trip Advisor**



90%+

**response
rate to
online
feedback**



5★

**Most 5-star
reviews vs
all other UK
burrito brands**



What amazing team members! As almost fully deaf person it was so nice to get the extra support. Xx

Kerry



The food was better than phenomenal & the service was the same. I'll definitely be coming back soon for more!

Thomas



Watch the crew at Tortilla roll burritos and tell me it isn't a spiritual experience.

Eleanor



Absolutely splentastic burritos - tasted like a rainbow of flavours!!

Leon

5-Star performers: Go, Bluewater!

In 2021/22, team Bluewater won the Guest Score incentive for having the highest average rating of 4.9 stars across Google, Facebook & Trip Advisor! Wow. While the team enjoyed a day off together at Adventure Island, the Support Office team, led by our Director of Operations, ran the restaurant for the day - hopefully the guest feedback didn't drop that day!



The support office team take over (L-R): Maia (Finance), Stephen (Ops Director), Patryk (Ops), Agnes (Ops), Maria (Marketing), Carlwin (Facilities), Gemma (Ops), Hisham (Finance), Antonio (Food), Helen (Ops)

Giving back to our community

- **Community donation:** Each year we donate the proceeds made from charging for takeaway bags in Wales. In 2021, funds were donated to Llamau (a youth homelessness charity) and in 2020, funds were donated to Cancer Research Wales
- **Voucher donation:** We offer restaurant vouchers to charity/community groups to be included in fundraising raffles or for volunteer rewards/incentives. For example, we send 150 vouchers to City Year UK (a youth education charity) for their volunteer appreciation campaign every year since January 2021
- **"Burritos to the rescue" (burrito donation) programme:** Since the beginning of this initiative in September 2020, we have donated 510 meals to local food banks, shelters, homeless charities & emergency services

Through the simple form on our website, anyone can request a donation for an organisation! We also partnered with Deliveroo in 2020/21 to drop burritos at local schools and NHS workers as part of their donations campaign. An example includes a drop of 400 burritos across 4 sites to the St John's ambulance volunteers offering vaccinations

- **Blue light & NHS Discount:** More than £48k awarded in NHS and blue light discounts since 2021
- **Ukraine Appeal:** In March 2022, we matched funds raised by our customers for the Choose Love Ukraine Appeal, donating over £35k in total to the cause
- **Launch of the Tortilla Trust:** The money we will be making from the Too Good To Go "magics bags" will be going into our new "Tortilla Trust" and exclusively dedicated to charity donations, community and staff initiatives



GOALS TO ACHIEVE BY 2023:

1

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

2

Appoint a key charity partner to run a national awareness/fundraising campaign and host regular youth discussions about social issues

Governance



Our 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”).

Committees

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

A Audit **N** Nomination **R** Remuneration

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



Laurence Keen
NON-EXECUTIVE DIRECTOR



Business ethics

Tortilla is 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

Our whistleblowing policy 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.

Business continuity and disaster recovery plan (BCP)

COVID-19 taught us that unexpected events can occur and that we need to be prepared for any unforeseen eventuality. Our disaster recovery process for IT includes daily offsite backup for our information and is updated bi-annually.



GOALS TO ACHIEVE BY 2023:

- 1
ESG governance structure and key policies in place, led by the ESG Committee
- 2
Integrate material ESG risks into the company's corporate risk register
- 3
Conduct a stakeholder ESG materiality assessment by 2022, engaging clients, shareholders, staff and suppliers on their approach to ESG and what they expect of Tortilla
- 4
Complete the Cyber Essentials certification by 2022
- 5
Become ISO 27001 certified
- 6
Complete and approve the whistleblowing policy and procedure by 2022
- 7
Ensure all policies are updated and any violations are tracked and shared monthly with the Board

Data ethics

Data protection

We actively monitor day-to-day data protection issues under the Data Protection Act 2018. We are compliant with GDPR directives and inform our customers via our website:

- How we use personal data;
- The type of data we collect through third party sources;
- Who we share personal data with; and
- The rights of our customers in relation to their personal data.

Cyber security

Our dedicated cyber security team are currently working towards achieving the Cybersecurity Essentials certification by end of 2022. In 2023, the goal is to complete the Cybersecurity Essentials Plus certification. External and internal pen tests are conducted regularly, as well as access control tests.



Performance metric	Unit	2021	2020	Comments/Notes
Environmental Performance				
GHG Emissions				
Total direct emissions (Scope 1)	metric tons (t) CO ₂ e	83.18	114	Natural gas
Total indirect emissions (Scope 2) – location based	metric tons (t) CO ₂ e	985.95	840	
Total indirect emissions (Scope 2) – market based	metric tons (t) CO ₂ e	167.38	-	Renewable electricity is REGO certified
Total value chain emissions (Scope 3)	metric tons (t) CO ₂ e	14.50	11	Private transport mileage only
Total Gross carbon emissions	metric tons (t) CO ₂ e	1,083.63	965	
Total Carbon offsets	metric tons (t) CO ₂ e	73.85	-	Some natural gas is offset
Total Net carbon emissions	metric tons (t) CO ₂ e	191.20	-	
GHG intensity (turnover)	tCO ₂ e/£m revenue	22.54	-	
Energy consumption				
Total energy consumption	kilowatt hours (kWh)	5,097,636.37	4,222,309	Includes total electricity and gas
Total electricity	kilowatt hours (kWh)	4,643,497.36	3,603,510	
Total renewable electricity	kilowatt hours (kWh)	3,855,190.00	-	REGO certified
Total gas	kilowatt hours (kWh)	454,139.01	618,799	
Waste consumption				
Total waste consumption	metric tons (t)	57.24	-	
Waste to energy - incineration	metric tons (t)	38.85	-	
Landfill waste	metric tons (t)	0	-	
Recycled waste	metric tons (t)	18.39	-	
Total waste to energy (incineration)	percentage (%)	68%	-	
Total waste recycled	percentage (%)	32%	-	
Total waste to landfill	percentage (%)	0%	-	
Landfill diversion rate	percentage (%)	100%	-	
Packaging				
Recyclable	metric tons (t)	8,236	-	
Bio-degradable	metric tons (t)	7,595	-	
Recyclable / Compostable	metric tons (t)	14,442	-	
Non-recyclable	metric tons (t)	4,152	-	
Social performance				
Employees				
Total number of employees	FTEs and PTEs	936	581	
Number of employees	FTEs and PTEs	FT-345 / PT-591	FT- 325 / PT-256	
Gender – female/total	% based on headcount	59.72	60.24	
Pay gap (mean)	percentage (%)	10.5	60.8	
Pay gap (median)	percentage (%)	0.2	46.1	
Colleague engagement score	percentage (%)	n/a	89	



An intelligent approach to energy, waste & sustainability

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