2020 SUSTAINABILITY REPORT

CULTIVATE A BETTER WORLD



CHIPOTLE
MEXICAN GRILL

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2020 SUSTAINABILITY REPORT

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A LETTER FROM OUR CEO, BRIAN NICCOL

As I reflect back on 2020, I'm in awe of the resilience I witnessed during this unprecedented time. Despite the challenges presented by the global pandemic and civil unrest, Chipotle employees persevered and continued to find innovative solutions to propel the company's mission of Cultivating A Better World. Our greatest priority is to safely serve our communities delicious food from real ingredients made fresh daily. We remain committed to that more today than ever and will continue to push the boundaries of innovation to better serve you.

Sustainability is and always will be a strategic priority for Chipotle. I, along with the rest of the organization, strongly believe that how we grow our food is how we grow our future.

Our real ingredients are responsibly sourced and classically prepared with people, animals, and the environment in mind. The events of this past year have shifted consumer behavior to lean towards a community-focused society. This has further ignited a passion inside of many for making purchasing decisions that drive difference in the world around them. Greater awareness of where food comes from and how it's grown can have an impact far larger than Chipotle.

Last year, we published a progress report against our sustainability goals through 2019. We're committed to transparently showcasing our progress against these targets to ensure that we're successfully meeting goals across people, food and animals, and the environment. Today, I'm thrilled to share the outcome with you. While more work can always be done, we've made strides to showcase real meaningful action and measurable change.

This Sustainability Report demonstrates how we are leading the industry by example, open sourcing initiatives in an effort to welcome everyone to join us on this mission. You'll hear directly from leaders across our organization about how they're embedding sustainability into the work we do together every day. This purpose-driven mindset cascades throughout the organization to team members who take pride in making the Chipotle experience exceptional, serving the highest quality food from real ingredients. At the core of that experience is sustainability—influencing our strategy from our restaurants, to our company offices, to the farms from which we source our ingredients.

We're already hard at work identifying ways we can make a positive impact on the world in 2021. We are optimistic about the future and look forward to continuing to deliver on our promises.

I invite you to reach out to us at Sustainability@chipotle.com and share your thoughts and questions about what sustainability means to Chipotle.

We're all in this together.

Thank you,



Brian Niccol
Chairman and CEO,
Chipotle

"SUSTAINABILITY IS AND ALWAYS WILL BE A STRATEGIC PRIORITY FOR CHIPOTLE. I, ALONG WITH THE REST OF THE ORGANIZATION, STRONGLY BELIEVE THAT HOW WE GROW OUR FOOD IS HOW WE GROW OUR FUTURE."

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ABOUT THIS REPORT

2020 was a transformative year. Although many things have changed, our commitment to our core values, including sustainability, has not.

In keeping with those core values, we are proud to release our 2020 Sustainability Report to transparently share our efforts and impacts to fulfill our mission of Cultivating A Better World. In compiling this report, we've engaged stakeholders; gathered and audited our environmental, social, and governance (ESG) data; worked with our leadership team to ensure alignment; and identified new ways to revisit our internal sustainability operations.

To determine the content of our 2020 Sustainability Report, we referenced the previously published materiality assessment, conducted by a third party for our 2016 report, to identify the topics, or material issues, most important to our business according to the opinion of key internal and external stakeholders. As mentioned in our inaugural report, we intend to continue publishing a Sustainability Report every other year and a progress report every year between full reports. As such, we will publish our next full report in 2023, based on 2023 data. The data in this report covers activities and initiatives that occurred during the 2020 calendar year unless otherwise stated. The report covers our owned and managed operations, including leased real estate.

As part of this reporting process, we've taken a close look at our operations and how we track our data. We continue to assess Chipotle's ESG impacts across our supply chain, and we're always working to fully understand and measure the environmental and social impacts of our business across our entire value chain.

This report is aligned with the Global Reporting Initiative's (GRI) Standards reporting framework, in accordance with the "Core" option. GRI is an international standard that promotes transparent disclosure of our ESG performance. It also provides a tool for stakeholders to compare Chipotle's performance with our peers on metrics that may be deemed material. Caitlin Leibert, Director of Sustainability at Chipotle, led the reporting process. She reports to Laurie Schalow, Chief Corporate Affairs and Food Safety Officer, who has provided oversight of the reporting process.

Thank you for taking the time to read our Sustainability Report. We're genuinely grateful for your interest in our progress and efforts, and we hope you find it even more transparent and compelling than the first. Sustainability reporting is a journey, and we're always looking to improve. We are eager to hear your feedback and answer any questions you may have. Please contact us via sustainability@chipotle.com.

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ABOUT CHIPOTLE

Since our beginning in 1993, Chipotle has been committed to serving food with integrity and revolutionizing the fast food industry. Our real ingredients are responsibly sourced and classically cooked with people, animals, and the environment in mind. Everything is connected.

Though our heritage is one of transformation and innovation, one thing will never change: Chipotle's commitment to doing what's right. Our relentless pursuit of ethical choices at all times is what has built trust in Chipotle—from our customers, business partners, colleagues, and investors.

Every person in the organization is responsible for maintaining trust, both internally and externally. Cultivating A Better World is not easy, but when we all do our part, we can make a difference. The idea behind Chipotle is simple: food served fast doesn't have to be "fast food." Using high-quality, wholesome ingredients, classic cooking techniques, and an interactive service format where guests choose exactly what they want, we strive to make delicious, real food accessible to all in a welcoming and engaging environment. We've been devoted to sourcing and cooking high-quality ingredients since we opened the doors of the first Chipotle in 1993. Today, more than 2,700 restaurants later, we are a leader in "fast-casual" dining—the fastest growing category of the restaurant industry—where the ethos of full-service restaurants is combined with the convenience of fast food.

GENERAL

Chipotle Mexican Grill, Inc., a Delaware corporation, together with its subsidiaries ("Chipotle," "we," "us," or "our") owns and operates Chipotle Mexican Grill restaurants, which feature a relevant menu of burritos, burrito bowls (a burrito without the tortilla), tacos, and salads. We strive to Cultivate A Better World by serving responsibly sourced, classically cooked, real food with wholesome ingredients and without artificial colors, flavors, or preservatives. We are passionate about providing a great guest experience and making our food more accessible to everyone while continuing to be a brand with a demonstrated purpose. Steve Ells, our founder, first opened Chipotle with a single restaurant in Denver, Colorado in 1993. Over 25 years later, our devotion to seeking out high-quality ingredients, raised with respect for animals, farmers, and the environment, remains at the core of our commitment to Food With Integrity.

As of December 31, 2020, we owned and operated 2,724 Chipotle restaurants throughout the United States, 40 international Chipotle restaurants, and four non-Chipotle restaurants. We manage our operations based on eight regions and have aggregated our operations to one reportable segment. In 2020, we reported $6 billion in revenue and

102-1, 102-2, 102-3, 102-4, 102-6, 102-7, 102-16, 102-45

ABOUT CHIPOTLE

405,067,621 transactions. Our revenue is derived from sales by company-owned restaurants. We also derive some revenue, however small, from e-commerce sales via chipotlegoods.com. We have two Restaurant Support Centers (RSCs), one in Newport Beach, California and one in Columbus, Ohio. Chipotle Mexican Grill is publicly traded on the New York Stock Exchange as CMG.

BUSINESS STRATEGY

We are a brand with a demonstrated purpose of Cultivating A Better World. Our mission is to win today while creating a bright future by focusing on five key fundamental strategies:

Making the brand more visible and loved; Utilizing a disciplined approach to creativity and innovation; Leveraging digital capabilities to drive productivity and expand access, convenience, and engagement; Engaging with customers through our loyalty program; and Running successful restaurants with a strong culture that provides great food with integrity while delivering exceptional in-restaurant and digital experiences.

HUMAN CAPITAL

As of December 31, 2020, Chipotle employed over 87,500 people worldwide. In the United States, we employed 85,314 people in our restaurants and approximately 1,367 people in our Restaurant Support Centers (RSCs) and field support organizations; approximately 87,000 individuals are employed in the U.S. and approximately 1,000 are employed in Canada, France, Germany, and the United Kingdom. We do not currently have any employees represented by unions. We believe our efforts to manage our workforce have been effective, as evidenced by a strong culture and our employees' demonstrated commitment to living our purpose and values.

CULTURE, VALUES & DIVERSITY, EQUITY & INCLUSION

As a people-first company rooted in values, our purpose of Cultivating A Better World extends beyond serving nutritious food using real ingredients. It means hiring world-class individuals dedicated to investing in their future and partnering together to positively impact the communities they serve. Most notably, it means fostering a culture that champions diversity, ensures equity, and celebrates inclusion.

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MATERIALITY

In preparing this report, we referenced our 2016 third-party materiality assessment to identify the environmental, social, and governance (ESG) issues most relevant to our internal and external stakeholders, as well as to specify those issues that are within our control.

We assessed 41 topics across the financial, operational, and reputational aspects of our business—assessing both our degree of control and each topic's potential future impact. Through this materiality assessment, we identified the 14 highest priority issues for our business. We evaluated each issue for its potential business impact, level of stakeholder concern, and our degree of control. We will conduct a new materiality assessment for our next GRI report to be published in 2023. More detail on our management approach for each material topic can be found throughout the body of this report in the relevant sections.

Our methodology included several inputs and analyses:

- External insights, gathered through a trends analysis, peer benchmarking, and eight external stakeholder interviews. This external analysis included a review of key reports; a benchmark analysis of eight companies; a review of customer surveys by Chipotle; and interviews with non-governmental organizations (NGOs), academics, investors, and suppliers
- Internal insights, gathered through 14 interviews with executives and staff, a survey of 22 staff members, and a review of reporting materials
- Initial and refined material issues and sub-issues, a list of which follows

Our third-party consultant developed a list of topics it determined to be most important to our business based on its interviews with internal and external stakeholders.

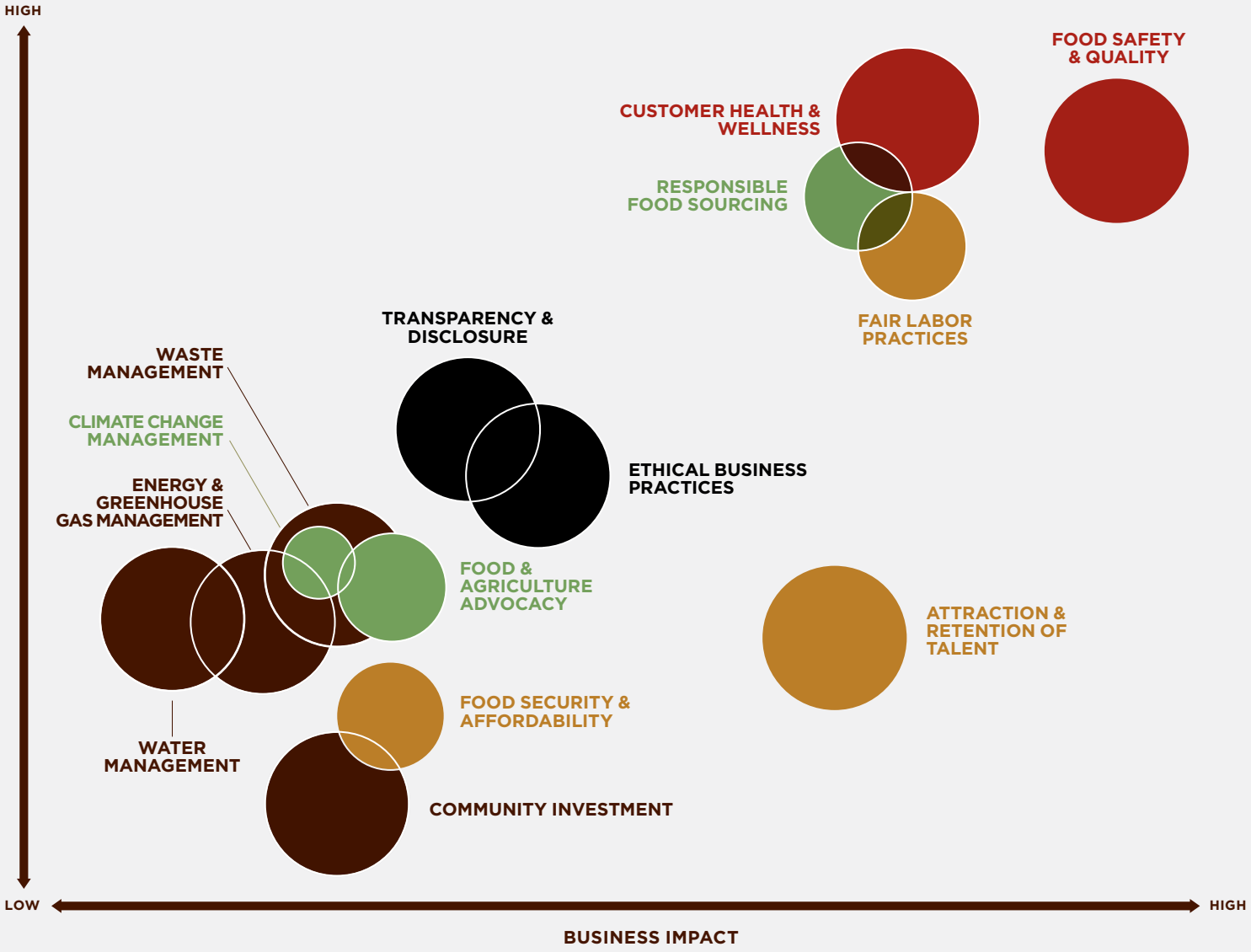
These topics are:

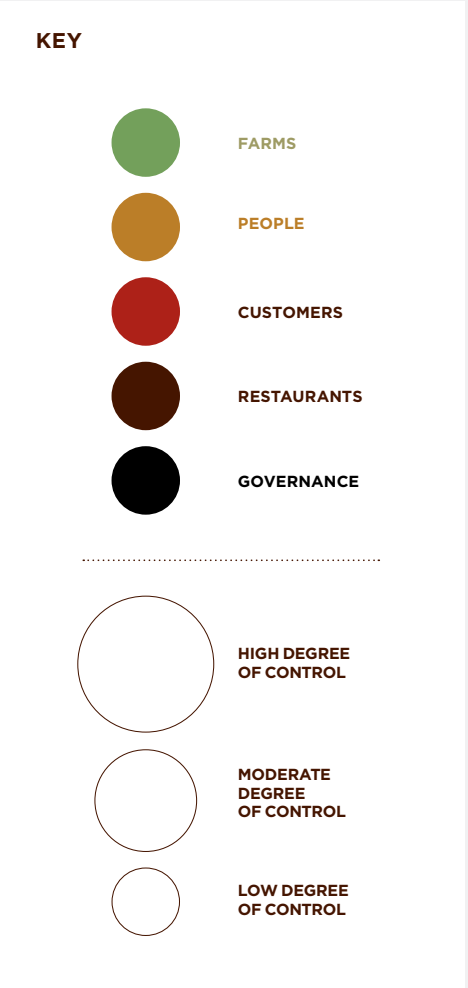
- Attraction & Retention of Talent
- Climate Change Management
- Community Investment
- Customer Health & Wellness
- Energy & Greenhouse Gas Management
- Ethical Business Practices
- Fair Labor Practices
- Food & Agriculture Advocacy
- Food Safety & Quality
- Food Security & Affordability
- Responsible Food Sourcing
- Transparency & Disclosure
- Water Management

Our materiality matrix, based on stakeholder feedback, maps business impact and stakeholder concern from low to high. We overlaid these results with our assessment of the degree to which Chipotle has control over each subset of ESG issues. Reporting on material issues to align with the Global Reporting Initiative (GRI) Standards, we've used the results of this materiality assessment to shape the content of this report.

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MATERIALITY





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2020 IMPACT OVERVIEW

CONTINUING TO CULTIVATE A BETTER WORLD

In 2020, we sought to continue making a real impact for our communities, people, and planet. Here's a glimpse of what we were able to achieve.



2020 IMPACT OVERVIEW

FOOD & ANIMALS

Purchased **28.1 million pounds of organic & transitional** ingredients

Purchased 123.78 million pounds of American Humane Certified™ Chicken

Purchased 7.7 million pounds Certified Humane™ Pork

Purchased over 31 million pounds of local produce—an investment of more than $23.3 million in support of local food systems

Purchased 22.8 million pounds of Global Animal Partnership (G.A.P.)™ Certified Beef

Purchased 45.3 million pounds of sour cream made from the milk of cows given daily access to pasture

Increased the amount of organic and transitional beans we buy from 9.4 million pounds in 2019 to 10.4 million pounds in 2020

Purchased 7.8 million pounds of Global Animal Partnership (G.A.P.)™ Step 1 Certified Pork

Committed $5 million to young farmers over the next 5 years



103-2, 103-3

2020 IMPACT OVERVIEW

PEOPLE

Donated over **$5 million to local community organizations** through 26,000 fundraisers in our restaurants

Accelerated 16 growth-stage ventures via the Chipotle Aluminaries Project (1.0 & 2.0), in partnership with Chipotle Cultivate Foundation

Donated $525,000 to the National Urban League as part of our Diversity, Equity & Inclusion commitment

Launched five Employee Resource Groups (ERGs) and an overarching Culture Committee in 2019 and 2020

Created a General Manager (GM) success profile to aid Field Leaders in identifying and hiring candidates

Established **award-winning culture**

Donated over 455,000 meals to those in need in our communities

Offered free & confidential **Employee Assistance Program (EAP) services** to all Chipotle Employees

Offered a **debt-free degree program** to advance employee education opportunities

Promoted over 13,500 of our people at all levels

Achieved a **Human Rights Campaign Corporate Equality Index score of 100% as of 2021**

Revamped our performance review process for all employees

103-2, 103-3

2020 IMPACT OVERVIEW

ENVIRONMENT

100% of our new restaurant openings participated in our food donation "Harvest Program"

Offset 3,875 tons of carbon emissions

Reduced 65,582 MWh of energy via our energy management systems

Set up and maintained composting program at 25% of all restaurants

Diverted 2,071,583 cubic yards of waste through recycling, composting, and waste to energy

Purchased approximately **22% of our electricity from renewable sources**

Installed an Energy Management System (EMS) at all applicable restaurants

Achieved a **51% landfill diversion rate**

Composted 60,519 cubic yards of waste

Increased the amount of renewable energy that we source, as part of our electric energy portfolio

Upcycled more than 60,000 avocado pits into natural clothing dye as part of the award-winning Chipotle Goods natural dye line

Recycled 1,999,224 cubic yards of waste

Expanded the closed-loop Gloves to Bag program to a total of 40 restaurants in two new markets

Launched Real Foodprint, providing information to our consumers about how **our supply practices can help influence various sustainability measures**

Turned **11,840 cubic yards of waste into energy**

103-2, 103-3

ACHIEVED GOALS

MAKING EACH ONE COUNT

We're proud of the progress we've made since we published our 2018 Sustainability Report. Each goal achieved motivates us to keep pushing forward in our mission to **Cultivate A Better World.**

WE HAVE SUCCESSFULLY MET THE FOLLOWING GOALS:

- **Divert 50% of our waste from landfills by 2020** against a baseline of a 37% diversion rate at the end of 2016
- Pilot a **recyclable or compostable soda cup and lid** by the end of 2020
- **Increase the amount of renewable energy that we source,** as part of our electric energy portfolio, by 2020, against a baseline of 20%
- **Install an Energy Management System (EMS)** at all restaurants by 2020, against a baseline of 89% at the end of 2018
- **Reduce overall inbound truckloads** by 5% in 2019
- Set up and maintain a **composting program at 25% of all restaurants** by 2020, against a baseline of 10% at the end of 2016 (18% at the end of 2018)
- Ensure 100% of our new restaurant openings in 2019 participate in our **food donation "Harvest Program"**
- **Increase** both the total pounds of produce purchased from local growers and the number of growers in our Local Growers Program in 2019
- **Increase total pounds of pork produced domestically** by small to medium sized farms (those that sell 10 to 1,000 hogs per year by 5% in 2019 and 2020)
- Continue to work with our chicken suppliers to **advance broiler chicken welfare** with respect to environmental enrichments, natural lighting, improved stocking density, and controlled atmospheric stun
- Expand the **closed-loop glove-to-trash bag pilot program** to include more restaurants
- Make our **Employee Assistance Program (EAP) available to all employees** so they have access to quality mental health care by 2020
- **Expand tuition assistance** for all employees to cover the cost of their dependents for General Education Development (GED) and English as a Second Language (ESL) classes by 2020
- Implement a **GM success profile and establish a competency-based interview guide,** which will be used to aid Field Leaders in identifying and hiring candidates
- Create at least **three Employee Resource Groups (ERGs)** throughout the organization in 2019 that will spark discussions and allow for employees to play an active role in shaping our culture and company practices
- Implement an **improved performance review process** in 2019 for all employees

103-2, 103-3

LINKING COMPENSATION TO SUSTAINABILITY

WE'RE NOT DONE YET

We know there's still plenty of work to do. That's why we continue to set aggressive targets to measure and mitigate our impacts.

In March of 2021, we introduced a new Environmental, Social, and Governance (ESG) metric that ties executive compensation to ESG goals.

The objectives, which are categorized by Food & Animals, People, and the Environment, will hold our executive leadership team responsible to make business decisions that Cultivate A Better World.

Ten percent of officers' annual incentive bonus will be tied to the company's progress toward achieving these ESG goals.

Starting this year, Chipotle's executive leadership team will be evaluated on the company's progress toward the following overarching company goals:

FOOD & ANIMALS

In effort to support more sustainable small farms, Chipotle is committed to increasing pounds of organic, local, and/or regeneratively grown and raised food used in our restaurants year over year.

PEOPLE

Chipotle has set out to maintain both racial and gender pay equity. We are also implementing a program to accelerate the development of our diverse field organization and support center employees for promotion to above restaurant and next level roles.

ENVIRONMENT

Originally announced for 2025, we are moving up our goal to publish our Scope 3 emissions to December 31, 2021.

"WE ARE PASSIONATE ABOUT INSPIRING REAL CHANGE IN PEOPLE, FOOD, AND THE ENVIRONMENT EVERY DAY. THE COMPENSATION PLAN ENSURES OUR LEADERS CONTINUE TO SET THE RIGHT EXAMPLE FOR OUR MORE THAN 88,000 EMPLOYEES WHILE FULFILLING OUR MISSION TO DRIVE CHANGE AND CULTIVATE A BETTER WORLD."

— Laurie Schalow,
Chief Corporate Affairs & Food Safety Officer

OUR NEW GOALS

FOOD & ANIMALS

Continue to **increase the total pounds of produce purchased from local farmers** year over year

Develop and pilot at least **one new plant-based protein offering** by end of 2021

Give **$5 million over the next five years (by end of 2025) to help young farmers**

Purchase **over 37 million pounds of produce** in 2021 from local farmers through our Local Growers Program

Work with dairies to ensure a **stable income and fair wages** by offering a fixed multi-year price by end of 2021

Achieve **100% third-party humane certification** for our chicken by end of 2021



Partner with our growers to convert over 400 acres of conventional farmland to organic farmland via transitional growing methods by 2025

103-2, 103-3

OUR NEW GOALS

PEOPLE

Launch **Emerging Leader and Mentoring programs** aimed at ensuring we have a diverse slate of 'ready now' internal talent for critical roles within the organization by end of 2021

Enrich our benefits offering around **employee wellness including mental health, financial, and physical wellbeing** including providing preventive healthcare for all employees through Telemedicine

Provide learning resources to our employees through our Employee Resource Group book clubs, speaker series, and The Real Scoop with Marissa

In partnership with our Serves Community Service ERG, **re-launch our service days for RSC and Field employees**

Develop a robust **Supplier Diversity program where we continue to identify opportunities for minority owned businesses** to increase access to our sourcing opportunities by end of 2021 and develop a method to measure amount paid annually to minority-owned businesses by 2022

Fill more than 70% of salaried manager positions with current employees who've been **internally developed and promoted**

Continue our partnership with Guild to **provide debt-free degrees and expand the program** by including four-year degrees in Culinary, Agriculture, and Supply Chain to reflect our commitment to Sustainable careers; adding more HBCUs; and increasing employee participation by adding professional certification tracts

103-2, 103-3

OUR NEW GOALS

ENVIRONMENT

Maintain **90% recycling rate** at all restaurants in 2021

Increase the **percentage of renewable energy sourced** year over year

Baseline **construction diversion rate** by end of 2022

Pilot at least **one innovative new packaging design** that reduces plastic in 2021

Pilot **closed-loop recycling program** for our cutlery by end of 2021

Explore and pilot **new material innovations** to reduce our cutlery waste by end of 2021

Pilot **scalable diversion program** for construction projects by end of 2021

5% overall waste reduction by 2025 (as compared to a 2020 baseline)

Identify **key biodiversity hotspots** throughout our operation by 2025

Baseline **food waste throughout supply chain** and identify key areas of impact opportunity by 2023

Ensure we open 90% of new restaurants with a **diversion program (recycling and/or compost)** in 2021

Add an additional 125 restaurants to our **compost program** by end of 2022

Create **internal Climate Committee** focused on curbing companywide GHG emissions by end 2021

Identify **key water risk areas and ingredients** throughout supply chain in an effort to inform our water conservation strategy

Increase **energy savings at the restaurant level** through improvements to our Energy Management Systems (EMS) by end of 2022

Conduct updated **water usage baseline** at restaurant level by end of 2021 to inform our water conservation strategy

Set **science-based emissions reduction targets** verified by the Science-Based Targets Initiative (SBTi) by end of 2021

Pilot at least one **strategic supply chain food waste reduction project** by end of 2021

103-2, 103-3

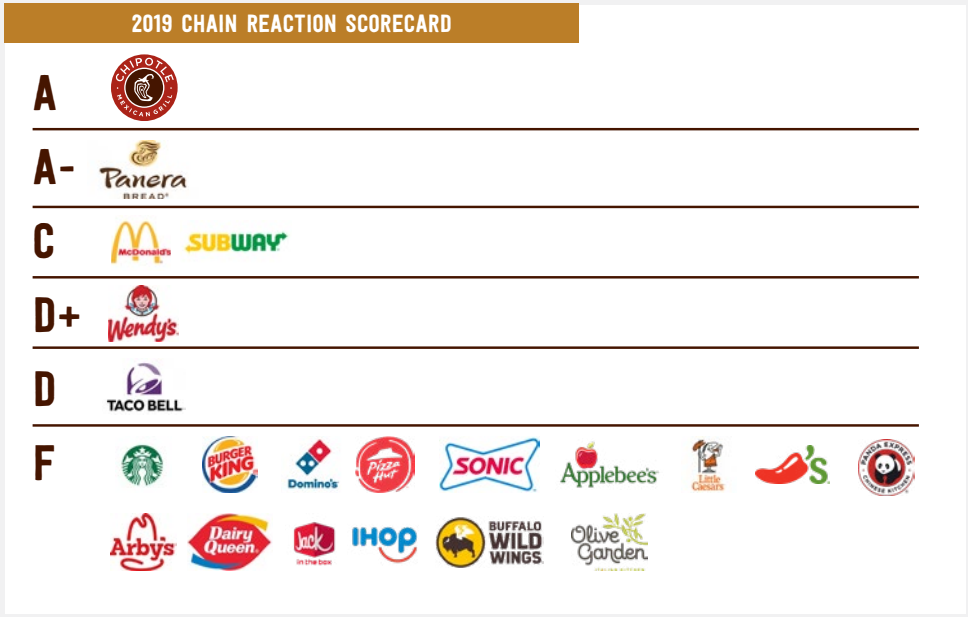
CHAPTER 1

FOOD & ANIMALS

AWARDS

Winning awards isn't what drives us, but we are proud of what they represent.
Over the past two years, we've been recognized for our sourcing, standards, and menu.

SCORECARD



2019 AND 2020 AWARDS

GOOD FOOD INDEX (GFI SCORECARD):
9/10 Plant Based Offering

FAST CASUAL
Excellence in Food Safety

NATION'S RESTAURANT NEWS
MenuMasters Award, Healthful Innovations Category

VEGOUT AWARD
Best Vegan-Friendly Fast Food

WORLD ANIMAL PROTECTION "QUIT STALLING REPORT"
Highest Ranking Restaurant



A LETTER FROM OUR HEAD OF SUPPLY CHAIN, CARLOS LONDONO

Every day, we work to build the capabilities within our supply chain to help further Chipotle's mission of Cultivating A Better World.

By investing in our Food With Integrity program, we are developing people, enhancing technology, and improving the planet. All of these will allow us to achieve sustainable growth and deliver an even more outstanding experience at our restaurants in the future.

We invest in our people. Therefore, we look for the best development opportunities for Chipotle employees to support their overall growth because how we grow our food is how we grow our people. We are also particularly proud of the strong partnerships that we have forged with our supply chain partners. These suppliers are a very important part of Chipotle's identity as they reinforce and help evolve the company's Food With Integrity standards. We are constantly seeking solutions to strengthen our partnerships whether it be with local farmers or industry experts.

We invest in technology. At Chipotle we believe that the latest technology allows us to be agile and at the forefront of the industry. We are constantly working with academic institutions and industry leaders to improve our abilities and create new ways of working. We are engaging with our partners to bring forward ideas such as regenerative farming, dairy pasture access, and animal development. One area of focus is Food Safety Technology, where we have been able to bring advanced capabilities for traceability and supply chain visibility from farm to table. We are currently conducting several tests that will bring even more advanced technology to farms, suppliers, distribution centers, and restaurants.

We invest in our planet. We source only the best ingredients to deliver an incredible culinary experience. Our packaging capabilities have been enhanced to make our supply chain more sustainable. We are evaluating compostable and recyclable materials and continuously looking for ways to eliminate waste and reduce our carbon footprint. Along with some key partners, we are investing in organic and transitional farming and we're expanding these programs every day. In addition, we have advanced our animal welfare programs and continue to make great strides with the help of our farming community. We are very proud of the partnerships we have built across our produce, protein, dairy, and a variety of other categories. The stakeholders involved in Chipotle's supply chain share our vision and are committed to doing what is responsible for people, animals, and the planet as we Cultivate A Better World together.

"THE STAKEHOLDERS INVOLVED IN CHIPOTLE'S SUPPLY CHAIN SHARE OUR VISION AND ARE COMMITTED TO DOING WHAT IS RESPONSIBLE FOR PEOPLE, ANIMALS AND THE PLANET AS WE CULTIVATE A BETTER WORLD TOGETHER."



Carlos Londono
Vice President, Supply Chain

FOOD & ANIMALS

NEW GOALS

Continue to **increase the total pounds of produce purchased from local farmers** year over year

Develop and pilot at least **one new plant-based protein offering** by end of 2021

Give **$5 million to young farmers by end of 2025**

Purchase **over 37 million pounds of produce** in 2021 from local farmers through our Local Growers Program

Work with dairies to ensure a **stable income and fair wages** by offering a fixed multi-year price by end of 2021

Achieve **100% third-party humane certification** for our chicken by end of 2021

Partner with our growers to convert over 400 acres of conventional farmland to organic farmland via transitional growing methods by 2025

FOOD & ANIMALS

IMPACT

ORGANIC & TRANSITIONAL

In 2020, Chipotle purchased **28 million pounds** of organic & transitional ingredients

BROWN RICE
900,000
POUNDS

WHEAT
3.3 MILLION
POUNDS

CILANTRO
4.7 MILLION
POUNDS

WHITE RICE
1.2 MILLION
POUNDS

AVOCADOS
3.4 MILLION
POUNDS

BLACK BEANS
7.4 MILLION
POUNDS

PINTO BEANS
3 MILLION
POUNDS

TOFU
4.2 MILLION
POUNDS



FOOD & ANIMALS

IMPACT

LOCAL

In 2020, Chipotle purchased over **31 million pounds** of local produce—an investment of more than **$23.3 million** in support of local food systems.

CAULIFLOWER
4,000
POUNDS

CLEMENTINES
87,000
POUNDS

LEMON
120,000
POUNDS

SALAD LETTUCE BLEND
174,000
POUNDS

JALAPEÑOS
579,000
POUNDS

CILANTRO
1.1 MILLION
POUNDS

AVOCADOS
2.8 MILLION
POUNDS

TOMATOES
3.8 MILLION
POUNDS

ROMAINE LETTUCE
6.1 MILLION
POUNDS

ONION
6.3 MILLION
POUNDS

BELL PEPPERS
9.6 MILLION
POUNDS



FOOD & ANIMALS

IMPACT

ANIMAL WELFARE

7.8 MILLION
POUNDS
OF GLOBAL ANIMAL PARTNERSHIP (G.A.P.) ™ STEP 1 CERTIFIED PORK

7.7 MILLION
POUNDS
OF CERTIFIED HUMANE™ PORK

3.1 MILLION
POUNDS
OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS CERTIFIED™ PORK (UK)

123.7 MILLION
POUNDS
OF AMERICAN HUMANE CERTIFIED™ CHICKEN

27 MILLION
POUNDS
OF CERTIFIED HUMANE™ BEEF

17 MILLION
POUNDS
OF GLOBAL ANIMAL PARTNERSHIP (G.A.P.) ™ STEP 1 CERTIFIED BEEF

45 MILLION
POUNDS
OF SOUR CREAM MADE FROM THE MILK OF COWS GIVEN 365 DAYS OF ACCESS TO PASTURE

100%
OF THE DAIRY FOR OUR SOUR CREAM WAS F.A.R.M. ANIMAL CARE PROGRAM (FARMERS ASSURING RESPONSIBLE MANAGEMENT) CERTIFIED PASTURE



SUPPLY CHAIN PRIORITIES & OVERSIGHT

RAISING THE STANDARDS FOR OURSELVES

SUPPLY CHAIN PRIORITIES:

Food With Integrity
Since the first Chipotle opened in 1993, we've served fresh, wholesome ingredients prepared using classic cooking techniques. It has long been a top priority to ensure our food is safe, delicious, and made from responsibly sourced ingredients.

Food Safety
We work to ensure all the food Chipotle serves is safe, wholesome, and delicious. More details on our industry-leading food safety program can be found later in this section.

Quality
We assure the quality of our food across a significant number of metrics including animal welfare, environmental considerations, and taste. We also measure the quality against the standards we set for our meats from animals raised responsibly (our Responsibly Raised guidelines).

Efficiency
Our approach to efficiency is founded on establishing long-term relationships with our suppliers. We work to help them meet our exacting sustainability and quality standards, while setting equitable prices.

SUPPLY CHAIN OVERSIGHT:

Chipotle is committed to sourcing high-quality ingredients that are grown, raised, and harvested with respect for people, animals, and the land. We work to create and celebrate integrity in all aspects of our business, including how workers are valued and the way crops are grown, animals are treated, and the environment is impacted.

Our best business success is achieved by honoring and empowering our restaurant managers and crew members. Chipotle strives to grow and earn profits ethically by balancing social, environmental, and financial commitments to shareholders, customers, employees, and the public. We seek out suppliers who share and champion our core values, and act with honesty and integrity. We also envision that our suppliers are always getting better and helping us improve the meals we serve to customers.

We require all of our suppliers to comply with our Supplier Code of Conduct, or a substantial equivalent. Requiring compliance with the applicable laws and prohibiting forced labor, child labor, violation of applicable standards for working hours and conditions, and other subjects related to human trafficking and slavery. Our suppliers are subject to inspections—announced and unannounced, by us and also third parties—to verify compliance with our supplier standards. All of our food suppliers must certify compliance with the terms of the applicable supplier standards every year. We also make regular site visits of our meat and dairy suppliers to ensure all facilities are in good condition and comply with our protocols.

102-9, 102-12, 102-15, 103-2, 103-3, 408-1, 409-1, 414-1, FP1

SUPPLY CHAIN PRIORITIES & OVERSIGHT

Our Procurement Practices set supplier standards across multiple product categories, from the equipment we use in our kitchens, to the meat and dairy we serve to our customers, to the packaging that contains our food. Our Animal Welfare team sets exacting standards to which our meat and dairy suppliers must adhere, and every year we require signed production affidavits affirming their compliance. We obtain product specification forms from all our packaging suppliers and evaluate each form to ascertain the source of raw materials and the percentage of recycled content they contain.

We conduct internal and third-party audits of our meat and dairy suppliers. Having an in-house audit team allows us to closely track our suppliers and the improvements we make to our supply chain practices. We perform regular site visits to ensure all facilities are in good condition and are adhering to our protocols. Using an internal audit team allows us to capitalize on our knowledge of suppliers' operations and make recommendations based on our observations. Most of our packaging audits are currently undertaken by in-house teams, though we are looking to introduce third-party audits to this category as part of our ongoing supply chain improvements.
We work hard to ensure there are checks and balances throughout our business. One of the ways we do this is through direct oversight. Our Supply Chain team has oversight of our sourcing standards, under the direction of our officers.

Our Supply Chain team requires affidavits from suppliers to confirm their compliance with our standards, and we maintain a team of auditors to audit them. When changes are likely to have a major impact on our supply chain, we work with cross-functional teams.

Our Code of Ethics requires all of our employees to engage in ethical business practices and policies. We are committed to complying with the law and maintaining the highest standards of honesty, integrity, and conduct. Chipotle also requires that its suppliers comply with basic principles and regulations that protect, and respect, workers, animals, and the land. We proudly do business with suppliers who expect to, and do, uphold the same principles. Suppliers are required to comply with all applicable laws, regulations, customs, and industry standards relating to employment and human rights, including but not limited to:

Forced Labor & Violence Against Workers
The use of forced or prison labor and any form of indentured servitude by a supplier and its subcontractors is forbidden. Physical punishment, confinement, use of weapons, threats of violence, or other forms of physical, sexual, psychological, or verbal harassment or abuse are strictly prohibited.

Child Labor
The unlawful use of child labor by suppliers is forbidden under any circumstances. If the country in which the supplier is doing business does not define "child" for purposes of minimum age of employment, the minimum age is 15. If the supplier employs minors, the supplier must comply with all laws regulating hours and working conditions for minors.

While our Supplier Code of Ethics contains significant standards regarding child labor, we continue to assess areas of opportunity for strengthening our requirements, including assessing areas of our supply chain that may have more significant risks of child and/or forced labor.

Wages And Working Hours
Suppliers' employees and workers must be fairly compensated and provided with wages and benefits that comply with applicable laws, including required compensation for overtime work and other premium pay dictated by law. Suppliers must comply with all laws and with industry standards pertaining to the number of hours worked per day or week and consecutive days worked. Suppliers must ensure that all of their employees and workers are provided with reasonable daily and weekly work schedules and that adequate allowance is made for time off.

Non-Discrimination
Suppliers must comply with laws prohibiting discrimination in hiring and employment practices on the grounds of race, color, religion, sex, age, physical ability, national origin, sexual orientation, gender identity, and any other applicable basis. Suppliers must also comply with laws prohibiting unlawful harassment and retaliation.

Workplace Environment & Accommodations
All employees of our suppliers must be, and perceive themselves to be, safe in their workplace. Suppliers shall provide their employees and workers with safe and healthy working and, where provided, living conditions. At a minimum,

102-9, 102-12, 102-15, 103-2, 103-3, 408-1, 414-1, FP1

SUPPLY CHAIN PRIORITIES & OVERSIGHT

potable drinking water, clean restrooms, adequate ventilation, fire exits, essential safety and protective equipment, and related training, an emergency aid kit and access to emergency medical care, and appropriately lit workstations must be provided. Work and living facilities must be constructed and maintained in accordance with the standards set by applicable codes and ordinances. Suppliers shall not endanger any employee's or worker's safety. Living accommodations must be clean, safe, and meet the reasonable, basic needs of residents.

Immigration Compliance
Suppliers are required to comply with immigration laws, including in the U.S. the Immigration Reform and Control Act and related regulations, which require employers to determine the identity and work eligibility of employees and take appropriate action if becoming aware that an employee does not have appropriate authorization or status to work in the U.S.

Ethical Business Practices
Suppliers are forbidden to participate in or condone bribing, falsifying documents, collusive bidding and price fixing, and unfair trade practices and must fully comply with the Foreign Corrupt Practices Act and related regulations.

Environment & Sustainability
We believe that protecting the environment is all of our responsibility. Chipotle complies with all applicable environmental laws, regulations, and permit requirements and expects all companies and contractors with which we partner to do the same. Suppliers shall comply with environmental laws and regulations and conduct their operations in ways that conserve natural resources.

Food With Integrity (FWI)
As part of our FWI commitment, we require our suppliers to certify, through a separate certification process, to the following:

Responsibly Raised Meats:
All animals have been raised responsibly, which to us means that they're treated humanely from birth to slaughter, fed a vegetarian diet, and never given added hormones or sub-therapeutic antibiotics.

rBGH Free:
100% of the milk in our sour cream, cheese, and queso comes from cows that have never been treated with rBGH (Recombinant Bovine Growth Hormone).



102-9, 102-12, 102-15, 103-2, 103-3, 414-1, FP1

SUPPLY CHAIN PRIORITIES & OVERSIGHT

Outdoor-Raised Dairy:
Dairy cows have had daily access to the outdoors, are fed an all-vegetarian diet, and have never been given sub-therapeutic antibiotics or added hormones.

GMO Free:
All food ingredients sold to us are non-GMO (however some beverages do contain GMO ingredients, and much of the meat and dairy comes from animals fed at least some GMO grain).

All ingredients and processes must comply with our Food Safety and Quality Assurance requirements.

All ingredients must be traceable, with transparency covering point of origin, growing, handling, and harvesting practices.

We also strongly prefer (but do not require) that our suppliers comply with the following aspirational attributes, when possible.

Organic:
Produce should be grown organically as per USDA Organic Certification.

Local:
Local ingredients are those grown within 350 miles of a distribution center. To further this goal, the majority of our restaurants are located within 80 miles of a distribution center.

Farmers
Farmers should raise their animals and crops with respect for the long-term health of the land and community.

Compliance
All suppliers and their affiliates, subcontractors, employees, workers, and agents must comply with our Supplier Code of Conduct or a substantial equivalent. Suppliers are required to immediately notify Chipotle of any violation of applicable ethical standards. Failure to comply can constitute cause for Chipotle to revoke a supplier's approved status and, at our discretion, to terminate any agreements had with such supplier. Our Supplier Code of Conduct is in addition to any other Chipotle policies, codes, and agreements which might apply to a supplier, and Chipotle may add to or modify the Supplier Code of Conduct, and request suppliers to accept and agree to the terms, from time to time.

Notice, Monitor, Complaints
Suppliers are required to notify their employees and workers of our Supplier Code of Conduct or equivalent standards and suppliers' obligation to fully comply with them. Suppliers must also communicate our Supplier Code of Conduct to its affiliates, subcontractors, employees, workers, and agents. Each supplier is responsible for monitoring its own business, and the business of its subcontractors and affiliates, for compliance with our Supplier Code of Conduct. Suppliers shall implement and maintain a program for employees, workers, and other people to report complaints and concerns to the supplier. Suppliers will respond meaningfully to complaints with the intent to reach a swift resolution.

Validation By Chipotle
Chipotle may conduct inspections, audits, and evaluations of suppliers and their business practices, records, facilities, and, where provided, housing accommodations. Chipotle may also conduct inspections, audits, and evaluations of suppliers' subcontractors, affiliates, and agents. Suppliers are required to preserve all information necessary to demonstrate and document compliance with the Supplier Code of Conduct. Chipotle follows a continuous improvement philosophy and will work with suppliers on corrective action plans to address any negative audit findings.



102-9, 102-12, 102-15, 414-1, FP1

OUR REAL SUPPLIERS

Our suppliers are integral to our business, and we're proud of the partnerships we've established with them through the years. That's why we wanted to dedicate this section to our inspiring partners and feature some of their amazing work.

The impact goes both ways. Our suppliers help us achieve our mission to Cultivate A Better World, and we support our suppliers in developing environmental standards and sustainability goals.

Many of our suppliers have their own sustainability initiatives relating to water usage, energy usage, and employee welfare. Every new supplier is required to complete a Supplier Intake Form, which includes questions on environmental standards. Additionally, we take into account opportunities for environmental efficiencies within our supply chain, such as measuring the amount of water used per animal. In 2020, we did not identify any unacceptably negative environmental impacts through our regular supplier auditing process.

We have conversations with all potential suppliers to better understand their approach and policies relating to sustainability. We also require tours of our suppliers' facilities to evaluate operations and discuss opportunities for improvements. Finally, in an effort to increase transparency throughout our value chain, we ask our suppliers the geographical origin of their raw materials.

All suppliers were sent a Sustainability and Diversity Survey in 2020. We are currently reviewing the results of those surveys to be better informed on our suppliers' efforts, benchmark our supplier diversity, and better set strategic goals.

Maintaining our high levels of quality and safety in our restaurants partly depends on acquiring high-quality, fresh ingredients, and other necessary supplies that meet our specifications from reliable suppliers. Our 24 independently owned and operated regional distribution centers purchase from various suppliers we carefully select based on quality, price, availability, and the suppliers' understanding and adherence of our mission. We've also sought to increase, where practical, the number of suppliers for our ingredients to help mitigate pricing volatility and reduce our reliance on one or several suppliers, which could create supply shortages. In addition, we closely monitor industry news, trade tariffs, weather, exchange rates, foreign demand, crises, and other world events that may affect our ingredient prices. Certain key ingredients like particular cuts of beef, tomatoes, tortillas, and adobo are purchased from a small number of suppliers.



102-9, 308-1, 308-2, 419-1

OUR COMMITMENT TO FARMERS

In the United States, young farmers are facing more challenges than ever

100
million acres of
U.S. FARMLAND
will change ownership in the next 5 years

56%
of farms **LOST** money last year

40x
more farmers were **LOST** in recent years than gained

"FARMERS COMMITTED TO FARMING IN A SUSTAINABLE AND ETHICAL WAY NEED OUR HELP TO HAVE A CHANCE TO SUCCEED—BOTH FOR THE SAKE OF THE FUTURE OF REAL NUTRITIOUS FOOD AND THE COMMUNITIES THAT RELY ON THOSE FARMS."

—Brian Niccol,
Chairman and CEO, Chipotle

102-13, 203-1

OUR COMMITMENT TO FARMERS

Farmers inspire us. How we grow food is how we grow our future. That's why we're giving $5 million over the next five years to help young farmers.

By focusing on young farmers in particular, we're ensuring our support of sustainable agriculture. According to the National Young Farmers Coalition Young Farmer Census, more than 80% of young farmers are farming sustainably. Through these programs, and all of the assistance we're offering young farmers, we hope to help farming remain a sustainable vocation for generations to come.

TO DATE, OUR PROGRAMS INCLUDE:

Tractor Beverage Co. Partnership
All TRACTOR BEVERAGES sold by Chipotle help support the U.S. agricultural industry, with 5% of Chipotle's profits from its sale of these beverages being donated to causes that benefit farmers. Funds expand Chipotle's existing farmer programs including long-term contracts, increased local sourcing, and scholarships and grants to start, run or grow farming operations, among others.



Virtual Farmers Market
Chipotle is supporting farmers in its supply chain by assisting in the development of eCommerce sites within the CHIPOTLE VIRTUAL FARMERS MARKET, an online marketplace where consumers can buy real ingredients online, directly from the brand's suppliers.

Young Farmer Grant
To date, Chipotle and the Chipotle Cultivate Foundation have contributed over $500,000 to support the next generation of farmers. The brand is empowering the industry by offering education, scholarships, grants, and three-year contracts to young farmers.

Farmlink Project
During winter 2020-2021, Chipotle's real change partnership with THE FARMLINK PROJECT raised awareness of food waste across the United States and allowed Farmlink to donate more than 9.5 million meals to those who needed it most. In addition, by engaging our supply chain with the non-profit, Chipotle has set an example for companies looking to make sustainable long-term change in the fight against food insecurity.

Aluminaries
Chipotle's ALUMINARIES PROJECT 2.0 accelerator program, in conjunction with Chipotle Cultivate Foundation, has helped growth stage ventures across the country advance innovative solutions in farming.

102-12, 103-2, 103-3, 203-1

FEATURED GRANTEE

ALDERLAND FAMILY FARM

"PRIOR TO RECEIVING THIS GRANT, I HAD BEEN SOLELY AN EMPLOYEE FOR OUR FAMILY FARM. THE GRANT ALLOWED ME TO INVEST SOME OF MY OWN EQUITY, IN THE FORM OF A HOOP BARN, INTO THE FAMILY FARM AND START SELLING PIGS UNDER MY OWN NAME.



It's great to have a sense of ownership and getting my own tattoo number makes me feel that much more involved in the Niman Ranch family.

I am grateful for Chipotle's generosity towards the next generation of Niman Ranch hog farmers. It can be a challenge to get started in any venture, and pig farming is certainly no different. With the grant I received, I was able to take a huge step financially in getting started raising my own pigs for Niman Ranch. That not only helps the future of my farming career, but the future of my family as well."

– Derek Brown

OUR REAL INGREDIENTS

KEEPING IT REAL WITH OUR CUSTOMERS

We've always worked to be transparent with our customers about why we choose our ingredients and where they come from. That commitment to transparency is one of the reasons we compiled this report, and also why we chose to publish every ingredient in our meals online.

We created a service model that allows our customers to pick which ingredients and how much of them go into each order. Our online tool provides complete nutrition information, helps customers build meals that meet their needs, and discloses allergens and dietary restrictions.

We also provide complete nutrition information in our restaurants on the back of our paper menus (when we can make them safely available) and provide allergen cards to customers who ask for them. We want our customers to be part of the conversation about our ingredients. We'll continue to work to educate consumers and industry partners about new ways we can improve our supply of ingredients and, hopefully, make the industry as a whole more sustainable. We believe the integrity of our supply chain leads to better tasting and more nutritious food—and we will fight for this on behalf of our customers, the environment, and the communities we serve.

HEALTH AND WELLNESS

We use only ingredients with no artificial flavors, colors, or preservatives. We cook with simple, whole ingredients and try to avoid processed ingredients.

Our Real Ingredients page offers information about all our ingredients, nutrition information, and an online tool to help customers with special dietary requirements create a meal that's right for them.

We track trends in nutrition and wellness and modify our offerings when we see new opportunities. Chipotle has options for nearly all dietary needs. We're sensitive to concerns about the amount of sodium used in our food and have offered guidance, available on our website, to people with various dietary preferences or restrictions, including those related to sodium. All of our suggested lower-sodium meals (such as our burritos or salads) contain less than 900 milligrams of sodium, leaving plenty of room for customization.

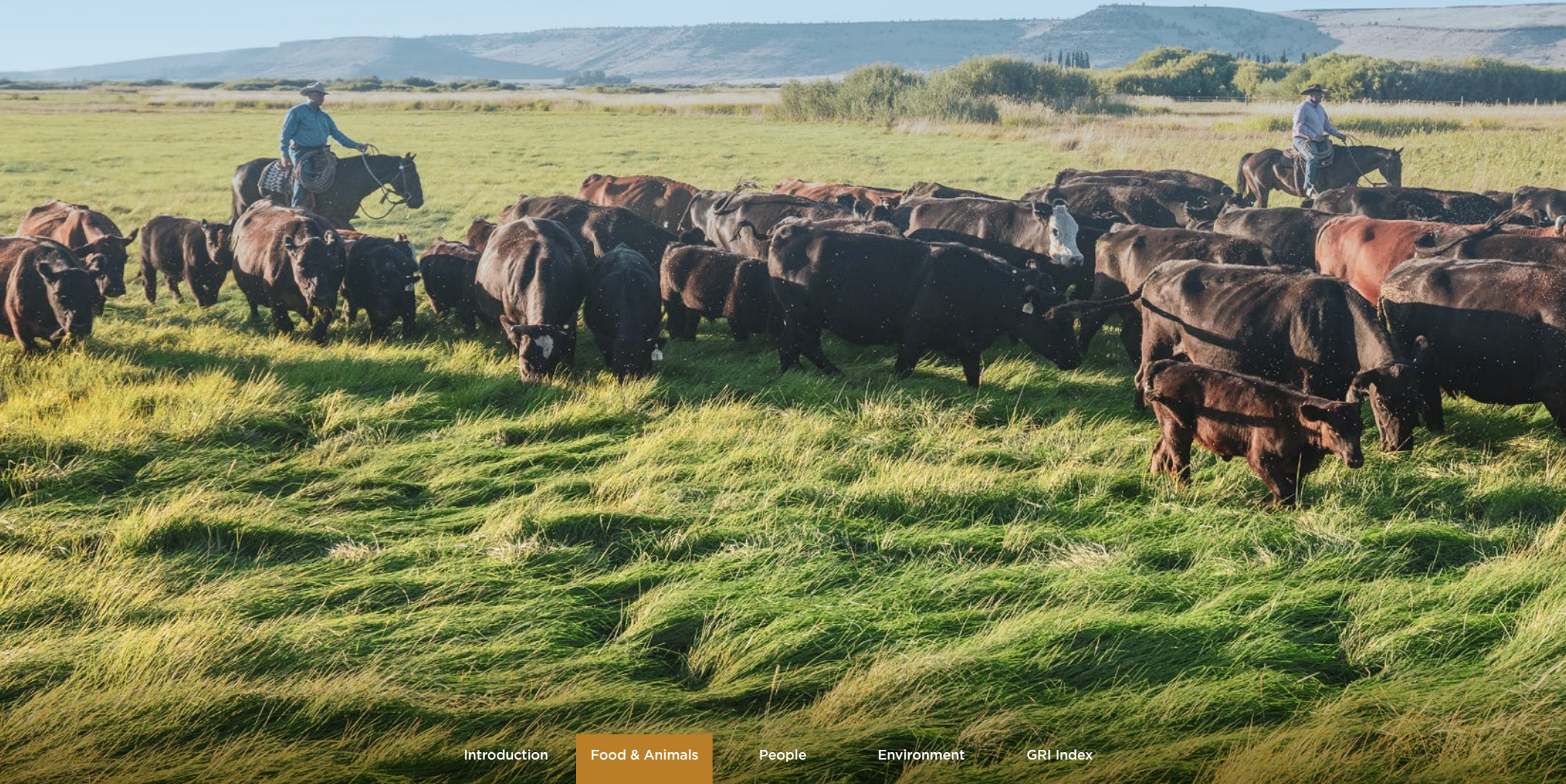
Every choice we make—who we work with, what we serve, and what we stand for—affects the health of the planet. Nutrient-rich soil reduces the need for pesticides and synthetic fertilizers, buying locally reduces vehicle emissions from transportation, and humane animal husbandry means diminished reliance on antibiotics. As we strive each day to be better, we're working to measure and manage the interconnected environmental and social impacts throughout our supply chain. We work hard to create and follow ethical business practices. We build relationships with like-minded businesses and operations that do business differently. We are strongest when we work together, so we're always paying attention to other restaurants, producers of goods and services, and government regulations.



416-1

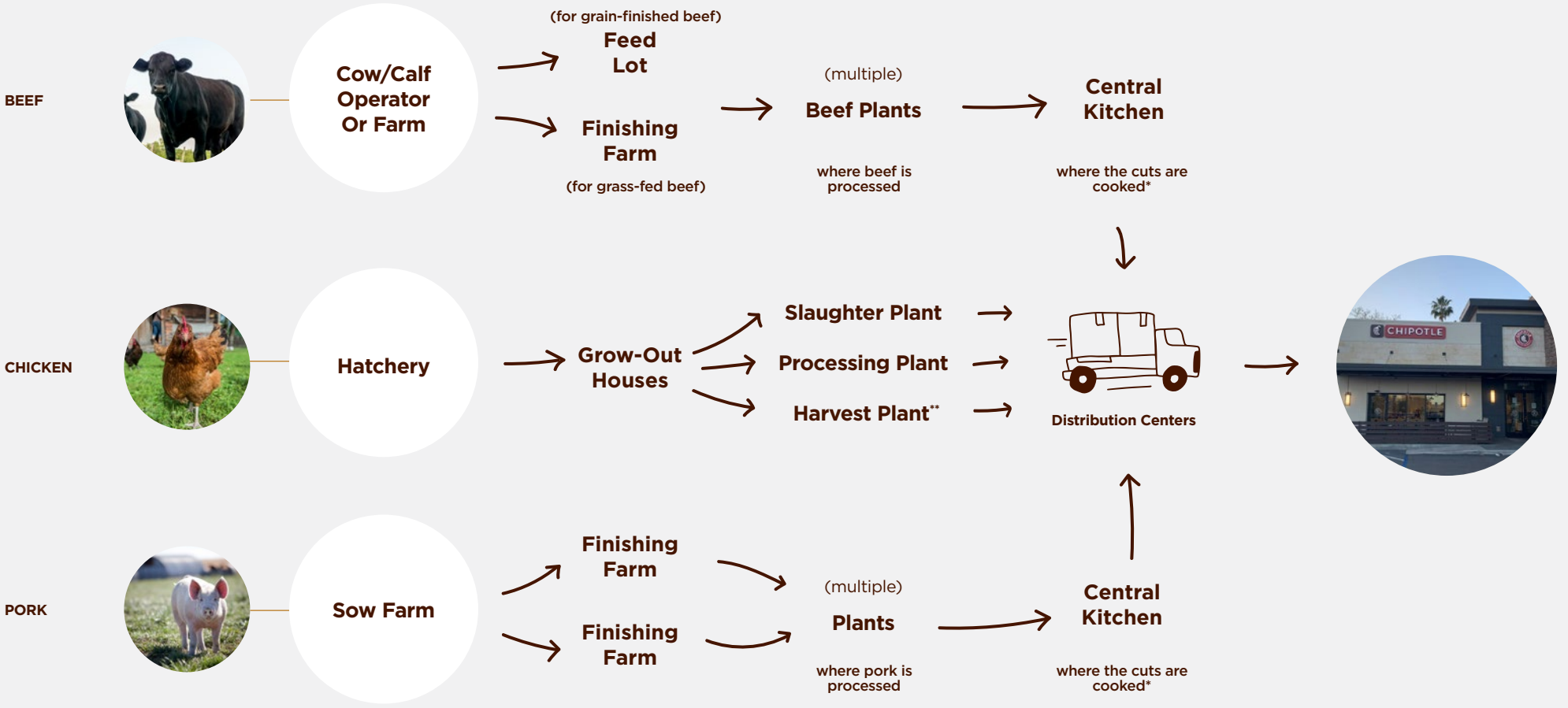
MEAT & DAIRY

The meat and dairy we use goes beyond providing fresh and delicious meals for our customers. It's also a priority of ours to support suppliers and farmers who responsibly and humanely raise their animals.



MEAT & DAIRY

SUPPLY CHAIN



* There are three domestic central kitchens where we cook our beef and pork. We also cook our tofu (sofritas) and beans in these central kitchens.
** Where the chicken is cut, deboned, and pre-marinated in adobo.

102-9

MEAT & DAIRY

OVERVIEW

In 2020, we purchased:



102-9

MEAT & DAIRY

OUR MEAT & DAIRY

We take pride in what we serve so
you can take pride in what you eat.

OUR CHICKEN

Our chicken comes from suppliers who process their animals in Georgia, Minnesota, Arkansas, Virginia, North Carolina, and Canada. All of our chicken is boneless, skinless thigh and whole leg. In 2020, we purchased 146,574,248 pounds of chicken, 100% of which was from suppliers meeting our animal welfare standards. Furthermore, 123,780,000 of those pounds were American Humane Certified. In an effort to deepen our commitment to chicken welfare, we have set a new goal that 100% of our chicken will be third-party humane certified by the end of 2021.

Our stocking density for broiler chickens is a maximum of seven pounds per square foot. In 2017, we made a public commitment in partnership with Compassion in World Farming and The Humane Society of the United States to improve welfare practices around raising broiler chickens.

As a part of this commitment, we've continued to work with our chicken suppliers to advance broiler welfare by adding environmental enrichments, natural lighting, improved stocking density, and controlled atmospheric stun. We are working with each of our suppliers to create step-by-step timelines to implement housing improvements and transition to controlled atmospheric stun. As of the end of 2020, one of our chicken suppliers uses controlled atmospheric stun.

To further improve our chicken welfare, we have committed to using standards aligned with the Global Animal Partnership's (GAP) standard for broiler chicken. Since our last report, we attended and spoke at two summits dedicated to the topic of our 2024 broiler chicken welfare commitments, as well as heard from the researchers behind these commitments.

Additionally, we have held multiple discussions with key supply partners to scope out the potential timelines and investments that would be necessary in progressing toward our 2024 broiler chicken welfare commitment. In 2019, we extended this 2024 broiler welfare commitment beyond our U.S. market to our restaurants in Canada and Europe.

In 2020, we continued our progress by quantifying the investment from our suppliers. Additionally, we worked with key suppliers to assess how flocks would be impacted by the implementation of these attributes. As a next step we will work to identify which attributes we will work towards changing in order to achieve our 2024 goal.

OUR BEEF

Our beef comes from the U.S., Canada, Ireland, Australia, and Uruguay. We source beef chucks for our barbacoa and the rounds for our steak. In the U.S., we purchase beef from suppliers that process cattle in Colorado, Nebraska, Kansas, Texas, Missouri,

102-9, 102-13, 103-2, 103-3, FB-RN-430a.3, FP1, FP2, FP10, FP11, FP12

OUR MEAT & DAIRY

California, Washington, Idaho, Georgia, and Pennsylvania.

Chipotle purchased 91,234,690 pounds of beef in 2020. We manage our beef purchases with a focus on efficient transport, factoring in our commitments to ensuring cost efficiency, environmental responsibility, and reducing food waste.

In 2020, none of the beef we sourced was conventionally raised, and 100% met our animal welfare standards. All of our beef comes from animals raised without added hormones or antibiotics and fed an all vegetarian diet.

OUR DAIRY

In 2020, we purchased 91,816,667 pounds of dairy: 45,277,383 pounds of sour cream and 46,539,284 pounds of cheese for both shredded cheese and queso. All of our dairy farmers receive a Food With Integrity premium for raising cows on pasture, rather than through conventional methods.

The dairy for our sour cream, shredded cheese, and queso comes from suppliers who source milk from dairy farms in California, Idaho, Wyoming, Iowa, Illinois, Wisconsin, Texas, Virginia, and Ohio. In 2020, we required our producers to ensure that all cows that produce the milk to make our shredded cheese, queso, and sour cream have daily access to the outdoors.

OUR PORK

Our pork comes from the U.S., Canada, the U.K., and Denmark. In 2020, we purchased 11,837,641 pounds of pork. We do not allow our pork suppliers to use breeding or gestation crates. All of our pork comes from sows raised outdoors or in deeply bedded barns. In 2020, 100% of our pork came from suppliers meeting our animal welfare standards, meaning they do not use sow stalls during gestation and farrowing, or routine tail docking or teeth clipping. Therapeutic antibiotic treatment for a diagnosed illness is permitted. Animals that are treated with antibiotics are excluded from slaughter until after a withdrawal period to ensure that no trace of antibiotics remains in their system. Chipotle is in support of the industry-wide search to find alternatives to the use of high concentration carbon dioxide stun. We encourage industry stakeholders to develop more humane systems and are prepared to investigate new options as they are commercially available.

In 2019, we increased our pork purchased from domestic small-to-midsized farms by 33.4%. In 2020, we continued to invest in the growth of small-to-mid sized farms through our expanded partnership with Niman Ranch.

OUR EGGS

In 2020, we purchased a small volume of eggs for one airport restaurant that serves breakfast; 100% of the eggs we purchased were cage-free.



102-9, 102-12, 103-2, 103-3, FB-RN-430a.3, FP1, FP2, FP10, FP11, FP12

MEAT & DAIRY

FEATURED BEEF SUPPLIER

NEXTGEN BEEF COMPANY

"WE FIRMLY BELIEVE THAT FOOD HAS THE POWER TO CHANGE THE WORLD.

The food that we chose to eat directly impacts the people who distribute it, it impacts the people who grow it, it impacts the soil it grows in, and it impacts the ecosystem and climate that are tied to the health of that soil.

Nextgen Beef Company, alongside Chipotle, is committed to sustainability on every level. It starts in the soil on our farms, before the birth of livestock on our ranches, during the interview process and orientation of our employees, and carries into everything we do. Nextgen Beef Company was literally born out of our desire for the sustainability of our family ranches, businesses, and the farmers and ranchers we work with. We raise and sell breeding stock that are best suited to the climates we live in and compliment the popular breeds in the industry today. We are involved in the industry-leading



conversations around regenerative agriculture and strongly desire to keep ourselves on the leading edge of that movement. We are not merely a beef sales company, but rather, represent a robust integrated supply chain of cattle producers that is willing to adapt to the concerns and desires of our customers. We want to establish, build, and foster relationships between cattle producers and beef eaters while ensuring our animals and land are cared for with the best information we can gather.

Sustainability to us can be categorized into three parts, all of which Chipotle helps us by supporting our program.

Every decision we make on our farms, in our businesses, and in our community is with the thought of allowing our families, seven generations into the future, to stay in the business.

1. **Environmental sustainability—**we want the lands under our care to improve every year.
2. **Economic sustainability—**we need to be able to provide a quality of life that allows children to return to the family business.
3. **Social sustainability—**our business has to be able to adapt to social norms and respond to customer requests.

Chipotle's commitment to integrity, transparency, sustainability, and genuine desire to make the world a better place is a beacon to our industry. We value our partnership and enjoy the opportunity to work with them and build a better world together."

— Wes Davies,
Nextgen Beef Company

MEAT & DAIRY

FEATURED PORK SUPPLIER

DUBRETON

"THE DUBRETON AND CHIPOTLE PARTNERSHIP SUPPORTS SUSTAINABILITY AND QUALITY OF LIFE AMONG SMALL FAMILY FARMS THROUGHOUT NORTH AMERICA.

Together, duBreton and Chipotle are redefining sustainability through our commitment to responsible animal welfare standards, land stewardship, respect for our employees, and our customers.

Chipotle's support of the duBreton farm model ensures agricultural integrity among the country's farm and food systems, strict adherence to environmental compliance standards, and Certified Humane Raised & Handled® program awareness.

Our partnership with Chipotle begins on the farms. From the way we grow our grains, to our animal welfare standards, the Chipotle team is committed to working hand in hand with duBreton to provide their customers with responsibly sourced pork, raised with the highest level of animal welfare standards and respect."



— Vincent Breton, duBreton

MEAT & DAIRY

ANIMAL WELFARE

RESPONSIBLY RAISED. RESPONSIBLY SOURCED.

Our commitment to animal welfare informs all of our meat and dairy purchasing. Animal welfare is of the utmost importance to us.

It's our promise that the food we buy and serve is raised with respect for animals, farmers, and the environment. We're committed to sourcing the high-quality ingredients while focusing on safety and sustainability. Our rigorous animal welfare standards are informed by best practices and we surpass them when practicable.

Our Animal Welfare Guidelines—for chicken, beef, pork, and dairy—are how we strive to ensure that our suppliers treat animals as humanely as possible. We require that our suppliers provide us meat from animals raised without the use of sub-therapeutic antibiotics as well as with no added growth hormones. Our standards cover the birth of the animal to its slaughter, ensuring humane treatment and handling throughout the animal's lifetime.

ABOUT OUR STANDARDS

Chipotle is dedicated to the avoidance of antibiotics for prophylactic, or preventative, use. We do not allow sub-therapeutic antibiotic use for any animals in our meat supply chain. In 2020, 100% of our chicken and beef came from suppliers meeting the No Antibiotics Ever standard. 100% of our pork came from suppliers meeting the No Sub-Therapeutic Antibiotics standard and 72% of our pork came from suppliers meeting the more stringent No Antibiotics Ever standard. 100% of our dairy came from suppliers meeting the No Sub-Therapeutic Antibiotics standard.

Chipotle works to avoid confinement of animals throughout our supply chain. We set minimum space requirements for the animals used for our meat and dairy products. For example, we require suppliers to provide chickens with more space by limiting the maximum stocking density to seven pounds per square foot.

We do not allow tethering of dairy cows. We do not permit gestation or farrowing crates for sows.

Chipotle works to avoid the practice of "routine alterations" throughout our supply chain. We do not permit alterations such as routine tail docking for pigs or dairy cows or teeth clipping of pigs and we have specific veterinary requirements relating to treatment and pain management for castration and disbudding. While we require pain relief for dehorning on dairy farms, we prefer that dairies eliminate the need for horn removal by introducing polled genetics into the milking herd.

We work to shorten the time our animals are in transport and we avoid long-distance live transportation. Our 2020 transportation audit has been delayed due to challenges arising from the COVID-19 pandemic, but we plan to conduct this transportation audit as part of our 2021 audit program. In 2020, 100% of cattle were transported to slaughter in less than 12 hours. 32% of pigs were transported in under four hours, 34% in under eight hours, 28% in under 12 hours, and 6% in under 14 hours. 100% of chickens were transported to slaughter in less than two hours.

We require that the animals in our supply chain be pre-slaughter stunned. All slaughter facilities for beef and pork must follow North American Meat Institute (NAMI) Animal Handling Guidelines and all slaughter facilities for chicken must follow National Chicken Council (NCC) or American Humane Association (AHA) Guidelines to ensure fully effective pre-slaughter stunning.

Our suppliers' animal welfare programs must include a zero tolerance policy toward the cruelty to animals and ensure that sick animals receive appropriate medical treatment. Chipotle opposes the use

102-12, 103-2, 103-3, FB-RN430a.1, FB-RN430a.2, FB-RN430a.3, FP1, FP2, FP5, FP9, FP10, FP11, FP12, FP13, 414-2, 416-1, 416-2

MEAT & DAIRY

ANIMAL WELFARE

of product from cloned animals.

THIRD-PARTY VERIFICATION

For beef, we require that all the cattlemen and livestock haulers we work with adhere to Beef Quality Assurance (BQA) guidelines or an equivalent standard. We also require that all of our partner processing plants adhere to North American Meat Institute (NAMI) Animal Handling Guidelines or an equivalent standard. In addition to these requirements, in 2020, at least 47% of the beef we purchased was either Certified Humane or Global Animal Partnership (GAP) Certified—a 10% increase from our 2018 Sustainability Report.

Every chicken producer we work with is required to follow either National Chicken Council (NCC) Standards or American Humane Association (AHA) Animal Welfare Standards. In 2020, 82% of our chicken was American Humane Certified (AHC).

Our pork suppliers in the U.S. and Canada are required to follow North American Meat Institute (NAMI) standards. In the U.K., providers must follow Royal Society for the Prevention of Cruelty to Animals' (RSPCA) Freedom Foods standards for pigs. In 2020, 100% of our pork carried an additional welfare certification to meet or exceed our requirements.

Furthermore, 72% of our pork was either Certified Humane or Global Animal Partnership (GAP) Certified—a 23% increase from our 2018 Sustainability Report. Additionally, 25% of our pork was Red Tractor and RSPCA Assured.

ANIMAL WELFARE OVERSIGHT & COMPLIANCE

Strategic and operational responsibility for Chipotle's Animal Welfare Programs lies within multiple positions on our Supply Chain Team. Our internal Animal Welfare Auditor, who directly oversees the day-to-day implementation of our Animal Welfare Program, reports directly to the Director of Procurement on the Supply Chain team. The Animal Welfare team executes the program's operational strategy, and the corporate Procurement team incorporates it into each purchasing decision. The implementation of Chipotle's Animal Welfare Guidelines requires close collaboration with the Sustainability, Culinary, Food Safety Quality Assurance, and Marketing and Communications teams. Animal Welfare Guidelines are redistributed internally each year to ensure company-wide compliance with their policies. The Animal Welfare team is committed to continuous education and improvement. Team members have completed trainings in Poultry Welfare, Dairy Welfare, Swine Welfare, and Meat Plant Welfare from the Professional Animal Auditor Certification Organization (PAACO), as well as the Farmers Assuring Responsible Management (FARM) Animal Care Program via Beef Quality Assurance (BQA). In 2019, the Animal Welfare team completed Beef Quality Assurance (BQA) recertification in cattle stockmanship and transportation. Our Animal Welfare team sets exacting standards to which our meat and dairy suppliers must adhere. We embed these standards into our purchasing specifications and contracts. Every year, we require signed production affidavits affirming every supplier's compliance. In addition to our documentation requirements, our Animal Welfare team is dedicated to ensuring compliance with our standards through an on-site and remote auditing program. The team audits 100% of our domestic suppliers annually and 100% of our international suppliers biennially.

In 2020, our animal welfare audit program had to be adjusted in response to COVID-19 related travel restrictions. Our Animal Welfare team conducted 38 supplier program

102-12, 103-2, 103-3, FB-RN430a.1, FB-RN430a.2, FB-RN430a.3, FP1, FP2, FP5, FP9, FP10, FP11, FP12, FP13, 414-2, 416-1, 416-2

MEAT & DAIRY

FEATURED DAIRY SUPPLIER

MEISTER CHEESE

"OUR PARTNERSHIP WITH CHIPOTLE IS SUBSTANTIALLY DIFFERENT THAN ANY OTHER BECAUSE OF THE RELATIONSHIP CHIPOTLE WANTS TO FOSTER WITH THE FARMERS.



Early in our partnership, the executive team came to Wisconsin to visit our operation. They didn't want to see our cheese plant because in their words "we already know you make great cheese." They wanted to meet the farmers and see the land and cows that supply the milk. Chipotle is willing to pay extra for our cheese that is directly passed on to the farmers that elect to comply with the Chipotle's Food With Integrity program. Never before have we had a customer that wanted to meet the farmers and pay premium so that the farmers are rewarded for their efforts.

Together, we developed our "Cows First" program for milk procurement that complies with Chipotle's Food With Integrity program. There was a "give and take" on both sides to develop a program that was manageable by the farmers and scalable to provide enough cheese for Chipotle's growing needs. We worked together to develop the premium program structure so that farmers are financially rewarded for complying with the Food With Integrity program standards.

Chipotle provided an opportunity for our family business and local family farms to grow with Chipotle, providing a market for our rural dairy farmers and increased employment for our rural workers. Meister has won national and international awards for our cheeses and we would not have the growth or success we have enjoyed without the support of Chipotle."

— Scott Meister, Meister Cheese

PRODUCE

Fresh ingredients means fresh produce. That's why we're so passionate about working with local growers to source the highest quality produce and support the communities we serve.



PRODUCE

SUPPLY CHAIN

AVOCADOS 

TOMATOES 

ONIONS & ROMAINE LETTUCE  

LIMES, LEMONS, CLEMENTINES, BELL PEPPERS & JALAPEÑOS     

CILANTRO, CAULIFLOWER, SALAD LETTUCE BLEND   

Farm → Packing House → Ripening Center

Farm → Processing Plant for washing and dicing → Ripening Center

Farm → Ripening Center

Farm → Produce House → Ripening Center

Farm → Consolidation Dock for washing and dicing → Ripening Center

Ripening Center → Distribution Centers



102-9

PRODUCE

OVERVIEW

In 2020, we purchased: **292 million pounds** of total produce including **31 million pounds** of local produce and **8.1 million pounds** of organic produce:



BELL PEPPERS
35 MILLION
POUNDS



JALAPEÑO PEPPERS
3.9 MILLION
POUNDS



CILANTRO
7.2 MILLION
POUNDS



LEMONS
654,000
POUNDS



LIMES
6.8 MILLION
POUNDS



RED ONIONS
31 MILLION
POUNDS



AVOCADOS
101 MILLION
POUNDS



TOMATOES
65 MILLION
POUNDS



ROMAINE LETTUCE
39 MILLION
POUNDS



CLEMENTINES
789,000
POUNDS



SALAD LETTUCE BLEND
1.2 MILLION
POUNDS



CAULIFLOWER
431,000
POUNDS

102-9

PRODUCE

LOCAL GROWERS PROGRAM

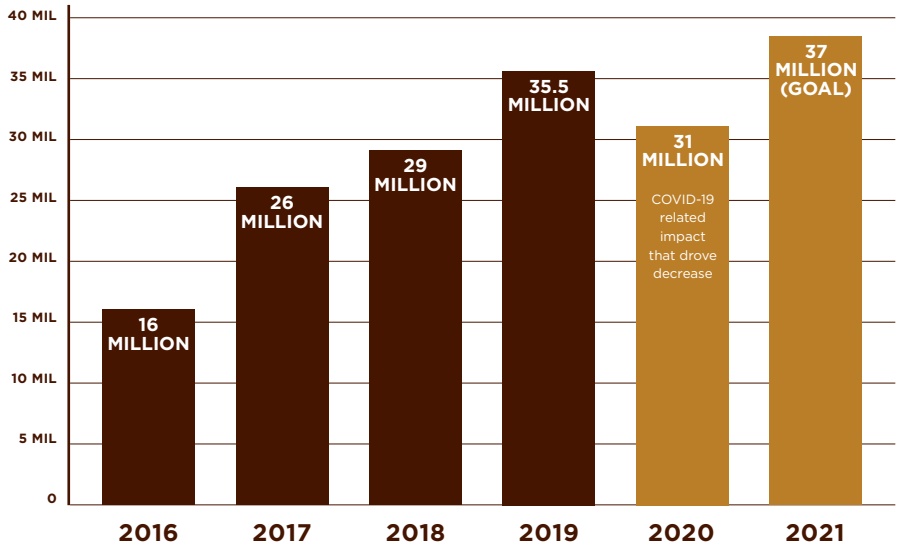
In 2020, Chipotle purchased over 31 Million pounds of local produce- an investment of more than $23.3 Million into local food systems. Local produce accounted for roughly 11% of our total produce volume, which was nearly 7% of our total produce spend.

The decrease in total pounds of local produce from 2019 to 2020 was due to COVID-19 related impacts to our local supply chains. As a result, we were unable to source the amount of local produce that we had intended. We have committed to purchasing 37 million pounds of produce locally in 2021, a 19.4% increase from 2020.

We aim to use local ingredients whenever environmentally appropriate, economically viable, and where food safety is not jeopardized, although location is not the first thing we prioritize as part of our responsible sourcing practices. Local ingredients are those grown within 350 miles of a distribution center. The majority of our restaurants are located within 80 miles of a distribution center.

Through our Local Grower Support Initiative (LGSI), we provide training and funding to local farmers so they can implement higher standards of food quality and safety. We recognize that many small and mid-sized farms are often not equipped to sell to large organizations like our own. That's why we think it's so important to invest in creating a market for local suppliers to bring them up to our food safety standards. We support our local growers by providing tools, training, and oversight to ensure compliance on new guidelines as defined in the Food Safety Modernization Act (FSMA) Produce Safety rule and Chipotle's Quality Assurance processes. The LGSI enables local growers to supply not just Chipotle but other large companies as well.

PURCHASED POUNDS OF LOCAL PRODUCE



It is imperative that Chipotle sources ingredients that are raised responsibly with respect for animals, the environment, and farmers. Chipotle's LGSI allows us to support smaller farms by providing the necessary tools and training to comply with our exacting standards.

102-9, 203-2, 204-1

PRODUCE

FEATURED GROWER

MINKUS FARMS

RICK MINKUS HAS A PASSION FOR FARMING THAT STEMMED FROM A YOUNG AGE. IT STARTED WHEN HE RAISED 10 ACRES OF ONIONS IN HIGH SCHOOL.

TODAY, HIS FAMILY FARM EXCEEDS 1,500 ACRES OF OWNED AND LEASED LAND.

And it is truly a family farm: Rick's wife Geri, a CPA, left her accounting firm in 2009 to oversee the family business full-time. In 2014 Rick's son-in-law, Dylan, left his career in finance to join the family business. Dylan and his wife Kim, Rick's only daughter, have three young children.

Rick is passionate about sustainability, with an eye towards protecting the health of his land for many generations to come.



"WE UNDERSTAND HOW IMPORTANT THE ENVIRONMENT IS, WHICH IS WHY WE FOLLOW THE LATEST AGRICULTURAL PRACTICES. OUR FARMS USE PROPER CROP ROTATION TECHNIQUES TO ENSURE THE LAND IS FERTILE FOR THIS GENERATION AS WELL AS THE FOLLOWING GENERATIONS IN THE FUTURE. NOT ONLY IS CROP ROTATION GREAT FOR THE ENVIRONMENT, BUT IT ALSO HELPS US PRODUCE THE HIGHEST QUALITY PRODUCTS."

— Rick Minkus, Minkus Farms

PRODUCE

ADDITIONAL INGREDIENTS

We source our dry goods (rice, beans, and tortillas) and tofu according to the same philosophy as all the rest of our ingredients: with Food With Integrity at top of mind.

OUR TORTILLAS

In 2014, we began working to eliminate industrial additives and artificial preservatives from the tortillas we use to make burritos, tacos, and chips. Our flour tortillas are made using just flour, water, canola oil, and salt. The corn tortillas we use for chips are made only with corn masa flour and water. In 2020, we purchased 24.9 million pounds of wheat, including 3.26 million pounds of organic wheat.

OUR TOFU

In 2020, we purchased 4,212,498 pounds of organic tofu for use in our Sofritas, our plant-based protein option. Hodo Soy Beanery in California supplies our tofu and uses certified organic soybeans from Indiana and Illinois.

OUR RICE

In 2020, we purchased 109.6 million pounds of rice, 58% of which was white rice and 42% of which was brown rice. We purchased 2.1 million pounds of organic or transitional rice, 43% of which was brown and 57% of which was white.

OUR BEANS

In 2020, we purchased 41.3 million pounds of beans, 25% of which were organic or transitional (10.4 million pounds). 67% of the beans we purchased were black and 33% were pinto. In 2020, we increased our organic and transitional beans by 1 million pounds (from 9.4 million pounds in 2019 to 10.4 million pounds in 2020).

GMOS

In 2013, Chipotle became the first national restaurant company to disclose its genetically modified organism (GMO) ingredients and, in 2015, the first to cook only with non-GMO ingredients. Today, all the food we serve is made only with non-GMO ingredients.

Although the meat and dairy products we buy come from animals that are not genetically modified, it is important to note that most animal feed in the U.S. is genetically modified. This means the meat and dairy served at Chipotle are likely to come from animals that have been fed at least some GMO feed.

Additionally, some of the beverages we serve are sweetened with corn-based sweeteners, which are typically made with genetically modified corn

IN 2020, WE PURCHASED OVER

27.8 MILLION POUNDS
of black beans

13.5 MILLION POUNDS
of pinto beans

4.2 MILLION POUNDS
of tofu

63.7 MILLION POUNDS
of white rice

45.9 MILLION POUNDS
of brown rice

24.9 MILLION POUNDS
of wheat

102-9

PRODUCE

FEATURED SUPPLIER

MCKASKLE FAMILY FARMS

"SHORTLY AFTER KAYE AND I DECIDED IN 2010 TO START SELLING OUR ORGANICALLY GROWN LONG GRAIN AND BASMATI RICE, WE HEARD ABOUT A NEW RESTAURANT OPENING IN MEMPHIS, TN.

On our next weekly Memphis delivery, we stopped by the new restaurant, Chipotle, and got in line. I immediately noticed that they had a large pan of brown rice and a large pan of white rice. I thought to myself, 'wow, this place uses a LOT of rice! I need to get to know this company.' And so, I did. With the help of an area manager, I was put in touch with the supply chain team. Today, we are providing organic brown and white long grain rice to 60 Chipotle restaurants.

Chipotle has created a market for transitional and organic rice in the U.S. that wasn't there before. We started organic farming in 1993 with 40 acres. Today, our organic farming operation has grown to over 3,000 acres and two states. Our relationship with Chipotle can be best described with one great word: a blessing. With our success we have been able to offer free advice, encouragement, and organic rice markets to other farmers interested in organic farming.

Our county is the poorest county in the state of Missouri. We have created eleven new jobs in processing, and six additional new jobs within the farming company. Our relationship with Chipotle has helped us open up many new additional accounts across the USA and Canada. Shortly after the pandemic hit, Chipotle helped us create a website so their customers and many others could order our organic rice and other products. How many corporations would do that for their suppliers? It has been a blessing for many!"

— Steve McKaskle,
McKaskle Family Farms



FOOD SAFETY

The safety of our guests and employees is of the utmost importance to us. We know that starts with our food. So we've put industry-leading practices and protocols in place to help ensure the safety of everyone around us.





A LETTER FROM KERRY BRIDGES OUR VP OF FOOD SAFETY

This last year was an unprecedented one and while we were not anticipating a global pandemic, Chipotle's industry-leading food safety practices prepared and positioned the business to successfully maneuver through the challenges that it faced.

The safety of employees and guests continued to remain Chipotle's top priority. We worked closely with the CDC, FDA, state, and local health departments to navigate case counts, implement federal and local mandates, make advancements in vaccinations, and more.

Prior to the pandemic, Chipotle already:

- Conducted wellness checks to confirm the health of each employee before entering our kitchens
- Installed advanced technology air treatment systems to reduce the risk of viruses
- Employed robust procedures around cleaning and sanitization
- Supplied Purell sanitizer for employees and guests
- Mandated handwashing every hour and between tasks
- Required managers to be ServSafe certified
- Provided paid sick leave starting on the first day of employment
- Established a Food Safety Advisory Council of esteemed specialists in the industry to provide critical oversight on policies and procedures

Additional precautions we implemented in response to the pandemic include:

- Expanded emergency leave benefits for employees impacted by COVID-19
- Increased sanitization of high-touch, high-traffic areas
- Elevated frequency of employee personal hygiene requirements
- Increased handwashing from every hour to every half hour and between tasks
- Introduced a tamper evident packaging seal for mobile pick-up and delivery orders
- Established an internal COVID-19 task force to monitor and provide guidance in real time
- Created a COVID-19 webpage for guests to understand the steps being taken as well as emails to Chipotle Rewards members
- Created a steward position in the dining room responsible for directing customers, managing social distancing in the dining rooms, and sanitizing high traffic areas
- Removed self-service cutlery and Tabasco bottles
- Required masks for all employees and guests
- Limited dining room capacity with guidelines for customers throughout the restaurant like floor decals, arrows, seat mats, table tents, and visible hand sanitizing stations

The team's extraordinary, evolving efforts were recognized by Ipsos, which named Chipotle the top restaurant brand for COVID-19 safety measures in its June 2020 Consumer Health & Safety Index. The company was also recognized in Fast Casual's Excellence in Food Safety report.

In addition to the precautions put in place for COVID, we also enhanced our Supply Chain Food Safety protocols in 2020 to ensure that the food entering our restaurants is safe and of high-quality. Last year, we enhanced and formalized our poultry safety requirements, increased our supplier controls around foreign material control, and improved our recipes to strengthen food safety. Chipotle has always leveraged technology to ensure food safety and 2020 was no different. Our restaurants were given access to technology that allowed them to automate labeling processes, which freed up time to implement additional COVID protocols and removed opportunity for human error.

From our expert panel that is the Food Safety Advisory Council, to our dedicated team of nurses who provide guidance to our crew members every day, all of Chipotle's team members are committed to pursuing the highest level of excellence when it comes to food safety. Chipotle is performing breakthrough work in the area of food safety, advancing the industry and working in partnership with some of the country's most established authorities. I am grateful to stand beside these reputable forces and consider myself fortunate to represent a company that both values and prioritizes food safety in its ongoing efforts to Cultivate A Better World.



Kerry Bridges
Vice President of Food Safety
Chipotle

103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-6

FOOD SAFETY

OVERVIEW & OVERSIGHT



Food safety is part of our culture at Chipotle. Our Food Safety team, under the direction of our officers, is responsible for managing food safety in our restaurants.

In addition to our internal Food Safety team, we have a Food Safety Advisory Council that is comprised of some of the nation's foremost food safety authorities. The Food Safety Advisory Council and our Board of Directors oversee our food safety policies and practices to help ensure they're appropriately designed and implemented.

We take the safety of our food throughout our supply chain and restaurants extremely seriously. We make it a top priority to adhere to safety and quality standards to prevent health risks that can arise from the handling, preparation, and storage of food. From our supply chain to our restaurants, ensuring the safety of our food impacts every aspect of our business.

It's important to distinguish between different types of food safety risks so we can manage and mitigate their impact. All of our restaurants operate under the U.S. Food and Drug Administration's (FDA) Hazard Analysis and Critical Control Points (HACCP) system, by which we identify food safety risks in the system and implement corrective actions when needed.

The potential for contamination of food through employee illness is our most critical control point. Our sick leave policy, in which restaurant employees are automatically given three days of sick leave from their first day of employment, is designed to reduce this risk. Crew members are also given a Wellness Check at the beginning of each shift to ensure no sick employee is working.

Visual reminders also make a difference when it comes to food safety in our restaurants. Every Chipotle restaurant has a 3'x2' poster posted in the "back of house" that lists the "Top 7 Food Safety Things To Remember." These include: work healthy, work clean, keep produce safe, cook food to correct temperatures, hold hot and cold foods at specified temperatures, maintain sanitary conditions, and call for help when needed.

Looking at the supply chain, we have created new models which allow us to further mitigate risk, such as sous vide meats and secondary inhibitors in beans and corn. Additionally, we are contributing financial resources and industry expertise to assist smaller, local growers in enhancing their systems to meet our food safety standards as opposed to mandating requirements and walking away if they can't be met. We also incentivize food safety as a performance measure in our restaurants for managers and crew members to achieve a quarterly bonus.

103-2, 103-3, 403-1, 403-3, 403-7, 403-8

FOOD SAFETY

OVERVIEW & OVERSIGHT



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INGREDIENT TRACEABILITY
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403-1, 403-3, 403-7

FOOD SAFETY

#1 SUPPLIER INTERVENTION

Our process to mitigate food safety risks before ingredients reach Chipotle



We actively partner with our ingredient suppliers to implement rigorous food safety standards above and beyond regulatory requirements. We have designed these additional controls to reduce or eliminate food safety risks before ingredients ever reach our restaurants.

We require our food suppliers to:

- Implement a series of preventive food safety systems, including HACCP plans and advanced technologies to further control food safety risks.
- Document the effectiveness of the food safety process interventions which are used within harvesting and processing operations.
- Routinely verify the effectiveness of their food safety interventions by using microbiological testing methods recognized by the FDA and U.S. Department of Agriculture (USDA).

Our Supplier Food Safety Team conducts routine on-site visits to our suppliers' operations, to ensure that a true food safety culture is being practiced. Many times, these visits are unannounced. While we do require and collect third-party audits throughout the supply chain, we want to remain abreast of what is actually happening "out in the field." We also want to share best practices across our ingredient suppliers, so that all suppliers are being held to the same standards and receiving credit for the food safety investments they make.

WE EMPHASIZE TO OUR SUPPLIERS THAT THE FIRST STEP OF FOOD SAFETY IS THE DESIGN OF SAFE PROCESSES, AND WE VERIFY THE EFFECTIVENESS OF THEIR PROCESSES TO CONTROL HARMFUL BACTERIA IN MEAT, CHICKEN, DAIRY, AND PRODUCE INGREDIENTS THROUGH TESTING.

102-9, 416-1

FOOD SAFETY

#2 FARMER SUPPORT & TRAINING

Food safety funding and training for local farmers



Through our Local Grower Support Initiative, we provide training and funding to small, local growers so that they can implement programs to eventually meet our high standards of food quality and safety.



We recognize that many small and mid-sized farms may not be equipped to sell to large organizations like ours, and we know that oftentimes significant investments are needed. We support our local growers by providing and covering the cost of facility improvements and design for food safety, food safety recordkeeping templates, and tools to help comply with new regulatory requirements (e.g. Produce Rule). The Local Grower Support Initiative provides participating smaller growers with a portion of the resources necessary to scale their business, while keeping food safety at the forefront of their growth.

203-1

FOOD SAFETY

#3 ADVANCED TECHNOLOGY

Advanced tools that eliminate pathogens while maintaining food quality





We utilize several advanced technologies in our commissaries and restaurants to improve the safety of our raw ingredients without affecting nutrition or taste.

These technologies are novel methods for preparing foods in a Fast Casual concept, and we're proud to devote resources to these practices to keep our food safe. We utilize these technologies at our more than 2,700 restaurants in the U.S., Canada, and Europe.

Sous Vide: A process by which foods are placed in a vacuum-sealed package and heated at low temperatures for extended periods of time. It is a method of cooking employed by many of the world's great chefs. It is also a recognized and validated intervention for controlling harmful bacteria. We use the sous vide process at the commissary level for our steak so we can prevent raw beef from ever entering our restaurants. Our sous vide process is performed under close USDA inspection and monitored using sophisticated data collection, including continuous temperature monitoring. After the steak has been heated at a low temperature for a precise amount of time, it is seasoned and grilled in our restaurants. The result is steak that is safe, smoky, tender, and flavorful.

Blanching: As fresh jalapeños are an ingredient in many of our dishes, we have incorporated a blanching step into our restaurant handling process. Before jalapeños can be diced, they are blanched according to well-defined procedures, while keeping crew member safety in mind. This process has been scientifically validated to reduce bacterial loads.

416-1

FOOD SAFETY

#4 ENHANCED RESTAURANT PROCEDURES

Protocols for handling ingredients
and sanitizing surfaces in our restaurants



We maintain a clean environment in our restaurants and employ safe food handling practices.

In 2018, we enhanced our already strong sanitation and HACCP systems designed to ensure restaurant sanitization and food preparation practices. The HACCP systems identify the critical processes that must be controlled and monitored in order to ensure food safety. The senior manager on duty during each shift is designated the Food Safety Leader and is responsible for checking that all food safety procedures are carefully followed. In each restaurant, the Food Safety Leader monitors the daily HACCP logs across 13 critical control points to provide consistent data collection and the greatest possible assurance of our food's safety. These enhanced procedures help to ensure any pathogens are eliminated in our restaurants, and that the restaurants themselves do not become a source of contamination. Moreover, we employ robust food safety procedures when it comes to cleaning and sanitization. In 2018, we also introduced and fully implemented the Purell Handcare and Surface Sanitation program. We use a natural treatment that reduces many harmful bacteria and viruses from the restaurant environment.

Wellness Checks

In order to prevent employees from working while sick, the Food Safety Leader conducts a Chipotle Wellness Check at the time any team member intends to enter the kitchen, or clocks in for work. The Food Safety Leader ensures that the Chipotle Wellness Check is documented and that each employee has stated that they are healthy to work and free of symptoms such as vomiting, diarrhea, and nausea, consistent with the FDA guidelines. All visitors that enter the back of house at Chipotle also receive a Chipotle Wellness Check. Chipotle also offers the availability of trained nurses for consultation with any employee who may feel ill in order to determine whether they should be excluded from work, with full pay.



403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8, 416-1

FOOD SAFETY

#5 FOOD SAFETY CERTIFICATION

Mandatory certification for managers and field leaders





We are dedicated to providing our employees the training and support they need in order to ensure that food safety is always a top priority. We require our in-restaurant management teams to be trained and certified in food safety by ServSafe, a specialized, nationally recognized third-party program.

ServSafe provides online or in-person courses and exams to all Kitchen Managers, Service Managers, Apprentices, General Managers, and Restaurateurs. Participants learn detailed information about food safety, temperature control, cleaning and sanitizing, cross-contamination control, and safety regulations. In addition, we train our Field Leaders (leaders responsible for the operational oversight of 5-10 restaurants in a given region) in the HACCP system certified by the International HACCP Alliance. All Field Leaders are required to provide evidence that they can create a HACCP plan.

Each quarter, all restaurant team members receive Quarterly Food Safety Training which covers the Food Safety Seven and the company's key food safety priorities. The Food Safety Seven are Chipotle's "Top 7 Food Safety Things To Remember." These include: work healthy, work clean, keep produce safe, cook food to correct temperatures, hold hot and cold foods at specified temperatures, maintain sanitary conditions, and call for help when needed. These seven principles are printed on a 3'x2' poster in every restaurant.

403-1, 403-5, 403-7, 403-8, 404-2, 416-1

FOOD SAFETY

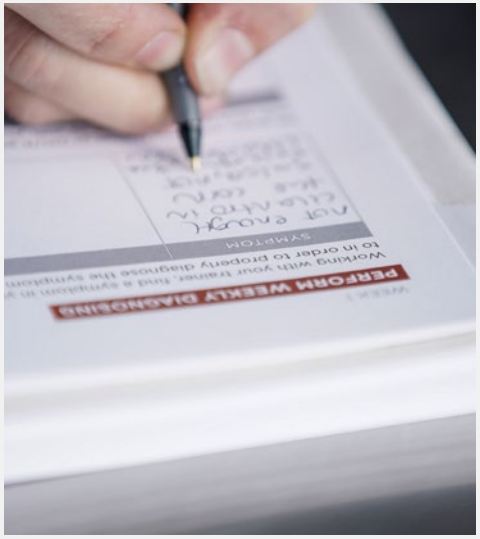
#6 RESTAURANT INSPECTIONS

Extensive internal and third-party food safety inspections



We conduct rigorous point-by-point inspections of hundreds of items within our restaurants, including illness policy awareness, temperature controls, food handling and labeling, equipment inspections, procedure validations, and crisis management procedures.

Using a software tool which allows for real-time visibility into task completion rates, our Field Leaders complete a comprehensive monthly review of our food safety standards at each restaurant. In addition to the monthly evaluation, our Field Leaders also complete a shorter Owners' Path assessment at each of their visits to a restaurant, during which they audit the location against our food safety standards. Food safety inspections and audits provide regular, real-time feedback on the performance of each restaurant, allowing us to identify both best practices and areas that could use improvement. The inspections and audits are a part of Chipotle's commitment to continuous improvement of food safety controls. Following the food safety incidents in 2015, we have significantly increased the number of internal and third-party inspections, which complement mandatory state and local health department inspections. Additionally, we partner with an independent food safety audit division of Ecolab, called Ecosure, to provide rigorous quarterly food safety audits of every Chipotle restaurant in the United States and Canada. Finally, Chipotle's Field Food Safety team conducts food safety audits of restaurants. Our inspections and audits are then augmented by a centralized review of every health inspection conducted by local government officials, which are shared with our operations teams for swift action. We also have the ability to target our focus on restaurants with low scores, or repeat violations over time, by deploying internal food safety teams to assist and resolve potential issues.



403-1, 403-4, 403-5, 403-7, 403-8, 416-1

FOOD SAFETY

#7 INGREDIENT TRACEABILITY

Advanced electronic system to enhance our traceability program



Our traceability program allows us to identify the menu-item ingredients that have traveled to each restaurant—down to the lot code—from the supplier to each restaurant. We scan every case of refrigerated food in every restaurant delivery.

Our traceability program utilizes an electronic system that allows us to track items across our supply chain. Our suppliers identify each food item we track with a unique Global Trade Item Number (GTIN), and then label each case of ingredients with a barcode containing the GTIN, lot number, and pack date or use-by date. As cases of food move from the supplier to our distribution centers, then on to our restaurants, employees scan the barcoded labels. This process allows us to trace an individual lot through the supply chain—all the way to our restaurants. Chipotle is among the first major restaurants in the U.S. to digitally track items from supplier to each and every restaurant in this way. Our ability to track our ingredients from supplier to restaurant at the lot code level is a powerful tool supplementing our food safety program. It helps ensure that we are able to research and act on food safety and quality concerns quickly and thoroughly, knowing where particular ingredients are at a given time, as well as where they've been.

"THE ABILITY TO TRACE OUR FOOD ELECTRONICALLY FROM SUPPLIER TO RESTAURANT AT THE LOT CODE LEVEL IS A POWERFUL ENHANCEMENT TO OUR FOOD SAFETY PROGRAM."

—Kerry Bridges,
Vice President of Food Safety

403-7, 416-1

FOOD SAFETY

#8 ADVISORY COUNCIL

Group of industry experts advising on and reviewing our procedures



In order to ensure our food safety program is as robust as possible, it's critical to supplement our internal expertise with independent external guidance.

In 2016, we established the Food Safety Advisory Council comprised of industry-leading food safety experts. By combining our own Food Safety team with an esteemed group of specialists, we're working to ensure the program will continually evolve and improve.



JAMES MARSDEN, PH.D.
Retired Head of Food Safety, Chipotle
Former Meat Sciences Professor



HAL KING, PH.D.
Former Research Scientist, CDC And
Former Director of Food Safety, Chick-fil-A



DAVID ACHESON, M.D.
Former Associate
Commissioner of Foods, FDA



ELISABETH HAGEN, M.D.
Former Under Secretary for
Food Safety, USDA

403-4, 403-7

CHAPTER 2



AWARDS

We have some of the best people in the business. It's important it stays that way. So we've taken steps to make sure we keep our employees happy. Apparently, the industry has taken notice.

2019 AND 2020 AWARDS

FORBES
Best Employers for Diversity 2020

World's Best Employers

FORTUNE
World's Most Admired Companies

NEWSWEEK
America's Most Responsible Companies 2020

RESTAURANT DIVE
Dive Awards, Company of the Year

BLOOMBERG
2020 Gender Equality Index

HUMAN RIGHTS CAMPAIGN
2021 Corporate Equality Index—100%

COMPARABLY
Best Companies for Women

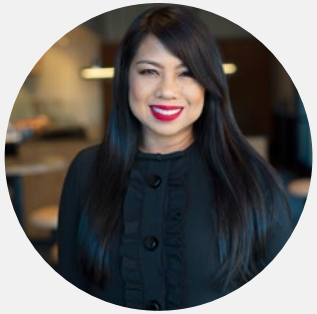
Best Company Culture

Top Companies for Best Perks and Benefits

Best Companies for Professional Development

Top Companies With the Happiest Employees

Best Companies for Diversity



A LETTER FROM OUR CHIEF DIVERSITY, INCLUSION, AND PEOPLE OFFICER, MARISSA ANDRADA

At Chipotle, our vision for People is to create an environment where everyone can thrive and pursue their passion.

Part of manifesting this vision is providing team members with real learning and growth opportunities, as well as pairing them with leaders who will teach, challenge, and inspire. When Chipotle's current Executive Leadership Team formed in 2018, we embarked upon a transformation journey and reimagined how to foster culture, drive results through engagement, and support our People.

We focused on purpose, values, and diversity and committed to growing Chipotle by growing talent; never losing sight of the simple truth that Food With Integrity can only be created by People With Integrity.

At the outset of our journey, we attracted a group of diverse, world-class leaders who believed that a burrito could, indeed, change the world. Our dedication to Diversity, Equity & Inclusion was foundational and remains unyielding. Our goal is to foster a culture that values and champions our diversity, while leveraging the individual talents of all team members to grow our business and Cultivate A Better World. The more we create an environment where everyone can bring their full selves to work, the more dynamic and diverse our Chipotle family will become. We're passionate in our pursuit of innovators and are committed to supporting them as they navigate their respective Chipotle journeys.

We've leaned into the energy of our People to help us create community and live our values through the creation of our Employee Resource Groups, such as UNIFIED (United Network of Influencers Furthering Inclusion & Ethnic Diversity) and Chipotle Serves, where team members engage with and enhance the communities in which we operate. We also provide resources to ensure that we're listening to our People through 4x4 conversations, leveraging digital platforms and collaboration tools, as well as by advocating for physical and mental fitness via our robust suite of benefits offerings.

"WE'RE PASSIONATE IN OUR PURSUIT OF INNOVATORS AND ARE COMMITTED TO SUPPORTING THEM AS THEY NAVIGATE THEIR RESPECTIVE CHIPOTLE JOURNEYS."

As you explore our impact, know that Authenticity Lives Here; what we're doing at Chipotle matters. Quite simply, how we grow our food AND how we grow our People is how we grow our future!

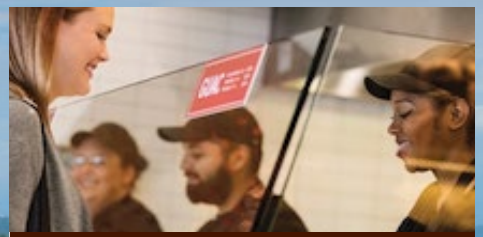
Warmly,



Marissa Andrada
Chief Diversity, Inclusion,
and People Officer

OUR VALUES KEEP US REAL

We don't just value diversity; we've fostered a culture that champions it. We've always believed in leveraging our team members' individual talents to grow our business and Cultivate A Better World



THE LINE IS THE MOMENT OF TRUTH

When our guests win, so do we.

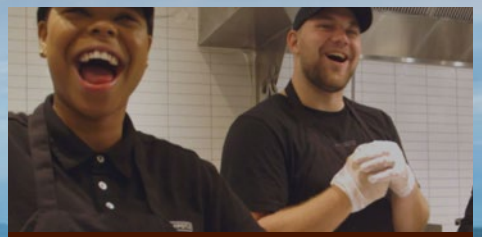
Everything we do starts with our restaurants. Serving great food, with great service in a safe, quick, clean, and happy environment is always priority one.



TEACH AND TASTE CHIPOTLE

Take pride in making the Chipotle experience exceptional.

Take the time to learn it well, teach it right, and hold others to the same standard.



AUTHENTICITY LIVES HERE

Our food is real and so are we.

Be your full self and make a difference.



THE MOVEMENT IS REAL

Stand up for what's important, even when it's hard.

We source better ingredients, hire better people and work hard to change the world. Talk about what makes you proud, so we can do more of it.

102-16

PEOPLE

NEW GOALS

Launch **Emerging Leader and Mentoring programs** aimed at ensuring we have a diverse slate of 'ready now' internal talent for critical roles within the organization by end of 2021

Enrich our benefits offering around **employee wellness including mental health, financial, and physical wellbeing** including providing preventive healthcare for all employees through Telemedicine

Provide learning resources to our employees through our Employee Resource Group book clubs, speaker series, and The Real Scoop with Marissa

In partnership with our Serves Community Service ERG, **re-launch our service days for RSC and Field employees**

Develop a robust **Supplier Diversity program where we continue to identify opportunities for minority owned businesses** to increase access to our sourcing opportunities by end of 2021 and develop a method to measure amount paid annually to minority-owned businesses by 2022

Fill more than 70% of salaried manager positions with current employees who've been **internally developed and promoted**

Continue our partnership with Guild to **provide debt-free degrees and expand the program** by including four-year degrees in Culinary, Agriculture, and Supply Chain to reflect our commitment to Sustainable careers; adding more HBCUs; and increasing employee participation by adding professional certification tracts

PEOPLE

IMPACT

Donated over **$5 million to local community organizations** through 26,000 fundraisers in our restaurants

Accelerated 16 growth-stage ventures via the Chipotle Aluminaries Project (1.0 & 2.0), in partnership with Chipotle Cultivate Foundation

Donated $525,000 to the National Urban League as part of our Diversity Equity & Inclusion commitment

Launched five Employee Resource Groups (ERGs) and an overarching Culture Committee in 2019 and 2020

Created a General Manager (GM) success profile to aid Field Leaders in identifying and hiring candidates

Established **award-winning culture**

Donated over 455,000 meals to those in need in our communities

Offered free & confidential **Employee Assistance Program (EAP) services** to all Chipotle Employees

Offered a **debt-free degree program** to advance employee education opportunities

Promoted over 13,500 of our people at all levels

Achieved a **Human Rights Campaign Corporate Equality Index score of 100% as of 2021**

Revamped our performance review process for all employees

EMPLOYEE OVERVIEW

We have more than 87,500 talented and diverse employees across Chipotle in the U.S., U.K., Canada, Germany, and France—though our biggest presence by far is in the United States.

As of December 31, 2020, we had roughly 6,100 salaried employees and about 81,300 hourly employees in the U.S. None of our employees are unionized or covered by a collective bargaining agreement.

We use Workday® to manage our employee data.

87,500+ EMPLOYEES

5 COUNTRIES

2,768 RESTAURANTS*

***2,764 which were Chipotle restaurants, four of which were other concepts.**

RESTAURANT DEVELOPMENT PATH

Crew

↓

Kitchen Manager

↓

Service Manager

↓

Apprentice

↓

General Manager

↓

Restauranteur

↓

Certified Training Manager

↓

Field Leader

↓

Team Director

↓

Executive Team Director

102-7, 102-8, 102-41, 405-1

DIVERSITY
FIELD STATS 2019

2019	Female	Female (%)	Male	Male (%)	Not Specified	Total	%
Restaurant Hourly: Crew and Managers	**41,494**	**54%**	**34,796**	**46%**	**219**	**76,509**	**100%**
American Indian/Alaskan Native	455		406			861	1%
Asian	1,774		1,795			3,569	5%
Black or African American	8,923		6,877			15,800	21%
Hawaiian/Pacific Islander	139		162			301	0%
Hispanic or Latino	16,903		12,960			29,863	39%
Not Specified	450		475			925	1%
Two or More Races	1,563		1,262			2,825	4%
White	11,266		10,841			22,107	29%
Not Indicated	21		18		219	258	0%
Restaurant Salary: Salary Managers	**2,092**	**49%**	**2,194**	**51%**		**4,286**	**100%**
American Indian/Alaskan Native	13		15			28	1%
Asian	65		61			126	3%
Black or African American	229		260			489	11%
Hawaiian/Pacific Islander	9		10			19	0%
Hispanic or Latino	988		925			1,913	45%
Not Specified	21		35			56	1%
Two or More Races	80		67			147	4%
White	686		821			1,507	35%
Not Indicated	1					1	0%

Data is U.S. only as of December 31, 2020

102-8, 405-1

DIVERSITY
FIELD STATS 2019

2019	Female	Female (%)	Male	Male (%)	Not Specified	Total	%
Staff: FL, TD, ETD	**108**	**27%**	**291**	**73%**		**399**	**100%**
American Indian/Alaskan Native	2		1			3	1%
Asian	6		9			15	4%
Black or African American	5		16			21	5%
Hawaiian/Pacific Islander			1			1	0%
Hispanic or Latino	34		88			122	31%
Not Specified	1		1			2	1%
Two or More Races	7		7			14	3%
White	53		167			220	55%
Not Indicated			1			1	0%

Data is U.S. only as of December 31, 2020

102-8, 405-1

DIVERSITY
FIELD STATS 2020

2020	Female	Female (%)	Male	Male (%)	Not Specified	Total	%
Restaurant Hourly: Crew and Managers	**44,493**	**55%**	**35,714**	**45%**	**268**	**80,475**	**100%**
American Indian/Alaskan Native	523		403			926	1%
Asian	2,081		1,964			4,045	5%
Black or African American	8,802		6,681			15,483	19%
Hawaiian/Pacific Islander	168		150			318	0%
Hispanic or Latino	17,968		13,062			31,030	39%
Not Specified	468		433			901	1%
Two or More Races	1,602		1,293			2,895	4%
White	12,851		11,706			24,557	31%
Not Indicated	30		22		268	320	0%
Restaurant Salary: Salary Managers	**2,345**	**50%**	**2,352**	**50%**	**1**	**4,698**	**100%**
American Indian/Alaskan Native	20		17			37	1%
Asian	71		85			156	3%
Black or African American	248		269			517	11%
Hawaiian/Pacific Islander	8		11			19	0%
Hispanic or Latino	1,135		995			2,130	46%
Not Specified	32		35			67	1%
Two or More Races	91		67			158	4%
White	739		873			1,612	34%
Not Indicated	1				1	2	0%

Data is U.S. only as of December 31, 2020

102-8, 405-1

DIVERSITY
FIELD STATS 2020

2020	Female	Female (%)	Male	Male (%)	Not Specified	Total	%
Staff: FL, TD, ETD	**127**	**31%**	**285**	**69%**		**412**	**100%**
American Indian/Alaskan Native	1		1			2	0%
Asian	5		11			16	4%
Black or African American	5		19			24	6%
Hawaiian/Pacific Islander			1			1	0%
Hispanic or Latino	41		91			132	32%
Not Specified	3		2			5	1%
Two or More Races	9		9			18	5%
White	63		150			213	52%
Not Indicated			1			1	0%

Data is U.S. only as of December 31, 2020

102-8, 405-1

DIVERSITY
STAFF STATS 2019–2020

2019	Female	Female (%)	Male	Male (%)	Not Specified	Total	%
Staff: Corporate Includes Field Workers	**329**	**38%**	**546**	**62%**		**875**	**100%**
American Indian/Alaskan Native	1					1	0%
Asian	37		62			99	12%
Black or African American	18		37			55	6%
Hawaiian/Pacific Islander	2					2	0%
Hispanic or Latino	27		76			103	12%
Not Specified	8		11			19	2%
Two or More Races	8		12			20	2%
White	228		342			570	65%
Not Indicated			6			6	1%

2020							
Staff: Corporate Includes Field Workers	**362**	**38%**	**593**	**62%**		**955**	**100%**
American Indian/Alaskan Native	1					1	0%
Asian	48		70			118	12%
Black or African American	25		35			60	6%
Hawaiian/Pacific Islander	2					2	0%
Hispanic or Latino	31		81			112	12%
Not Specified	9		17			26	3%
Two or More Races	9		13			22	2%
White	237		371			608	64%
Not Indicated			6			6	1%

Data is U.S. only as of December 31, 2020

102-8, 405-1

NEW HIRES
STATS 2019

Population: United States	Count	% of New Hires
Female	59,588	49%
Male	54,164	45%
Not Indicated	7,875	6%

Population: United States	Count	% of New Hires
Baby Boomer	1,061	1%
Gen-X	4,737	4%
Millennial	22,265	18%
Not Indicated	7,874	7%
Gen-Z	85,690	70%

American Indian/Alaskan Native	1,532	1%
Asian	5,089	4%
Black or African American	29,614	24%
Hawaiian/Pacific Islander	471	0%
Hispanic or Latino	36,073	30%
Not Specified	1,504	1%
Two or More Races	5,211	5%
White	34,196	28%
Not Indicated	7,937	7%

Central North	16,497	14%
Central South	15,498	13%
Corporate	417	0%
Mid-Atlantic	15,182	12%
Mountain Northwest	13,262	11%
Northeast	15,351	12%
Pacific South	12,002	10%
Southeast	19,313	16%
Southwest	14,105	12%

Data is U.S. only as of December 31, 2020

102-8, 103-2, 103-3, 401-1, 405-1

NEW HIRES
STATS 2020

Population: United States	Count	% of New Hires
Female	58,464	49%
Male	52,096	44%
Not Indicated	8,774	7%

Population: United States	Count	% of New Hires
Baby Boomer	852	1%
Gen-X	4,045	3%
Millennial	17,239	15%
Not Indicated	88,424	74%
Gen-Z	8,774	7%

American Indian/Alaskan Native	1,435	1%
Asian	5,117	5%
Black or African American	26,589	22%
Hawaiian/Pacific Islander	423	0%
Hispanic or Latino	34,347	29%
Not Specified	1,397	1%
Two or More Races	4,982	4%
White	36,152	30%
Not Indicated	8,892	8%

Central North	15,426	13%
Central South	15,196	13%
Corporate	327	0%
Mid-Atlantic	14,205	12%
Mountain Northwest	11,938	10%
Northeast	14,738	12%
Pacific South	11,361	10%
Southeast	21,546	18%
Southwest	14,597	12%

Data is U.S. only as of December 31, 2020

102-8, 103-2, 103-3, 401-1, 405-1

CONTINGENT WORKER STATS 2019–2020

2019	
United States	**Count**
Contingent	529
Regular	82,069
TOTAL	**82,598**

2020	
United States	**Count**
Contingent	1,192
Regular	86,540
TOTAL	**87,732**

CANADA	
Contingent	0
Regular	708
TOTAL	**708**

CANADA	
Contingent	0
Regular	755
TOTAL	**755**

Data is U.S. & Canada only as of December 31, 2020

102-8, 405-1

EMPLOYMENT CONTRACT STATS 2019–2020

2019		
POPULATION: United States	**Contingent**	**Non-Contigent**
Female	101	44,023
Male	164	37,827
Not Indicated	264	219
Total	**529**	**82,069**
Central North		10,855
Central South		9,800
Corporate	529	779
Mid-Atlantic		9,531
Mountain Northwest		8,874
Northeast		10,642
Pacific South		9,345
Southeast		11,982
Southwest		10,261
Total	**529**	**82,069**
POPULATION: United States	**Full Time**	**Part Time**
Female	7,695	36,328
Male	7,553	30,274
Not Indicated		219
Total	**15,248**	**66,821**

2020		
POPULATION: United States	**Contingent**	**Non-Contigent**
Female	363	47,327
Male	259	38,944
Not Indicated	570	269
Total	**1,192**	**86,540**
Central North		11,102
Central South		9,773
Corporate	1,192	846
Mid-Atlantic		9,930
Mountain Northwest		8,929
Northeast		11,547
Pacific South		10,545
Southeast		13,167
Southwest		10,701
Total	**1,192**	**86,540**
POPULATION: United States	**Full Time**	**Part Time**
Female	8,238	39,089
Male	7,856	31,088
Not Indicated	1	268
Total	**16,095**	**70,445**

Data is U.S. only as of December 31, 2020

102-8, 405-1

BENEFITS OVERVIEW

Taking Care of Our People

We want to make sure our employees are well taken care of. Our "Cultivate Me" benefits program makes up a vital role in an employee's tenure at Chipotle. We know that competitive benefits play a big part in keeping our employees and we're proud to offer the best in class.

HEALTHCARE

Good work begins with good health, which is why we offer all employees affordable health insurance. It doesn't matter whether they're part-time or full-time, how many hours they work, or how long they've been with the company. All employees, their spouses, and their dependents are eligible for health insurance. This includes medical, dental, and vision plans.

Employees have access to HealthAdvocate, an advocacy service enabled by technology, at no cost. HealthAdvocate helps answer all benefit, healthcare, and pharmacy questions for any healthcare plan (through Chipotle or otherwise). We added this service with the aim of making healthcare accessible to all of our employees by simplifying the process.

EDUCATIONAL ASSISTANCE & DEBT-FREE DEGREES

Chipotle's Tuition Assistance Plan helps employees cultivate their knowledge and, in turn, Cultivate A Better World. Chipotle is committed to assisting all employees in meeting their educational goals. Whether their goal is to take English as a Second Language (ESL) classes, earn a high school diploma, learn a trade, or graduate from a college or university—we want to help. That's why we're excited to offer tuition assistance of up to $5,250 per year.

In 2019, we expanded our educational benefits adding debt-free degrees. We cover 100% of tuition costs up front for over 75 different types of business and technology degrees for all employees including Crew members after 120 days of employment. The University of Arizona, Bellevue University, Brandman University, Southern New Hampshire University, and Wilmington University are some of the schools in our debt-free degree program. We added our first HBCU, Paul Quinn College—the nation's first urban work college—to our list of partners in 2020.

Our education assistance program launched in 2016. Since the inception, more than 8,000 employees have enrolled in classes leveraging the tuition reimbursement benefit or debt-free degrees. The majority of employees using the benefit are Crew members—over 85% of students enrolled. In 2019, over 3,800 employees, ranging from restaurant Crew members to support staff, received tuition assistance. This number jumped to over 4,400 employees receiving over $13 million in tuition assistance for 2020.

In addition to providing tuition assistance, we proudly support employees in their education goals by offering access to a personal education coach, tuition discounts, college credits for on-the-job training, and access to exclusive degrees in business management and hospitality. We also provide assistance for employees' immediate family members completing designated English as a Second Language and general education classes.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

In November of 2019, we added the Employee Assistance Program to help our employees and their dependents better deal with any of life's issues. Employees and their dependents can speak with licensed counselors in a free and confidential manner at no cost. This service is 24/7 and can be face-to-face, telephonic, or virtual. Through our partnership with Health Advocate, employees and their family members can receive this service, whether they're enrolled in the company's medical plan or not. The EAP benefit offers

103-2, 103-3, 401-2

BENEFITS OVERVIEW

our employees mental and emotional support to navigate personal or professional issues, stressful situations, or anything else going on in their life. With our EAP we are ensuring that our employees can build mental fitness and bring their best selves to work every day.

PARENTAL LEAVE

We offer 12 paid parental leave days to all salaried employees at the restaurant management level and above. We also offer short-term disability insurance for birth mothers that covers 60% of an employee's pay (up to $2,500 a week). When used in conjunction with the 12 parental days, birth mothers can receive up to six weeks of effectively fully paid maternity leave. Kitchen Managers and Service Managers are eligible for five paid parental days and birth mothers can still use short-term disability insurance that covers up to $2,500 a week. In 2020, 360 people took Parental Leave, 53% were female and 47% were male. We had a 100% return to work and retention rate for those 360 employees that took Parental Leave in 2020.

We are committed to building a better work environment for mothers and understand the demands that come with juggling both a full-time job and parenthood. Chipotle has partnered with The Mom Project, Inc. to help new moms adjust back to full time corporate life after having a child or children. The Mom Project is a program that helps connect women with employers committed to maximizing their participation in the workforce.

We believe in creating an inclusive work environment that includes equal support for adoptive parents, same-sex couples, and paternity leave.

RETIREMENT SUPPORT

In January of 2019, we eliminated the requirement that Crew members had to work 1,000 hours in a plan year before they could start contributing to their 401(k). Now, every employee is eligible to contribute to their retirement savings after 30 days of employment.

PAID TIME OFF

We also understand that everyone deserves a life outside of work. That's why all employees are eligible to receive paid time off of work, whether to spend time with their loved ones or do something they love.

We are constantly looking for ways to make our benefits more competitive. We're currently researching ways to improve work-life balance, such as providing paid time off to volunteer. We added two paid days a year for corporate staff to volunteer at Chipotle-sponsored volunteer events. Although we were unable to host in-person volunteering events due to Covid-19, we are exploring ways to safely host remote volunteer opportunities. In addition, we're evaluating our compensation programs and how we incentivize all employees, including our Crew members.



103-2, 103-3, 401-2, 401-3

BENEFIT DETAIL

Hourly Employee

(Crew, Kitchen Manager & Service Manager Benefits)

HEALTHCARE

Whether full-time or part-time, all Chipotle employees are eligible for health insurance so that they and their loved ones lead healthier, happier lives. Employees are eligible for coverage on the first of the month following 30 days of hire. Our medical plans cover preventative care, office visits, urgent care, behavioral health care, and substance abuse care. Our healthcare also includes optional vision and dental plans. Available coverage may vary by position and location.

WELLNESS DISCOUNTS

We offer a discount to programs which allows employees the opportunity to select from thousands of fitness centers and studios. These programs offer a variety of workout classes available anytime online.

EMPLOYEE ASSISTANCE PROGRAM

We offer free confidential, prepaid access to professional counseling for employees and their eligible dependents. With our EAP we are ensuring that our employees can build mental fitness and bring their best selves to work everyday.

EDUCATION

Debt-Free Degrees

All eligible employees can receive up to $5,250 each year to help achieve their education goals. In addition, we offer a Debt-Free Degree, covering all tuition costs, for qualified Business and Technology degrees.

SAVINGS

401(k)

Our 401(k) includes a company match of 100% on the first 3% of the compensation an employee contributes, and 50% on the next 2% of compensation an employee contributes. The match is available once the employee reaches 1,000 hours worked in a plan year. All funds are fully vested from day one.

Employee Stock Purchase Program

Eligible employees who have worked at Chipotle for at least 12 months can contribute a percentage of their base pay through payroll deductions. At the end of each month, those contributions are used to purchase whole and fractional shares of Chipotle stock at a discounted price.



Discounts

All employees are eligible to receive discounts and savings from national and local merchants as well as service providers through our employee discount program.

103-2, 103-3, 401-2, 401-3

BENEFIT DETAIL
Hourly Employee

PAID TIME OFF
Sick Time & Vacation Time
We offer our hourly employees paid sick time. They can accrue paid vacation time after a year of employment.

Parental Leave
Eligible Kitchen Managers & Service Managers are given five days of paid parental leave following the birth of their child or the placement of a child in connection with adoption or foster care.

PERFORMANCE-BASED PAY MERIT REVIEW (PAY INCREASES)
We hold semi-annual performance reviews. Crew, Kitchen Managers, and Service Managers are eligible to receive a merit increase after each review based on their performance and overall contribution to the restaurant.

Crew Bonus
All full-time Crew, Kitchen Managers, and Service Managers (those that work more than 32 hours per week on average) who have been with the company for at least a year are eligible for a bonus every December.

In 2019, we added the quarterly Crew performance bonus program to ensure all employees can share in their restaurant's success. All full-time Crew, Kitchen Managers, and Service Managers who have worked the full quarter at their restaurant will be eligible to receive an additional weeks pay if their restaurant achieves predetermined performance metrics for that quarter.

PERKS
Free Meals While Working
Every employee gets a free meal during their shift.

50% Discount When Not Working
Every employee gets 50% off of food and soft drinks purchased at their home restaurant when they're not working.

Free Uniforms
We provide all employees comfortable organic cotton tees and hats custom-made for Chipotle.

Life & Disability Insurance
We offer company-paid basic life insurance to employees, their spouses, and their children and short-term disability benefits in case of an illness or non-work-related injury to all Kitchen Managers and Service Managers.

Temporary or non-employee/ contingent workers are not eligible for benefits.

103-2, 103-3, 401-2, 401-3



BENEFIT DETAIL

Salaried Restaurant Manager
(Apprentices, General Managers, Restaurateurs)

HEALTHCARE

Whether full-time or part-time, all Chipotle employees are eligible for health insurance so that they and their loved ones can lead healthier, happier lives. Employees are eligible for coverage on the first of the month following 30 days of hire. Our medical plans cover preventive care, office visits, maternity care, urgent care, surgery, mental health, substance abuse, and more. Our healthcare also includes optional vision and dental plans. Available coverage may vary by position and location.

EMPLOYEE ASSISTANCE PROGRAM

We offer free confidential, prepaid access to professional counseling for employees and their eligible dependents. With our EAP, we are ensuring that our employees can build mental fitness and bring their best selves to work every day.

WELLNESS DISCOUNT

We also offer a discount to programs which allows employees the opportunity to select from thousands of fitness centers and studios. These programs offer a variety of workout classes available anytime online.

EDUCATION

Debt-Free Degrees
All eligible employees can receive up to $5,250 each year to help achieve their education goals. In addition, we offer a Debt-Free Degree, covering all tuition costs, for qualified Business and Technology degrees.

SAVINGS

401(k)
Our 401(k) includes a company match of 100% on the first 3% of the compensation an employee contributes and 50% on the next 2% of compensation an employee contributes. The match is available once an employee reaches 1,000 hours worked in a plan year. All funds are fully vested from day one.

Employee Stock Purchase Program
Eligible employees who have worked at Chipotle for at least 12 months can contribute a percentage of their base pay through payroll deductions. At the end of each month, those contributions are used to purchase whole and fractional shares of Chipotle stock at a discounted price.

Flexible Spending Accounts
We offer health care and dependent care flexible spending accounts as well as commuter transit and parking programs to help employees save money through pre-tax deductions from their paychecks. For the dependent care flexible spending account, Chipotle matches 10% of contributions, up to $450 per year.

Health Savings Account
Employees who elect the Consumer Directed Health Plan (CDHP) may choose to open a health savings account through which they can save money through pre-tax deductions from their paychecks.

Discounts
All employees are eligible to receive discounts and savings from national and local merchants as well as service providers through our employee discount program.

PAID TIME OFF

Sick Time & Vacation Time
Employees earn paid holidays, vacation, and sick time.

Parental Leave
Eligible employees are provided with 12 days of paid parental leave following the birth of a child or the placement of a child in connection with adoption or foster care. New birth moms can receive up to six weeks paid leave for the birth of a child. This is accomplished when combining our short-term disability plan benefits and 12 Paid Parental Leave (PPL) paid days. Moms and dads adopting children can also receive 12 PPL days.

103-2, 103-3, 401-2, 401-3

BENEFIT DETAIL
Salaried Restaurant Manager

PERFORMANCE-BASED PAY MERIT REVIEW (PAY INCREASES)
We hold annual performance reviews. Employees are eligible to receive a merit increase once a year following their review, based on their impact on Chipotle's successes as well as their ability to make the people around them better.

Quarterly Bonus
Four times a year, we award bonuses to our salaried managers based on their ability to train and develop their people, deliver an excellent guest experience, and serve delicious, safe food.

OTHER PERKS
Free Meals
Every employee gets a free meal during their shift.

Life & Disability Insurance
We offer company-paid basic life insurance to employees, their spouses, and their children. We also offer short- and long-term disability benefits in case of an illness or non-work-related injury.

Adoption Assistance
Chipotle can help cover the cost of adoption, up to $7,500, for eligible employees (salaried Manager and above that have retained employment for one year).

Pet Insurance
Chipotle helps pet owners by contributing up to $10 per month per pet, up to three pets, toward pet insurance premiums when employees enroll through our pet insurance partner.



103-2, 103-3, 401-2, 401-3

BENEFIT DETAIL

Salaried Benefits
(Field Leader, Field Staff & Support Centers)

HEALTHCARE
Whether full-time or part-time, all Chipotle employees are eligible for health insurance so that they and their loved ones can lead healthier, happier lives. Employees are eligible for coverage on the first of the month following 30 days of hire. Our medical plans cover preventive care, office visits, maternity care, urgent care, surgery, mental health, substance abuse, and more. Our healthcare also includes optional vision and dental plans. Available coverage may vary by position and location.

EMPLOYEE ASSISTANCE PROGRAM
We offer free confidential, prepaid access to professional counseling for employees and their eligible dependents. HealthAdvocate can help all employees and their family members through any healthcare issue.

WELLNESS DISCOUNTS
We offer discounts on insurance premiums as well as gift cards for participation in our wellness programs. We also offer a discount to programs which allows employees the opportunity to select from thousands of fitness centers and studios. These programs offer a variety of workout classes available anytime online.

SAVINGS
401(k)
Our 401(k) includes a company match of 100% on the first 3% of the compensation an employee contributes and 50% on the next 2% of compensation an employee contributes. The match is available once an employee reaches 1,000 hours in a plan year. All funds are fully vested from day one.

EMPLOYEE STOCK PURCHASE PROGRAM
Eligible employees who have worked at Chipotle for at least 12 months can contribute a percentage of their base pay through payroll deductions. At the end of each month, those contributions are used to purchase whole and fractional shares of Chipotle stock at a discounted price.

FLEXIBLE SPENDING ACCOUNTS
We offer health care and dependent care flexible spending accounts as well as commuter transit and parking programs to help employees save money through pre-tax deductions from their paychecks. For the dependent care flexible spending account, Chipotle matches 10% of contributions, up to $450 per year.

HEALTH SAVINGS ACCOUNT
Employees who elect the Consumer Directed Health Plan (CDHP) may choose to open a health savings account through which they can save money through pre-tax deductions from their paychecks.

EDUCATION
DEBT-FREE DEGREES
Every eligible employee can receive up to $5,250 each year to help achieve their education goals. In addition, we offer a Debt-Free Degree, covering all tuition costs, for qualified Business and Technology degrees.

E-LEARNING
We have worked to enhance our e-learning tools. Udemy for Business, an online, on-demand educational platform is another educational platform offered to our employees Field Leader and above. There are over 5,500 top-rated courses covering a variety of topics including tech, business, and wellness.

PAID TIME OFF
SICK TIME & VACATION TIME
Employees earn paid holidays, vacation, and sick time.

PARENTAL LEAVE
In 2020, we made a monumental change to our Paid Parental Leave (PPL) program to better support new parents. We increased our PPL for Support Centers and eligible field employees to 12 weeks for birth moms and four weeks for new dads and individuals adopting children. We recognize that giving employees plenty of time to bond with a new child is crucial to their

103-2, 103-3, 401-2, 401-3

BENEFIT DETAIL
Salaried Benefits

development. We also cover costs for nursing mothers to utilize breastmilk shipping services during work travel.

SABBATICAL
After 10 years of service, employees are eligible to receive eight weeks of paid sabbatical in addition to their regular vacation.

PERFORMANCE-BASED PAY MERIT REVIEW (PAY INCREASES)
We hold annual performance reviews. Employees are eligible to receive a merit increase once a year following their review, based on their impact on Chipotle's successes as well as their ability to make the people around them better.

ANNUAL BONUS (RESTAURANT SUPPORT CENTERS & FIELD)
Our Restaurant Support Center and Field teams allow our restaurant managers and Crew to focus on running great restaurants and achieve our vision of ensuring that better food is accessible to everyone. Following annual performance reviews, Restaurant Support Center and Field staff are eligible to receive a bonus based on how well Chipotle does, how well their team does, and how well they perform individually.

OTHER PERKS
FREE MEALS
Restaurant Support Center and Field staff get a meal card that refills with $100 per month to spend in our restaurants.

DISCOUNTS
All employees are eligible to receive discounts and savings from national and local merchants as well as service providers through our employee discount program.

LIFE & DISABILITY INSURANCE
We offer company-paid basic life insurance to employees, their spouses, and their children. We also offer short- and long-term disability benefits in case of an illness or non-work-related injury.

ADOPTION ASSISTANCE
Chipotle can help cover the cost of adoption, up to $7,500, for eligible employees (salaried Manager and above that have retained employment for one year).

PET INSURANCE
Chipotle helps pet owners by contributing up to $10 per month per pet, up to three pets, toward pet insurance premiums when employees enroll through our pet insurance partner.



103-2, 103-3, 401-2, 401-3

EMPLOYEE SAFETY

Creating a safe work environment is a top priority and we work hard to ensure all employees understand and engage in safe working practices.

During Orientation, all new hires are required to take a course called Keeping Our Guests Safe.

As team members learn procedures, they reference materials such as Recipe Cards (which were fully reviewed and updated in 2020) and Cleaning and Maintenance Cards.

The Chipotle Security Policy and Crew Handbook together convey our employee safety policies. New employees are required to sign these documents electronically upon joining, and all employees promoted to a management position are also required to sign the Restaurant Management Handbook. Our employee safety measures include teaching employees knife safety, burn and bodily fluid protocols, and not to be alone in the restaurant while handling cash. Through our training, we encourage all employees to notify their manager of any concerns relating to safety and/or contact our ethics hotline, Chipotle Confidential.

We transitioned our Quarterly Food Safety training from an in-person, Field Leader-facilitated training to an eLearning course in 2020.

In 2020, Chipotle had five Occupational Safety and Health (OSHA) complaints, down 71% from 2018, and 17 COVID-19 related OSHA complaints, all of which are in the process of being fully resolved. There were no workplace-related deaths. We have been able to resolve the majority of our OSHA complaints quickly.



103-2, 103-3, 401-2, 401-3, 403-1, 403-4

EMPLOYEE SAFETY

We regularly review all documents related to employee safety to ensure they are clear and relevant. We publish updates as needed. Documents pertaining to employee safety are available electronically through Workday.

OUR RESPONSE TO COVID-19

The health and well-being of our employees and guests has always been and continues to be our top priority. To ensure our employees' wellness during the COVID-19 pandemic, we've provided the following incremental COVID-19 benefits:

- Expanded our paid emergency leave benefits to accommodate employees directly affected by COVID-19
- Provided 30-day personal leave with automatic approval for any COVID-19 related reason
- Extended access to telemedicine coverage to employees and their families
- Expanded Employee Assistance Program coverage and Concierge Service with a focus on mental health support for employees and their families
- Removed the minimum hours worked requirement for access to our Tuition Assistance and Debt-free-degree programs
- Provided hourly assistance pay: 10% increase to all hourly base wages from March 16 to June 7, 2020
- Discretionary Bonus: Provided a minimum bonus for our salaried restaurant managers during each quarter
- Assistance Pay Bonus: Provided an additional bonus to our salaried restaurant managers
- Implemented working from home for our support centers

We introduced several safety protocols in 2020 to respond to the COVID-19 outbreak. We were able to mitigate COVID-19 risk from the get-go because we already had industry-leading safety practices in place pre-pandemic. When the pandemic struck, we were able to quickly enhance our existing safety protocols, including small modifications to our wellness checks, frequent handwashing, social distancing, and mask wearing. Chipotle has supplied non-medical masks for all employees to wear as part of their uniform and proactively made the decision to require guests to wear masks in all restaurants. We continue to follow our existing industry-leading protocols, which prepare us for unforeseen events like COVID-19. In addition, we have expanded emergency leave benefits for employees impacted by this outbreak, increased sanitation of high-touch, high-traffic areas, and increased precautions in areas of the country where there have been emergencies declared due to COVID-19.

We have also expanded our emergency leave benefits to accommodate those directly affected by COVID-19. These individuals may receive pay equal to their upcoming two-week schedule or average hours worked, whichever is greater. Additionally, we have state-specific training on COVID-19 protocols for California and Oregon, with Virginia currently in development. All restaurant support center employees have been instructed to work remotely until further notice. These efforts are in addition to our existing industry-leading benefits such as a minimum of three days of paid sick leave starting on the first day of employment, vacation time, paid time off, and personal leave options as well as medical care and access to mental health wellness support for employees and their families through an Employee Assistance Program (EAP) and HealthAdvocate.

103-2, 103-3, 401-2, 401-3, 403-1, 403-4

TURNOVER & DEVELOPMENT

We continually work to help make sure we retain our incredible employees.

Retaining our top talent is paramount to Chipotle's future growth and success.

We're working to improve every stage of the employee life cycle. By enhancing the candidate experience, onboarding, and training, we are poised to improve retention. We know if we can set our employees up for success early on, we can improve the guest and employee experience, as well as other key metrics.

SUPPORTING OUR GENERAL MANAGERS

General Manager (GM) stability is one of our top priorities when it comes to our employees. We recognize that GM instability leads to more turnover throughout the restaurants, which impacts our success. We are strongly committed to building the capability of our restaurant managers, attracting key talent in these positions, and retaining and engaging employees.

2019 TURNOVER:

142%
Restaurant Hourly
(Crew, Kitchen Manager, Service Manager)

35%
Restaurant Salary
(Apprentice, General Manager, Restaurateur)

18%
Restaurant Field Managers
(Field Leaders, Team Directors, Executive Team Director)

30%
Staff Employees
(Support Center Employees and Field Support Employees)

2020 TURNOVER:

141%
Restaurant Hourly
(Crew, Kitchen Manager, Service Manager)

31%
Restaurant Salary
(Apprentice, General Manager, Restaurateur)

16%
Restaurant Field Managers
(Field Leaders, Team Directors, Executive Team Directors)

12%
Staff Employees
(Support Center Employees and Field Support Employees)

103-2, 103-3, 401-1

TURNOVER & DEVELOPMENT

Build

We are constantly evolving to build better GMs through the creation of Success Profiles and Avocado Academy. We developed the GM Success Profile to identify key competencies that, if demonstrated, would most likely lead to success within the position. These competencies have a strong link to the knowledge, skills, and abilities that employees develop as part of our Avocado Academy leadership and management training program.

Avocado Academy aims to shift current mindsets to an aligned approach within our restaurants. The program is designed to enhance GM performance and increase awareness of the most important responsibilities of the job. Field Leaders and our GMs complete a series of workshops designed to build leadership skills and increase engagement.

GMs learn to:

- Create culture of accountability
- Lead effectively
- Develop situational leadership skills
- Understand the importance of food safety
- Provide coaching and feedback

Attract

Attracting the right talent is an essential ingredient to building successful teams. By offering industry-leading benefits such as an All Crew Bonus program, where restaurant employees can earn an extra month's worth of pay each year or debt-free degrees, we're able to attract top talent. Our goal is to find the best possible fit for every position. For our GM positions, we leveraged the Success Profiles to create a competency-based interview guide to help hiring managers identify and evaluate potential candidates. Chipotle has been intentional in its efforts to enhance the employee experience with a focus on personal growth, which has positively impacted business. In 2020, turnover for the Salary Manager level was 31%, down 4% from 2019, causing greater stability and a stronger guest experience.

We know there is a 50% turnover rate when GMs are not onboarded properly. That's why we're so committed to making significant improvements in our onboarding process.

Train

For every level of restaurant employee (Crew, KM, SM, AP, and GM), we have developed training programs to ensure everyone is supported at every stage of their career.

OUR GOAL IS TO FIND THE BEST POSSIBLE FIT FOR EVERY POSITION

Crew Orientation	**4 hours**
Crew Line Training	**1 week**
Crew Cash Training	**1 week**
Crew Digital Training	**1 week**
Crew Prep Training	**1 week**
Crew Grill Training	**1 week**
Crew Certified Trainer Training	**1 week**
Kitchen Manager Training	**2 weeks**
Service Manager Training	**4 weeks**
Apprentice Training	**6 weeks**
Internal GM Training	**3 weeks**
External GM Training	**12 weeks**

*These are the average training times for each position. Training is non-discretionary, therefore, the average hours of training for employees in each role is the same for both male and female employees.

RETAINING & ENGAGING OUR EMPLOYEES

Developing our people is a cornerstone of our success. By developing and engaging with our employees, we can retain our best talent. It's important that all leaders know their employees and are invested in their success. That's why we encourage every People Leader to have a performance conversation with each employee they oversee four times per year.

We know keeping employees informed about significant operational changes is important. We have a cascaded approach for sharing operational changes. Information is disseminated by Regional Training Managers to support the full Crew. (See graph on page 92).

At a minimum, employees are given at least one week of notice before a change is made to their schedules, but our managers strive to provide at least two weeks' notice before making schedule changes.

103-2, 103-3, 401-1, 402-1, 404-1, 404-2

TURNOVER & DEVELOPMENT

Restaurant Support Center staff

↓

Executive Team Directors & Restaurant Training Managers

↓

Team Directors

↓

Field Leaders

↓

General Managers

↓

Management team
(Kitchen Managers, Service Managers, Apprentices)

↓

Crew

Training materials are always built to support any operational change at the restaurant level and hosted on the Quarterly Rollout Updates page as the one central spot for any large change.

In 2019, we launched an engagement survey for our Restaurant Support Center staff and Field Operations employees. The survey identified that we have created a culture where our employees feel safe at work and are proud to work for Chipotle. It also highlighted an opportunity—improving communication between the field and RSC employees. We are continually engaging with our staff and plan on conducting another survey in 2021.



401-1, 402-1, 404-1, 404-2

DEVELOPMENT STORY

"I STARTED MY CAREER WITH CHIPOTLE 15 YEARS AGO WHILE GOING TO COLLEGE. I QUICKLY FELL IN LOVE WITH THE WAY THE COMPANY APPROACHED FOOD AND THE EFFECT IT HAS ON THE ENVIRONMENT.

Chipotle has made an impact on my life in many ways. The way I see the world and how it's our responsibility to take care of it. The way I see people and how it's our responsibility to keep passing it on and showing the next generations the way to take care of people and helping them achieve their goals. It has also given me access to different seats at leadership tables allowing me to have a voice and make an impact on the decisions that get made for the 87,500+ employees at this amazing brand. In short, I owe a lot of who I am today to the many relationships, leaders, and mentors I've had under this amazing brand."

— Alfredo Ponce,
Team Director



102-41, 404-2

CAREERS

In 2020, our rate of internal promotion was 77% for the U.S. This rate measures the percentage of managers that we promoted into an apprentice position versus all salaried manager hires at Chipotle.

Our employees never stop learning. Every restaurant employee receives in-restaurant, shoulder-to-shoulder, and video training for a total of 15 days of training each year. Kitchen Managers and Apprentices complete six weeks of training and Service Managers complete four weeks every year.

We do not have collective bargaining agreements. We have policies, practices, and training that ensure we comply with all federal, state, and local employment obligations. We will continue to strive to comply fully with all obligations.

We offer e-learning for leadership and soft skills at all levels of the organization for Field and Restaurant Support Center employees. Our Tuition Assistance Plan, Cultivate Education, is administered by Guild. In 2019, 3,800 employees received tuition assistance under Cultivate Education. That number jumped to 4,400 employees in 2020. We paid out more than $13M in tuition support in 2020 alone.

2020

Population	Hires	Promotions	Total External and Internal Hires	Hire Rate	Promotion Rate
Canada	711	81	792	90%	10%
Europe	44	16	60	73%	27%
United Kingdom	31	9	40	78%	23%
United States	119,334	13,386	132,720	90%	10%
Total	**120,120**	**13,492**	**133,612**		

Population (US)	Hires	Promotions	Total External and Internal Hires	Hire Rate	Promotion Rate
To Apprentice	432	1,444	1,876	23%	77%
To General Manager	472	928	1,400	34%	66%
Total	**904**	**2,372**	**3,276**		

102-41, 404-2

EMPLOYEE EVALUATIONS & COMPENSATION

We want all our employees to succeed. That's why we're pleased to offer excellent opportunities for career advancement, as well as provide competitive wages and benefits for every employee.

We pay all entry-level hourly restaurant employees above the federal minimum wage, and at or above state or local minimum wages where applicable.

We also believe that a sustainable economy must ensure a minimum standard of living necessary for the health and general well-being of workers and their families. We want to be a place where people want to work, even in times of change that are inevitable in our industry. We will always seek to attract and retain the best employees and help them grow within our company.

While high employee turnover is a characteristic of the restaurant industry, we ensure that every new hire is properly educated in Chipotle's food safety protocols. By continuing to build a positive and inclusive culture, our goal is to decrease turnover among our restaurant salaried employees, hourly Crew, and restaurant managers. Recently, we implemented a new process for evaluating our restaurants. As part of this process, we audit key operational and customer service metrics, including metrics related to food safety protocols and compliance.

EXECUTIVE COMPENSATION

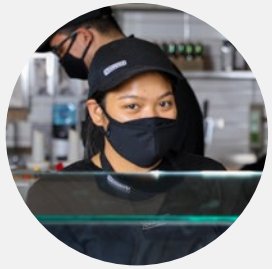
A significant majority of our executive compensation package is tied to ambitious and publicly identified metrics. We announced in 2021, 10% of Chipotle executives' annual incentives will be tied to their progress toward achieving company Sustainability/ESG goals including racial and gender pay equity, local, organic, and regenerative food, and disclosing our Scope 3 Carbon emissions.

Chipotle has set out to maintain both racial and gender pay equity.

We're implementing a program to accelerate the development of our diverse field organization and support center employees for promotion to above-restaurant and next-level roles. Employee development has always been a priority at Chipotle. The advancement process for diverse employees will only underscore our commitment.

Our Proxy Statement, available online, includes more information about executive compensation. This allows customers to understand and compare the total compensation for all employees (excluding the highest-paid individual). It includes the ratio of the annual total compensation for Chipotle's CEO as compared to the median annual total compensation for all U.S. employees.

We began as a start-up in Denver in 1993 and that model necessitated accountability and ownership. We are proud that those values are still true today.



WE WANT TO BE A PLACE WHERE PEOPLE WANT TO WORK.

102-35, 202-1

DIVERSITY, EQUITY & INCLUSION

This past year I have spent a lot of time watching, listening, and thinking about the racial and social injustice many in our world face. I still believe America stands for hope and opportunity, and I see a lot of brave people finding ways to create positive change. At Chipotle, we want to do our part to create an equitable society and we ask that you join us in our effort.

Chipotle pledged $1,000,000 in support of organizations advocating against systemic racism, beginning with a commitment of $500,000 to the National Urban League, an organization with a deep history and proven track record for supporting Black communities with comprehensive action and impactful plans that drive reform and accountability across the country.

This past year we leveraged the Chipotle app and Chipotle.com as a donation platform to allow others to give back to Black and at-risk communities. Using a new technology feature, guests can round up their bill to the next highest dollar amount at checkout to donate to various organizations.

As a company, we are committed to learning and listening to ensure we are fostering an inclusive environment. Listening sessions are taking place across our organization to better understand how we can evolve as a company and provide equal opportunities for all. In addition, we are working with our employees to identify the organizations to spotlight in our round up program. There is also inequity in access to healthy food in our society, and we are working to provide access to healthy foods across different social demographics.

At Chipotle, our mission has always been to Cultivate A Better World. This isn't just through real food, but through real, meaningful action. We need to do better and we encourage our community and fans to join us in our fight for equality.



Brian Niccol
Chairman and CEO, Chipotle

DIVERSITY, EQUITY & INCLUSION

OVERVIEW

Chipotle's Diversity, Equity, and Inclusion strategy is centered around four pillars:



LEARN to create awareness

DEVELOP to activate our talent

CREATE ACCESS AND EQUITY by eliminating barriers for diverse candidates and employees

SUPPORT OUR COMMUNITIES by creating pathways to healthier food, education, and jobs

We believe in diversity, creating access and equity, and in providing a workplace free from discrimination and all forms of harassment. These values improve our business and ensure we maintain an inclusive working environment for all employees.

Chipotle prohibits workplace discrimination and all forms of harassment, including sexual harassment. We have strict policies against workplace conduct that violates any law, makes someone feel unwelcome, or is otherwise a distraction from doing a job to the best of their ability. Employees who violate our Respectful Workplace Policy; our Policy Against Unlawful Harassment, Discrimination, and Retaliation; or the law are subject to discipline, which could include termination. We do not discriminate against any protected status. Our policies apply to all our employment practices, including recruiting, hiring, pay, performance reviews, training and development, promotions, and other terms and conditions of employment.

Our purpose of Cultivating A Better World starts with our workforce. We strive to create an organization where diverse ideas, backgrounds, and experiences are championed. We take seriously our values of "Authenticity Lives Here" and "The Movement is Real" because they are not just representative of our food, but our people as well. We strive to cultivate an environment where all our employees are able to thrive.

We aspire to be an organization that inspires the next generation of leaders. We encourage employees to create Employee Resource Groups to spark conversations. We create development opportunities that advance our employees' careers. We also implement benefit programs that support all employees. Our goal is to continue to be an organization that creates a better future for our employees and their families.

Collectively, our employees are our competitive advantage. That's why we work to implement programs and partner with organizations that allow us to be stronger as a company — one that is focused on supporting innovative ideas fueled by the diverse backgrounds of each of our employees.

In addition to cultivating an environment where all employees are able to thrive, we pledged $1 million in support of organizations advocating against systemic racism. We committed the first half of our million dollars to the National Urban League (NUL). The NUL is an organization with a deep history and proven track record for supporting Black communities with comprehensive action and impactful plans that drive reform and accountability across the country. $250,000 of our pledge was delivered to non-profits through our Community Outreach Grants program, which allowed our General Managers to nominate organizations in their communities. SERVES, our community service focused Employee Resource Group, created a selection committee made of internal field and restaurant support center leaders to review all applications and determine where the $250,0000 was awarded. Ultimately, through the efforts of the SERVES ERG, the Selection Committee, and our General Managers, we were able to support 232 organizations working to Cultivate A Better World in the communities in which we operate

Additional Inclusion Effort:
For all of our new restaurant openings, our single-use bathrooms are marked with gender neutral specific signage in all jurisdictions per Chipotle's preference. If the code or law requires gender-specific signage/restrooms or it's a multi-occupant restroom, then those are signed male/female as necessary.

DIVERSITY, EQUITY & INCLUSION

EMPLOYEE RESOURCE GROUPS OVERVIEW

We aspire to be a modern organization that inspires the next generation of leaders.

We encourage employees to create Employee Resource Groups to spark conversations.

In 2018, we set the goal to establish at least three Employee Resource Groups (ERGs) for our Restaurant Support Center (RSC) employees. Since then, our employee-led ERGs have been involved in many Chipotle programs that support our employees and communities: hosting book clubs, panel discussions, supporting company initiatives, and facilitating fundraising events for organizations. In 2020, they also provide community, culture supoort, and career advancement opportunities for many of our workers who are no longer in offices because of COVID-19. Not only do the ERGs support the Restaurant Support Center (RSC) employees, two ERGs launched pilot chapters in the field with great participation at all levels.

UNIFIED

As a leading inclusive workplace, Chipotle introduced the ERG—United Network of Influencers Furthering Inclusion and Ethnic Diversity (UNIFIED). UNIFIED is the company's first ERG to be founded in a completely virtual setting.

UNIFIED aims to advance an equal opportunity environment that will support a future free from discrimination and inequality for career growth opportunities. To achieve this goal and support Chipotle's mission to Cultivate A Better World, UNIFIED will bring awareness, knowledge, and understanding of workplace ethnic challenges and community issues.

UNIFIED

United Network of Influencers Furthering Inclusion and Ethnic Diversity

Key program components include:

- Support voter education and registration
- Partnering internally to provide diverse suppliers access to our supply chain and increase our spend with minority organizations
- Provide ongoing trainings to promote diversity and inclusion, as well as career growth in the workplace

DIVERSITY, EQUITY & INCLUSION

EMPLOYEE RESOURCE GROUPS

In addition to UNIFIED, Chipotle has a variety of employee resource groups that are continuing to build culture and create community virtually:

PRIDE
The aim of PRIDE is to foster a work environment that is inclusive of the LGBTQ+ community and to attract, retain, develop, and celebrate its authenticity. PRIDE is open to all employees regardless of sexual orientation. In 2021, Chipotle received a 100% score on the Human Rights Campaign Foundation's Corporate Equality Index, highlighting the best workplaces for LGBTQ+ equality.

Chipotle Serves
Chipotle SERVES seeks to enhance and engage the communities in which Chipotle operates. The group facilitates community improvement grants, nominated by our restaurant teams, to help local organizations further their causes surrounding people, animals, and the planet. In 2020, SERVES delivered a total of $250,000 in grants.

The HUSTLE
Humans Uniting to Support the Ladies' Experience (HUSTLE) was formed to build a workplace where women can thrive. Its vision is to Cultivate A Better World by building an inclusive environment that attracts, elevates, and evolves women in the workplace. The HUSTLE hosts a quarterly virtual book club for all members.

Chipotle Wellness
This group aims to foster an environment that supports Chipotle employees' mental, physical, and financial wellbeing. Chipotle Wellness has increased visibility into Chipotle's best-in-class mental health and fitness benefits. This program includes access to HealthAdvocate and a library of digital workout videos, as well as live or on-demand online workout sessions.

Culture Committee
Culture Committee's purpose is to create spaces where all are encouraged to express their passions and curate new connections.

DIVERSITY, EQUITY & INCLUSION

ERG IMPACT FEATURE

DEBRA FRANCIS



"CHIPOTLE ERGs PROVIDE ME WITH FANTASTIC ABILITY TO BUILD CONNECTIONS WITH INDIVIDUALS ACROSS OUR BRAND WITH SIMILAR INTERESTS. OUR ERGs PROVIDE ME WITH THE ABILITY TO GIVE BACK, AND ALSO EDUCATE, MYSELF FOR SELF-IMPROVEMENT AND OPPORTUNITIES TO LEARN ABOUT OTHERS."

— **Debra Francis,**
Field Leader

ETHICS

We advocate for ethical business practices throughout our business. We celebrate our people and work hard to cultivate a diverse community among our employees.

CODE OF ETHICS

Our Code of Ethics is publicly available on our website. The Code of Ethics was completely revised in January of 2020. The update reflects our commitment to the highest standards of integrity, ethics, and compliance with the law in all our activities. All employees receive and are required to sign the Code of Ethics as part of their orientation, and we expect all employees, officers, and Board members to reflect our Code's standards every day. The Code establishes standards and expectations of ethical behavior. It includes sections on Anti-Corruption & Anti-Bribery, Human Rights, our Integrity Statement, our Anti-Discrimination Policy, our Harassment and Sexual Harassment Policy, and our policies on Workplace Safety and Violence Prevention and Respectful Workplace. All director-level and above employees are required to certify their compliance with the Code of Ethics each year. We also communicate our anti-corruption policies and procedures to all of our governance body members via the Code of Ethics.

None of our employees have received training explicitly focused on anti-corruption. However, we are constantly working to improve our processes and procedures and are currently developing a standalone policy that is in progress.

We have an "open door" policy concerning issues of non-compliance with the Code of Ethics or any other company policy. We encourage employees to anonymously report any ethical concerns at the company by contacting our Respectful Workplace or Chipotle Confidential hotlines.

SECURITY PERSONNEL & ASSETS PROTECTION TEAM

All third-party agencies are required to provide use of force training to their guards. Additionally, nearly all jurisdictions require that guard agencies be licensed by the state and individual guards must also be licensed by the state. These licensing requirements include additional use of force training. These third-party provided guards are not currently subject to our Code of Conduct.

We are currently renegotiating our contracts with our providers and we will include language in all future third-party contracts that will not only address expectations and performance but also a unified use of force standard and de-escalation training to diffuse situations where possible.

All Chipotle team members that are part of our asset protection team are subject to the same Code of Ethics as all other team members. 100% of the Chipotle employed asset protection team members and security personnel have received information regarding our human rights policies and procedures as a function of our Code of Ethics. The asset protection team does not directly provide security services but may be called upon in extreme situations to provide some level of physical security.

EMPLOYMENT ETHICS

It is our explicit policy that we employ only those individuals who are authorized to work in the U.S. We are committed to ensuring compliance with the Immigration and Nationality Act, as amended by the Immigration Reform and Control Act of 1986. We have been audited by both state and local authorities for employment law compliance. To ensure we are compliant with Federal immigration regulations, we have used the E-Verify system to validate work authorization status since 2011.

102-17, 103-2, 103-3, 201-4, 205-2, 410-1, 415-1

ETHICS

We state our immigration policy in our employee handbook, and we require all hiring managers to attend new-hire training, which addresses immigration compliance. We require all Restaurateurs, General Managers, and Apprentices to complete our immigration compliance training, which is compliant with I-9. This training ensures Chipotle only hires employees who are authorized to work and refrain from discrimination when choosing who we hire.

We hire and promote on the basis of job-related qualifications and abilities without any bias prohibited by Federal, state, and local laws. We strive to keep our workplace and practices free from any form of discrimination, intimidation, harassment, or bias.

Chipotle is not the recipient of any financial assistance from the government, nor do we have a PAC or make any political contributions.

SUPPLIER ETHICS

All of our suppliers are required to adhere to our Code of Conduct for Suppliers or substantially similar standards. Annually 100% of our suppliers sign to acknowledge that they are in compliance with their own Code of Conduct (if any) and/or Chipotle's Code of Conduct for Suppliers. The Code of Conduct for Suppliers is publicly available on our website and establishes our expectations for ethical behavior at our suppliers, including anti-corruption policies and clauses on human rights.

We care deeply about our employees as well as our farming partners. That is why we have pushed for incremental assistance to help these individuals during the uncertain time at the start of the pandemic. We were able to extend and deepen unemployment benefits for employees as well as support for small farms.



102-17, 103-2, 103-3, 201-4, 205-2, 412-3, 415-1

CUSTOMERS

Protecting Our Customers

The safety of our customers is a top priority. Now more than ever we're taking real steps to take care of our people and our guests. New protocols to ensure guest safety include:

- Hand sanitizer for guests
- Requiring our crew to wear the masks provided to them at all times
- Tamper-evident packaging seals on every pick-up or delivery order bags
- Contactless delivery and pickup for all digital orders
- A dedicated team member who is responsible for continuously cleaning, sanitizing, and directing pickup orders to assist with physical distancing

We have a 24-hour surveillance system in all of our restaurants. We are aware of the need to continuously monitor our data security practices and protocols and have a clear chain of command to address any issues that arise. As with most customer service organizations, account takeover (ATO) attacks are persistent throughout the year. We have implemented best practices and industry recognized technologies to address this continuous threat to our customers and brand. In 2020, Chipotle encountered zero substantiated complaints from customers concerning breaches of privacy, including ATO.

MARKETING & COMMUNICATIONS

We know how powerful, effective, and influential marketing can be. We're committed to using marketing responsibly and ensuring total transparency on what it is we are doing. We hope our marketing helps us continue to drive change and Cultivate A Better World. Our marketing program and philosophy is a model designed to generate higher consumer awareness and drive guests into our restaurants. Our ultimate marketing mission is to make Chipotle not just a food brand, but a purpose-driven lifestyle brand. We want our brand to be more visible, more engaging, and more relevant in culture.



HAND SANITIZER FOR GUESTS

Chipotle restaurants have hand sanitizer right as you enter the restuarant.



FACE MASKS FOR OUR CREWS

Our crews have been provided masks to wear at all times.



HANDWASHING EVERY 30 MINUTES

We have heightened our hand washing protocal for all employees to wash their hands every 30 minutes and after every task at a minimum throughout the day.



DEDICATED DINING ROOM STEWARD

We've added a dedicated team member responsible for continuously cleaning, sanitizing, and directing pickup orders to assist with physical distancing.

103-2, 103-3, 417-3, 418-1

CUSTOMERS

In October 2020, we debuted the "Real Foodprint" feature. This feature presents a comparison of average values computed by a third party for five sustainability-related criteria for each of Chipotle's 53 real ingredients, to average values computed for conventional versions of the same ingredients. To reach consumers, we use multiple marketing channels, including national television, digital marketing, social media, fundraising, events, and sponsorships. In 2020, we released our first-ever Super Bowl ad, showcasing how we believe a burrito could help change the world.

We have invested and will continue to invest in extensive customer research to gain insight into our consumers and inform our business decisions, media, messaging, and innovation pipeline.

We generally do not target our advertising specifically to children. Any marketing programs we implement that may have a significant reach to children under 18, such as our sponsorship of youth sports organizations and our Reading Rewards program, are crafted to encourage healthy lifestyles and personal growth. We work to ensure our advertising campaigns take into account the demographics of our employee population and are inclusive of the race and ethnicity of our employees. We engage a diverse mix of influencers that align with our employees and diverse customer base.

CUSTOMER DIET

We pride ourselves on being a unique place where customers can meet virtually any lifestyle goal no matter how they approach their dietary lifestyle. In 2020, we piloted cauliflower rice to give customers a low-carb alternative to our cilantro rice. With our cauliflower rice as well as our Supergreens salad, our culinary team crafted a nutritious lineup of Lifestyle Bowls for any occasion — Whole30®, Keto, Paleo, High Protein, Vegetarian, and Vegan Lifestyle Bowls.

Our menu is highly customizable, with over 4 million combinations, even the pickiest of eaters has a choice.



103-2, 103-3, 417-3

GOVERNANCE

MANAGEMENT

Our CEO and Chairman of the Board of Directors, Brian Niccol, has been a visionary for our sustainability pursuits since he joined the company in early 2018.

Brian shifted our mission to "Cultivating A Better World." He believes in implementing and managing sustainability across all aspects of our business. Sustainability is a part of everyone's job at Chipotle, and we have clear sustainability governance structures that we revise periodically as the company continues to grow. Our Board of Directors regularly evaluates the performance of our senior management team. In addition, the Compensation Committee of the Board of Directors and our Lead Independent Director conducts our CEO's annual performance review. We have actively recruited people for our Board and our executive leadership team who have high integrity, a strong record of accomplishment, and who display the independence of mind and strength of character necessary to make an effective contribution to the company and to represent the interests of all stakeholders. Our Board believes that diverse membership with varying perspectives and breadth of experience is an important attribute of a well-functioning Board. Accordingly, diversity (whether based on factors commonly associated with diversity such as race, gender, national origin, religion, or sexual orientation or identity, as well as on broader principles such as diversity of perspective and experience) is one of many elements that will be considered in evaluating a particular director candidate.

The Board of Directors and senior executives are involved with the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to



102-18, 102-19, 102-20, 102-26, 102-28, 102-29, 102-30, 102-31

GOVERNANCE

economic, environmental, and social topics. The Nominating & Corporate Governance Committee of the Board of Directors specifically has oversight over our policies and programs relating to social responsibility, corporate citizenship, and public policy issues significant to the company and assists to identify and manage the risks and opportunities of economic, environmental, and social topics. This includes reviewing the effectiveness of the organization's risk management processes for such topics at least twice a year and, when necessary, on demand. We have a process for communicating critical concerns to the highest governance body.

ESG EXECUTIVE COMPENSATION

In 2021, we added a new Environmental, Social, and Governance (ESG) metric to our annual cash incentive plan that ties executive compensation to Environmental Social Governance objectives. The objectives, which are categorized by Food & Animals, People, and the Environment, will hold Chipotle's executive leadership team responsible to make business decisions that Cultivate A Better World. Beginning in 2021, 10% of officers' annual incentive bonus will be tied to the company's progress toward achieving the company's ESG goals.

We are passionate about inspiring real change in people, food, and the environment every day. The addition of an ESG metric to our incentive compensation plan ensures our leaders continue to set the right example for our more than 87,500 employees, while fulfilling our mission to drive change and Cultivate A Better World. Starting this year, Chipotle's executive leadership team will be evaluated on the company's progress toward the following overarching company goals:

Food & Animals
In an effort to support more sustainable small farms, Chipotle is committed to increasing pounds of organic, local, and/or regeneratively grown and raised food used in its restaurants year over year.

People
Chipotle has set out to maintain both racial and gender pay equity. We're implementing a program to accelerate the development of our diverse field organization and support center employees for promotion to roles above the restaurant level.

Environment
Originally announced for 2025, Chipotle is moving up our goal to publish our Scope 3 emissions to December 31, 2021.



102-18, 102-19, 102-20, 102-26, 102-28, 102-29, 102-30, 102-31

GOVERNANCE

BOARD OF DIRECTORS

Our Board of Directors oversees the management of operations across Chipotle.

Its responsibilities include economic, environmental, and social oversight. Board members are elected annually by our shareholders, and the Board selects the CEO, who has overall responsibility for day-to-day management and growth of our business.

Our Board has nine members: six men and three women. In the last two years, we have added four new directors to the Board, and three directors have rotated off the Board: In 2019, Patricia Fill-Krushel and Scott Maw joined the Board, and in 2020 Gregg Engles and Mary Winston joined. The Board is committed to actively seeking to include highly qualified women and individuals from minority groups in the pool from which new director candidates are selected. Each recruiting firm retained by the Board is instructed to specifically focus on identifying candidates who, in addition to having particular skills and experience, also would add to the gender and diversity of the Board.

As of December 31, 2020, Chipotle's Board of Directors was:

As of December 31, 2020

Tenure
- 2 under 1 year
- 5 2–5 Years
- 2 10+ years

Gender Breakdown
- 3 Women
- 6 Men

Independence
- 1 Non-independent
- 8 Independent



Brian Niccol
Director since 2018

Chief Executive Officer and Executive Chairman, Chipotle Mexican Grill



Albert Baldocchi
Director since 1997

Self-employed financial consultant and strategic advisor



Gregg Engles
Director since 2020

Founder and managing partner, Capital Peak Partners



Patricia Fili-Krushel
Director since 2019

Chief Executive Officer, Talent Innovation



Neil W. Flanzraich
Director since 2007

Private Investor and Executive Chairman, Cantex Parmaceuticals



Robin Hickenlooper
Director since 2016

Senior Vice President of Corporate Development, Liberty Media



Scott Maw
Director since 2019

Executive Vice President and Chief Financial Officer (retired), Starbucks Corporation



Ali Namvar
Director since 2016

Private investor Advisory Board member and Partner (retired), Pershing Square Capital Management, L.P.



Mary Winston
Director since 2020

Founder and President, WinsCo Enterprises Inc. Former Interim Chief Executive Officer of Bed Bath & Beyond; former Executive Vice President and Chief Financial Officer of Family Dollar Stores

102-18, 102-23, 102-26, 405-1

GOVERNANCE

BOARD OF DIRECTORS

BY COMMITTEE

More information about our Board members, including their biographies, is available on our Investor Relations website at ir.chipotle.com.

	Years of Service	Independent	Audit & Risk Committee	Compensation Committee	Nominating & Corporate Governance Committee
Albert Baldocchi	24	Yes	Yes		
Gregg Engles	1	Yes		Yes	
Patricia Fili-Krushel	2	Yes		Yes	
Neil Flanzraich	14	Yes		Chair	Yes
Robin Hickenlooper	4	Yes	Yes		Chair
Scott Maw	2	Yes	Chair		
Ali Mamyar	4	Yes		Yes	Yes
Brian Niccol	3	No			
Mary Winston	1	Yes	Yes		

102-18, 102-23, 102-26

GOVERNANCE

SENIOR MANAGEMENT TEAM

While the Board of Directors is responsible for oversight of our business, our executive leadership team is responsible for executing our strategy and managing day-to-day operations.

Many aspects of our business strategy are rooted in our commitment to sustainability. This includes our conscientious food sourcing practices, our commitments to more environmentally friendly building materials and energy efficient systems, and the value we place on a diverse and inclusive workforce. Our officers are completely committed to further advancing the many achievements laid out in this report and meeting future sustainability challenges. While one of the primary objectives of our officers is to build shareholder value, we believe our strategy to bolster sales and profitability growth is aligned with our sustainability commitments. Given the close connection between sustainability efforts and the operation of our business, we feel that our executive compensation is well aligned with our sustainability efforts. At the same time, we continue to assess whether a direct connection between our sustainability goals and the financial incentives of our executive officers would serve the best interests of our shareholders.

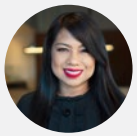
Members of our senior management team as of December 31st, 2020 are:



Brian Niccol
Chairman and Chief Executive Officer



Curt Garner
Chief Technology Officer



Marissa Andrada
Chief Diversity, Inclusion and People Officer



John R. (“Jack”) Hartung
Chief Financial Officer



Laurie Schalow
Chief Corporate Affairs and Food Safety Officer



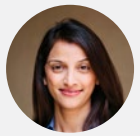
Roger Theodoredis
Chief Legal Officer



Scott Boatwright
Chief Restaurant Officer



Chris Brandt
Chief Marketing Officer



Tabassum Zalotrawala
Chief Development Officer

2020	ELT
AMERICAN INDIAN/ALASKAN NATIVE	
ASIAN	2
BLACK OR AFRICAN AMERICAN	
HAWAIIAN/PACIFIC ISLANDER	
NOT SPECIFIED	1
TWO OR MORE RACES	
WHITE	6
NOT INDICATED	

2020	ELT
FEMALE	3
MALE	6

BABY BOOMER	2
GEN-X	7

102-18, 102-19, 102-23, 405-1

STAKEHOLDER ENGAGEMENT

We value and respect the insight, expertise, and experience of all our stakeholders.

We engage regularly with investors, suppliers, non-governmental organizations (NGOs), and other stakeholders in our areas of operation. We frequently solicit feedback from industry groups, food sourcing, social issues, safety professionals, and sustainability practitioners.

Some of our key stakeholders include:

- Employees, from whom we solicit in multiple ways including at town halls. Before and during town halls, staff employees can submit questions for senior leaders. Employees can also give feedback to their team leaders and via our internal Respectful Workplace Hotline. They can also contact our ethics hotline, Chipotle Confidential, to submit complaints or concerns about our business and operations. We also conduct a Culture Survey to solicit employees' feedback. In 2020, we held "Listen-In Sessions", small groups with our Executive Leadership Team. All employees were invited to share their thoughts, feelings, and ideas about what's happening in our communities and how Chipotle can better live our purpose of Cultivating A Better World. An email box, the inclusion email, was created as a dedicated outlet for employees to share their ideas and opinions on how Chipotle can continue to "Listen-In," and Cultivate A Better World by creating an inclusive environment in our restaurants and communities. The Real Scoop with Marissa, is a series of virtual conversations that Marissa Andrada, Chief Diversity, Inclusion and People Officer, hosts with Chipotle employees and Black thought leaders and influencers. The conversations are aimed at driving transformation by diving deep to explore what bonds us, uncover how we can bridge what divides us and craft a vision to navigate uncertainty. In 2020, Marissa and hundreds of employees in our restaurants and corporate offices, had an opportunity to get to know eight special guests, including renowned musicians, athletes, authors, and business leaders. We continue to host "The Real Scoop with Marissa" at least once a month.
- Customers, from whom we solicit feedback in a number of ways. We provide an online customer service tool through which anyone can contact us regarding any concern or compliment. We also conduct customer satisfaction research via online surveys and direct customer research surrounding specific launches or ingredients.
- Shareholders, who elect the members of our Board of Directors and vote on other important corporate matters.
- Suppliers
- Regulatory groups
- NGOs
- ESG groups
- We have partnered with National Urban League on specific events in addition to serving as an active member of their Corporate Advisory Council.

Shareholders have asked about:

(1) our use of mandatory arbitration for employment-related matters

(2) gender and racial pay equity—how are we testing? What are the results?

(3) gender and ethnic breakdown of employees, by seniority level

(4) how have we supported our employees during COVID-19

Information about our Employment-related arbitration practices is available on our Investor Relations website at ir.chipotle.com. Anyone may contact us or submit questions and feedback via our website at chipotle.com/contact-us.

102-19, 102-20, 102-22, 102-26, 102-30, 102-40, 102-42, 102-43, 405-1

GIVING

We're nothing without the communities we serve.
That's why we've set up several programs and partnerships
to give back to all the communities we're proud to call home.



413-1

GIVING

OVERVIEW



FUNDRAISERS & DONATIONS
IN-RESTAURANT FUNDRAISERS
Over $5 million donated from over 26,000 local community fundraisers



ROUNDUP FOR REAL CHANGE
$3,800,000 raised for six non-profits



FOOD DONATION
455,766 meals were donated to 468 community organizations



EQUIPMENT DONATION
Cookware and refrigerators valued at $10,000+ donated to community organizations



DISASTER RELIEF
Over $22,000 given to the Direct Relief Foundation



CORPORATE GIVING
$50,000 given to the Culinary Institute of America, Make a Wish, Women on Boards, Orange County Professional Firefighters Association, The Art of Eating Magazine



CHIPOTLE CULTIVATE FOUNDATION
$377,997 granted to National Young Farmers Coalition



COMMUNITY OUTREACH GRANTS
delivered a total of **$250,000 to 232 organizations**

GIVING

FUNDRAISERS & DONATIONS

As we continue to work towards Cultivating A Better World, we are committed to making a real impact in the local communities where our restaurants are located.



Chipotle is committed to making a real impact in our restaurant communities. Since 2014, we have raised more than $74 million for local causes through 254,000 fundraisers.

In 2020, Chipotle donated over $5 million by hosting over 26,000 local fundraisers. Chipotle fundraisers support thousands of local schools, youth sports teams, and nonprofit organizations in the areas of music, science and tech, sustainability, and community.

Chipotle's local support extended to frontline workers. In 2020, we donated 200,000 burritos to healthcare heroes on the frontline of COVID-19 (100,000 through 4HEROES program and 100,000 on National Burrito Day).



Chipotle fundraiser with Warren Tech School helps students buy parts to build hydrogen-powered race car

Moreover, through our E-gift card donation program, Chipotle raised funds to help secure needed medical equipment to frontline workers and support students struggling with financial hardships. The E-gift card donation program donated 10% of sales, raising $39,922, from two promotions—a Healthcare Heroes Campaign, to the Direct Relief Foundation, and a Graduation Give Back Campaign which supported Scholarship America Inc.

103-2, 103-3, 203-1, 203-2

GIVING

ROUND UP FOR REAL CHANGE

We introduced the "Round Up for Real Change" feature on the Chipotle app and website. Customers can round up their change to the next highest dollar amount to support the various nonprofits.



Since the program launched in June 2020, over $3.8 million has been raised for underserved communities from guest donations. Organizations supported include:

National Urban League

$1+ MILLION

National Urban League is a historic civil rights organization dedicated to economic empowerment, equity, and social justice. They work to improve the lives of over 1.7 million people annually.

THE FARMLINK PROJECT

$697,000+

The Farmlink Project, founded by college students, is dedicated to sending unsold produce from farms to food banks.

$417,000+

National Young Farmers Coalition, the future of real food relies on the success of the next generation of farmers who are committed to sustainability, justice, and innovation.

Camp Wamp

$199,000+

Camp Wamp of the Stephen J. Wampler Foundation connects kids with physical challenges with the great outdoors, for a week of adventure that shows them all they CAN do.

THURGOOD MARSHALL COLLEGE FUND

$454,000+

Thurgood Marshall College Fund is dedicated to transforming the lives of students at Historically Black Colleges and Universities (HBCUs).

KIDS IN NEED FOUNDATION

$1+ MILLION

Kids in Need Foundation (KINF) believes every child in America should have equal opportunity and access to a quality education. KINF provides school supplies and resources to more than 200,000 teachers and 5 million students in underserved schools each year.

103-2, 103-3

GIVING

FOOD AND EQUIPMENT DONATION



FOOD DONATION

We take great pride in our efforts to reduce food waste through mindful preparation and food donation.

Beyond monetary donations, our restaurants have donated food to help feed those in need in our local communities.

- 563 total restaurants and our test kitchen reported Harvest donations
- Donated nearly $2.9 million worth of food

Every Chipotle restaurant has access to a food donation program, the Harvest Program, which pairs each restaurant with a local charity or food bank. In 2020, we donated 455,766 meals to those in need through 468 local community partners. For more on how we are reducing food waste, please visit the Environment section of this report.



EQUIPMENT DONATION

If any of our restaurants have equipment that is still in good working order, but no longer meets our needs, we look for ways to donate it to organizations that can continue to use it.

We work to donate anything from small wares, like pans and utensils, to larger pieces of kitchen equipment, like grills, food processors, and tortilla presses, to local charities that can still gain value from them.

We coordinate the pick-up and distribution of this used-but-functional equipment to a variety of charitable organizations throughout the country to a variety of charitable organizations—donating equipment valued at over $10,000 in 2020.



103-2, 103-3, 203-1, 203-2

GIVING

DISASTER RELIEF



In 2020, multiple natural disasters affected communities in which we operate.

We donated over $22,000 dollars to relief organizations in an effort to support communities' recovery efforts. Our efforts included fundraisers, corporate monetary donations, feeding volunteer aid workers, and paying out our employees for all scheduled work through any closures.

In 2021, we partnered with The Farmlink Project to support Texans impacted by Winter Storm Uri by moving over 300,000 pounds of produce from farms to food banks throughout Texas.



103-2, 103-3, 203-1, 203-2

GIVING

COMMUNITY OUTREACH GRANTS



Chipotle has always been at the forefront of positively impacting the communities where we live and work. That is why we delivered a total of $250,000 in Community Outreach Grants aimed at supporting non-profit organizations dedicated to Cultivating A Better World this year.

Through the efforts of the Chipotle SERVES Employee Resource Group (ERG) and our restaurant General Managers (GMs)—232 organizations were selected to receive one of these grants.



These organizations were awarded a minimum of $1,000 to help further their causes, which focus on at least one of these three key areas of Cultivating A Better World:

- **People:** Diversity and inclusion, education, access, voting rights, gender equality, etc.
- **Food:** Food With Integrity, animal welfare, farming, food waste, etc.
- **Planet:** Sustainability, climate change, waste reduction, recycling, compost, community clean-ups, etc.

103-2, 103-3, 203-1, 203-2

GIVING

5% FOR FARMERS & CHIPOTLE GOODS PROCEEDS



TRACTOR BEVERAGE

In July 2020, we added a new line of organic drinks from Tractor Beverage Co. All Tractor Beverages sold by Chipotle will help support the U.S. agricultural industry, with 5% of Chipotle's profits from its sale of these beverages being donated to causes that support farmers. Funds will expand Chipotle's existing farmer programs including long-term contracts; increased local sourcing; scholarships and grants to start, run, or grow farming operations; among others. This agreement with Tractor Beverage Co. is momentous because it's our first national philanthropic product integration.

CHIPOTLE GOODS

At Chipotle, we approach food differently. From the beginning, we imagined a better world, and chose to make it real. Our approach to Chipotle Goods is different as well. We take the same care, respect, and big-picture thinking we apply in the kitchen to everything else we sell.

PARTNERING FOR CHANGE

Our aim is to not only be less wasteful, but also climate-positive as we close the loop on food and fashion. Our goal is to do good when it comes to the environment and social impact around the world. But real change takes time. And while we've come a long way, we know we can always do better. That is why we work with like-minded partners to find creative solutions and sustainable systems where everybody wins.

One of the groups we've partnered with is Textile Exchange, a global non-profit that identifies and shares best practices for farming, materials, processing, traceability, and end-of-life to reduce the textile industry's impact on the world's water, soil, air, and human population.

We carefully pick partners who care just as much as we do. As a pioneer in sustainable fashion, Loomstate was a natural fit to become our exclusive restaurant uniform partner. As we launched Chipotle Goods, they played an integral role in our shared vision of thoughtfully designed apparel made from 100% certified organic materials and socially responsible methods of production.

All profits from sales via the ChipotleGoods.com site will be donated to charitable causes dedicated to making apparel and food more sustainable. To determine the amount of the donations, 'profits' are computed as the sales price received for an item, less the cost of the item, shipping and handling charges, and an agreed cost allocation for our supplier partners.

103-2, 103-3, 203-1, 203-2

GIVING

CHIPOTLE CULTIVATE FOUNDATION

OVERVIEW



Chipotle Mexican Grill established the Chipotle Cultivate Foundation in 2011 to extend its commitment to making real food accessible for all.

Since its inception, the foundation has contributed to like-minded organizations dedicated to Cultivating A Better World through food.

We also provide resources and mentorship to growth stage ventures that share in our mission through a yearly accelerator program. It's how we share our learnings and illuminate the innovation happening in the industry.



In 2020, we launched our second accelerator program, Aluminaries 2.0 and awarded 50 young farmers $5,000 "seed grants" in partnership with the National Young Farmer Coalition.

CHIPOTLE Cultivate FOUNDATION

103-2, 103-3, 203-1, 203-2

GIVING

CHIPOTLE CULTIVATE FOUNDATION

ALUMINARIES OVERVIEW

In an effort to make real food accessible for all, our Cultivate Foundation started an accelerator program to give growth-stage ventures a spotlight and mentoring.

During the accelerator program, organizations engage with mentors committed to funneling their expertise and experience into the next generation of leaders. They receive first-hand advice, resources, and services from Chipotle employees; introductions to a network of Angels and VCs through individualized introductions throughout the program; customized investment support; and one free entrée at Chipotle every day for one year to help fuel the good ideas.

The first Aluminaries cohort's focus was bringing technology to global supply chains. For the inaugural Aluminaries group, eight entrepreneurs, 22 mentors, and leaders throughout Chipotle came together in March 2019 for a five-day boot camp in Newport Beach. We chose eight incredible ventures to help us achieve our mission:

- AgVoice is the simplest way to help farmers measure good stewardship practices by using a mobile voice-interaction service that integrates with existing record-keeping apps.
- American Ostrich Farms strives to increase awareness of the resource intensity of food so consumers can make enlightened, healthy choices for themselves and the planet.
- Asarasi Sparkling Tree Water produces sustainable and renewable water that is harvested from the byproducts of maple trees, offering an environmentally friendly, organic plant-based alternative to bottled water sourcing.
- GrubTubs allows restaurants, hotels, and large cafeterias to drastically reduce what they send to landfills, helping to positively impact the environment.
- ImpactVision uses hyperspectral imaging to help food businesses deliver consistent product quality, generate premium products, and prevent supply chain waste.
- Novolyze develops innovative technologies to help the food industry manufacture safer food, while ensuring strong compliance with international food safety and quality standards.
- Rex Ag Labs provides machine learning for a safer and more sustainable food supply.

103-2, 103-3, 203-1, 203-2

GIVING

CHIPOTLE CULTIVATE FOUNDATION

ALUMINARIES OVERVIEW

- Sophie's Kitchen Plant-Based Seafood creates sustainable plant-based seafood alternatives using innovative ingredients and patent-pending technology.

In 2020, the focus of Aluminaries was the Future of Farming. We focused on supporting organizations that help establish the longevity of the Future of Farming.

Aluminaries Project 2.0 accepted eight ventures for the 2020 cohort.

- Agrarian Trust is launching a network of Agrarian Commons in communities across the country to acquire and hold farmland in trust, providing farmers with equitable, affordable, secure land access through long-term leases.
- American Farmland Trust helps new farmers gain access to land through national and localized networks and services in order to transfer farms from one generation to the next and keep farmland in farming.



- Demeter Mobile is bringing the shared economy to agriculture. Pairing growers and service providers, Demeter Mobile is helping connect the farming community with a few taps on an app.
- Farm Commons provides the proactive legal resources that sustainable farmers need to become the stable, resilient foundation of a community-based food system.
- F.A.R.M.S. provides legal services to small farmers while reducing hunger in the farmer's community.
- Rogue Farm Corps trains and equips the next generation of farmers and ranchers through hands-on educational programs and the preservation of Oregon's farmland.
- Sustainable Iowa Land Trust permanently protects Iowa's land to grow healthy food.
- Viva Farms empowers aspiring and limited-resource farmers by providing bilingual training in holistic organic farming practices, as well as access to land, infrastructure, equipment, marketing, and capital.

103-2, 103-3, 203-1, 203-2

GIVING

CHIPOTLE CULTIVATE FOUNDATION

YOUNG FARMER'S SUPPORT

YOUNG FARMER GRANT PROGRAM OVERVIEW

As part of our financial commitment to the next generation of farmers, the Cultivate Foundation partnered with the National Young Farmer's Coalition (NYFC). Together, we awarded 50 young farmers under the age of 40 startup grants of $5,000 to begin or grow their business. Of the young farmers we helped, 78% represent minorities in the industry.

We raised money through consumer actions to fund the Young Farmer Grant Program. With our new Round Up for Real Change feature we were able to raise almost half a million dollars for the Young Farmer Grant Program via the Chipotle Cultivate Foundation.



YOUNG FARMER COALITION

We participated in the 2020 Rose Parade with a float entitled "Cultivate the Future of Farming," that featured a live post-to-donate element to raise awareness of the National Young Farmers Collation. We donated $1 to the National Young Farmers Coalition for every post on Facebook, Instagram and Twitter using #farmers on January 1, 2020. This initiative followed Chipotle's financial commitments to the next generation of farmers, including a $250,000 donation achieved through its Farmer Friday effort to fund seed grants. As a brand that relies on farmers who are dedicated to producing real ingredients, Chipotle is investing in several sustainable solutions including three-year contracts, financial donations, grants, and increased purchasing.

103-2, 103-3, 203-1, 203-2

CHAPTER 3



AWARDS

As we've continued down this road of becoming a more sustainable company, we've taken many strides toward a better future. These awards represent the progress we've made toward that goal. But we know there's still work to be done.

2020 AWARDS

HALLBARS
Sustainability Report Awards, National Winner USA, **Best Overall**

NEWSWEEK
America's Most Responsible Companies 2020

CAMPAIGN LIVE
Power of Purpose Awards: Sustainability Category—**Gloves to Bags**

Sustainability Report Awards, National Winner USA, **Restaurant and Catering**

BIG (BUSINESS INTELLIGENCE GROUP)
BIG Award: **Gloves to Bags**

SHORTY
Shorty Social Good Awards, Best in Environment and sustainability: Gold—**Reducing Food Waste: Upcycling Avocado Pits**

INSTITUTIONAL INVESTOR
Financially Material ESG Disclosures



A LETTER FROM OUR HEAD OF SUSTAINABILITY, CAITLIN LEIBERT

This month marks a decade in my role overseeing Sustainability for Chipotle. It has been the honor of a lifetime to help chart the course for such a purpose driven brand.

With each year, our commitment to sustainability has strengthened, and I have seen incredible transformation during my time in this role. From our early mission of changing the way people thought about and ate fast food, to our current vision of Cultivating A Better World, we have always held leadership and system wide change at the heart of our efforts. This year, however, was unlike any of the rest.

This past year was remarkable in many ways. Many of the challenges we faced as a global society have pushed us to further understand the importance of the impact we have on this planet. In a lot of ways, 2020 drove us all collectively closer to our purpose and revealed so much about our values—as individuals, a society, and a world. Now, more than ever we see the opportunity to rebuild a more resilient, sustainable, equitable future. From our $1 million pledge to fighting systemic racism, to our continued investment in the next generation of farmers, to our first-of-its-kind order specific sustainability tracker, Real Foodprint, we are dedicated to being part of a better future.

More than anything, 2020 also showed us how connected we all really are—a fundamental principle of sustainability. We are all in this together. Our impact and contributions affect the collective whole. Chipotle has long acknowledged its responsibility to being part of the solution. I'm proud of the advancements we have made in 2020, especially around transparency and accountability.

"MORE THAN ANYTHING, 2020 ALSO SHOWED US HOW CONNECTED WE ALL REALLY ARE—A FUNDAMENTAL PRINCIPLE OF SUSTAINABILITY. WE ARE ALL IN THIS TOGETHER—AND OUR IMPACT AND CONTRIBUTIONS EFFECT THE COLLECTIVE WHOLE."

Through Real Foodprint, we are now showing customers metrics on potential benefits our sourcing standards could have. Beyond a peek at the environmental impact that customer orders could have, Real Foodprint is also a major step in accountability. How we grow and raise our food matters. It impacts our lives, our communities, and our planet. Chipotle is committed to supporting sustainable food systems now and into the future.

I am humbled to share with you our efforts over the last year around environmental sustainability. In this section you will get a glimpse of our efforts around waste, energy, water, and the climate. While we are proud of all that we have accomplished to date, we are truly just getting started. We know that we must keep aggressively seeking opportunities to improve and change. We're behind the scenes working tirelessly to continue leading, growing, learning, and ultimately improving. We hope you enjoy learning more about all of these efforts.

With tremendous gratitude,

Caitlin C. Leibert
Head of Sustainability

ENVIRONMENT

NEW GOALS

NEW YEAR. NEW GOALS. SAME MISSION.

Maintain **90% recycling rate** at all restaurants in 2021

Increase the **percentage of renewable energy sourced** year over year

Baseline **construction diversion rate** by end of 2022

Pilot at least **one innovative new packaging design** that reduces plastic in 2021

Pilot **closed-loop recycling program** for our cutlery by end of 2021

Explore and pilot **new material innovations** to reduce our cutlery waste by end of 2021

Pilot **scalable diversion program** for construction projects by end of 2021

5% overall waste reduction by 2025 (as compared to a 2020 baseline)

Identify **key biodiversity hotspots** throughout our operation by 2025

Baseline **food waste throughout supply chain** and identify key areas of impact opportunity by 2023

Ensure we open 90% of new restaurants with a **diversion program (recycling and/or compost)** in 2021

Add an additional 125 restaurants to our **compost program** by end of 2022

Create **internal Climate Committee** focused on curbing companywide GHG emissions by end 2021

Identify **key water risk areas and ingredients** throughout supply chain in an effort to inform our water conservation strategy

Increase **energy savings at the restaurant level** through improvements to our Energy Management Systems (EMS) by end of 2022

Conduct updated **water usage baseline** at restaurant level by end of 2021 to inform our water conservation strategy

Set **science-based emissions reduction targets** verified by the Science-Based Targets Initiative (SBTi) by end of 2021

Pilot at least one **strategic supply chain food waste reduction project** by end of 2021

ENVIRONMENT

IMPACT

100% of our new restaurant openings participated in our food donation "Harvest Program"

Offset 3,875 tons of carbon emissions

Reduced 65,582 MWh of energy via our energy management systems

Set up and maintained composting program at 25% of all restaurants

Diverted 2,071,583 cubic yards of waste through recycling, composting, and waste to energy

Purchased approximately **22% of our electricity from renewable sources**

Installed an Energy Management System (EMS) at all applicable restaurants

Achieved a **51% landfill diversion rate**

Composted 60,519 cubic yards of waste

Increased the amount of renewable energy that we source, as part of our electric energy portfolio

Upcycled more than 60,000 avocado pits into natural clothing dye as part of the award-winning Chipotle Goods natural dye line

Recycled 1,999,224 cubic yards of waste

Expanded the closed-loop Gloves to Bag program to a total of 40 restaurants in two new markets

Launched Real Foodprint, providing information to our consumers about how **our supply practices can help influence various sustainability measures**

Turned **11,840 cubic yards of waste into energy**

CLIMATE

We acknowledge climate change as one of the most pressing issues of our time and recognize our organizations impact on this issue. It is with this acknowledgment that we are able to make a change for the better and further drive our climate strategies.

At the time of publication, we have made extensive internal and external commitments to better understand our impacts and develop strategies to reduce them. We have committed to the following actions as a first step and invite you to follow along on our journey:

- Committing to emissions reduction targets in line with climate science and verified by the Science-Based Targets initiative
- Developing an internal climate steering committee with a focus on curbing emissions
- Enlisting the assistance of industry-leading experts to improve accounting methodologies, develop Scope 3 road mapping, and determine areas of climate focus
- Conducting an initial Scope 3 screening as a first step in developing our full empirical measurement model and strategy
- Categorically expanding our carbon offset program beyond corporate transportation
- Further reducing restaurant emissions through the implementation of smart energy management systems at all restaurants, and fine-tuning reduction strategies already in place
- Acknowledging climate risk and the potential impacts on our supply chain

We invite you to learn more about our plans, strategies, and big picture thinking around climate in the following sections.

103-2, 103-3

CLIMATE

RISK & ADAPTATION

ACKNOWLEDGING CLIMATE CHANGE RISK

Our profitability depends in part on our ability to anticipate and react to changes in commodity costs, including ingredients, paper, supplies, fuel, utilities and distribution, and other operating costs, including leasing costs and labor. Any volatility in key commodity prices or fluctuation in labor costs could adversely affect our operating results by impacting restaurant profitability. The markets for some of the ingredients we use, such as beef, avocado, and chicken, are particularly volatile. This is due to factors such as limited sources, seasonal shifts, climate conditions, and industry demand. Increasing weather volatility or other long-term changes in global weather patterns, including related to global climate change, could have a significant impact on the price or availability of some of our ingredients. These factors are beyond our control and are, in many instances, unpredictable.

In addition, our supply chain is subject to increased costs arising from the effects of climate change, greenhouse gases, and diminishing energy and water resources. The ongoing and long-term costs of these impacts related to climate change and other sustainability related issues could have a material adverse effect on our business and financial condition if not properly mitigated.

We also could be adversely impacted by price increases specific to meats raised in accordance with our sustainability and animal welfare criteria, and ingredients grown in accordance with our Food With Integrity specifications. This is because these markets are generally smaller and more concentrated than the markets for conventionally raised or grown ingredients. Any increase in the prices of the ingredients most critical to our menu, such as chicken, beef, dairy (for cheese and sour cream), avocados, beans, rice, tomatoes, and pork, would have a particularly adverse effect on our operating results. If the cost of one or more ingredients significantly increases, we may choose to temporarily suspend serving the menu items that use those ingredients, such as guacamole or one of our proteins, rather than pay the increased cost. Any such changes to our available menu may negatively impact our restaurant traffic and could adversely impact our sales and brand. We can only partially address future price risk through forward contracts, careful planning, and other activities, and therefore increases in commodity costs could have an adverse impact on our profitability.

WORKING TOWARD CLIMATE CHANGE ADAPTATION

Along with all our partners and competitors, Chipotle needs to determine how to anticipate business risks resulting from climate change. We're committing to developing an

103-2, 103-3, 201-2

CLIMATE

RISK & ADAPTATION

internal plan to guide future business decisions. This adaptation plan will include mitigation plans, going beyond simply reacting to climate change-related events and instead planning proactively for them along all our operations, including our supply chain. Additionally, we've created a climate committee, focused on curbing our emissions and handling climate related tasks.

In 2020, we have implemented two initiatives to show our commitment toward climate adaptation:

- Board oversight related to ESG
- Executive compensation tied to sustainability, including climate commitments

We also believe in supporting a more sustainable approach to agriculture, including regenerative, pasture-raised, grass-fed, free range, organic, GMO-free, naturally raised, and/or local practices where feasible. We believe these methods are better for the ingredients we purchase, the humans that eat them, and the environment in which the food is grown or raised.

We know that there isn't one specific solution to sustainable agriculture, but we believe in assessing and prioritizing sustainability on an ingredient-by-ingredient basis. What is most sustainable for cilantro might not be the most sustainable choice for tomatoes; what makes the biggest sustainable impact in cattle production might not be the best solution for raising chickens. Although this approach takes significant investment, we feel it ultimately produces a more sustainable business and a more sustainable future.



102-15, 103-3, 201-2

CLIMATE

EMISSIONS

SCOPE 1 AND 2

Our Scope 1 direct emissions include emissions from our fleet of vehicles and two jets, as well as stationary combustion in our restaurants and corporate offices. Our fugitive emissions from refrigerants also contribute to our Scope 1 emissions, though that data is not yet in a usable format for us to calculate their contribution to our total.

Our Scope 2 indirect emissions include our purchased electricity used at our domestic and international restaurants and in our corporate offices. Our Scope 1 and Scope 2 emissions reporting was independently attested through an assurance engagement conducted by Eide Bailly, LLP.

EMISSIONS SUMMARY OF CALCULATIONS

Today, we have access to utility data at most of our restaurants across the U.S., Canada, and Europe.

We extrapolate data for the handful of restaurants for which we do not have access to utility billing data. The data for our fugitive emissions is still too raw to calculate, although we are working with our vendors to provide this information more consistently.

To calculate our Scope 1 and 2 emissions, we use our gas and electricity usage data from a third-party organization that handles our utility bills. For a small number of our restaurants, we do not receive actual gas or electric bills; in those cases, we calculate a per-restaurant company average emissions value and add it to the totals derived from our actual utility data. This extrapolation provides us with a complete picture of our emissions across all restaurants.

For our gas usage data, we have access to approximately 97% of our restaurant bills. For our electricity usage data, we have access to approximately 96% of our restaurant bills.

For our corporate offices estimation, we use the Energy Information Administration (EIA) 2018 Commercial Buildings Energy Consumption Survey (CBECS). With CBECS, we estimate gas and electricity usage by square footage and climate zone, then apply the appropriate emissions factors, in the same way we do for our restaurants.

Our Scope 1 direct emissions include emissions from our fleet of vehicles and two corporate jets, as well as stationary combustion in our restaurants and corporate offices.

Our Scope 2 indirect emissions include our purchased electricity used at our domestic and international restaurants and in our corporate offices.

201-2, 305-1, 305-2

CLIMATE

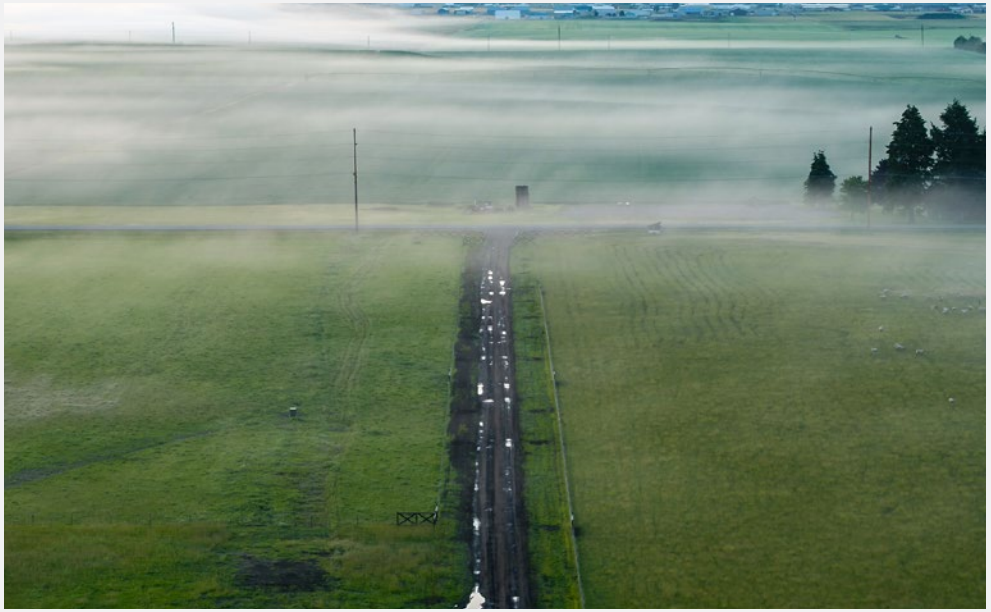
EMISSIONS

Once emission types are calculated, they are then converted to CO_2e using the Global Warming Potentials (GWP) as found in the Intergovernmental Panel on Climate Change Assessment Report.

Our Scope 1 and Scope 2 emission reporting was independently attested through an assurance engagement conducted by Eide Bailly, LLP. Our accounting methodology includes standards set forth by the Greenhouse Gas Protocol and has been reviewed by a third-party, ADEC Innovations, in order to confirm industry best practices.

In addition to Scope 1 and 2 accounting, we have committed to measuring and accounting all Scope 3 emissions by the end of 2021. As a first step, we have conducted initial Scope 3 screenings based on financial and supply chain data.

We're also in the process of developing a roadmap and methodology, for full empirical accounting of Scope 3 emissions, which will provide further detail and actionable insights. In order to achieve this, we have enlisted third-party experts, ADEC Innovations, to assist us in creating an industry-leading approach in line with industry best practices.



102-15, 305-1, 305-2

CLIMATE

EMISSIONS

Table 1: 2020 Scope 1 & 2 Emissions

Emission Category	Subcategory	Emissions (MT CO_2e/yr)	Percent Contribution
Scope 1 Emissions		**118,296**	**48%**
Restaurants	Natrual Gas	112,408	46%
Corporate Offices	Natural Gas	493	0%
Other	Natural Gas	1	0%
Restaurants	Propane	519	0%
Vehicle Fleet	Gasoline	2,948	1%
Corporate Jets	Jet Fuel	1,927	1%
Refrigerants	N/A	N/A	N/A
Scope 2 Emissions		**125,868**	**52%**
Restaurants (US)	Electricity	123,140	52%
Restaurants (International)	Electricity	532	0%
Corporate Offices	Electricity	2,180	1%
Other	Electricity	17	0%
Total Scope 1 and 2 Emissions		**244,164**	

Table 2: Historical Emissions

Total Scope 1 and 2 Emissions	Emissions (MT CO_2e/yr)
2019	257,999 MT CO_2e
2018	239,339 MT CO_2e
2017	235,955 MT CO_2e
2016	236,245 MT CO_2e

102-15, 305-1, 305-2

CLIMATE

ENERGY



Over the years, we have worked diligently to reduce energy use in our restaurants. Energy efficiency has become a key driver in reducing our environmental impact.



We consider it in almost everything we do from developing energy efficient restaurants, procuring energy efficient equipment, and installing energy management systems at all applicable restaurants.

As part of our energy conservation efforts, we aim to use renewable energy wherever possible, which accounts for nearly 22% of our total electricity sourcing. We purchase our renewable energy from hydroelectric, solar, wind, biomass, and geothermal sources. We are also exploring ways to offset our energy consumption by purchasing renewable energy certificates (RECs). Additionally, we have committed a new goal of increasing our renewable electricity sourcing year over year.

302-4, 302-1, 305-5

CLIMATE

ELECTRICITY BREAKDOWN

In 2020,

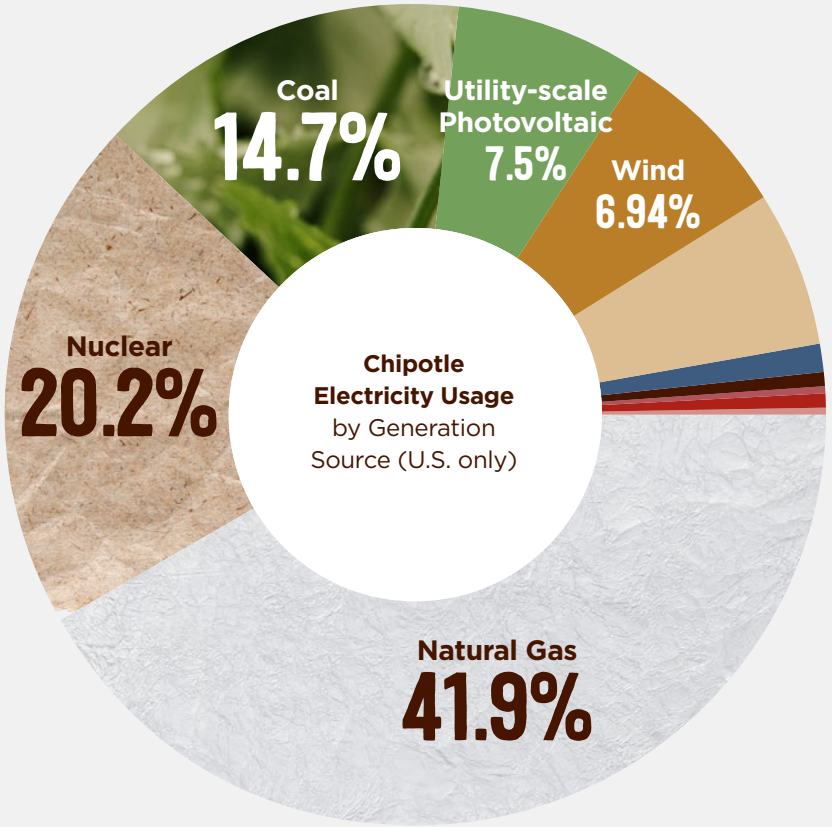
- We used approximately 294,521MWh of electricity
- Nearly 22% of electericity was from renewable energy sources

Last year, as a result of our EMS, we saved an estimated 65,582 MWh of energy, which is the emissions equivalent of:

10,000 PASSENGER VEHICLES
driven for one year

5,300 HOMES POWERED
for one year

Or nearly
5.2 MILLION GALLONS
of gasoline consumed



Conventional Hydroelectric
6.26%

Geothermal
0.98%

Biomass
0.64%

Wood and Wood-derived Fuels
0.38%

Other
0.32%

Petroleum Coke
0.13%

Petroleum Liquids
0.07%

Other Gases
0.07%

302-1, 302-4

CLIMATE

SCIENCE-BASED EMISSIONS REDUCTION TARGETS

In 2020, we committed to setting science-based reduction targets with the Science Based Targets initiative.

We've engaged our cross-functional stakeholders and employed the services of third-party experts to assess, review, and develop a path forward for verifying carbon reduction targets by the end of 2021.

As part of our overall climate commitment, we have formed an internal climate steering committee comprised of key stakeholders, to guide decision making and determine reduction targets.



201-2

CLIMATE

ENERGY MANAGEMENT SYSTEMS

As of December 31, 2020, we had installed energy management systems (EMS) in 97% of our restaurants, reducing our total energy use.

We installed the EMS using hardware from our third-party partner, GridPoint Inc., in multiple phases since 2012, adding 171 new locations in 2020. Our EMS allow us to make targeted decisions in our restaurants that greatly reduce our energy footprint. In addition to monitoring our energy output and providing accurate data, the EMS notify us of power outages and equipment issues that could result in wasted energy and food.

At the end of 2020, 2,676 of our restaurants had energy management systems installed. We have achieved our goal of installing an EMS at all applicable restaurants with the exception of unique mixed-use buildings and certain mall locations.

Our EMS control our heating, ventilation, and air-conditioning (HVAC) units, managing the temperatures in our kitchens and dining rooms. The systems track high-use equipment, such as our walk-in refrigerators and stovetop hoods. They provide targeted energy data back to our internal sustainability team for much of our restaurant equipment, allowing us to reduce both our energy footprint and our costs. This level of transparency into our energy profile allows us to make decisions, supported by real-time data, that greatly increase management capabilities and reduce consumption, all while ensuring a comfortable environment for our dine-in guests and crew members.

Last year, as a result of our EMS, we saved an estimated 65,582,000 kilowatt hours (kWh) of energy, the emissions equivalent of 10,000 passenger vehicles driven for one year, 5,300 homes powered for one year, or nearly 5.2 million gallons of gasoline consumed.

With the EMS installed in 2020, we reduced our average annual energy usage by nearly 13% per restaurant. We measure a baseline energy usage at each restaurant based on the months prior to rolling out the EMS at each individual restaurant and compare that number to the energy used since the EMS were installed. We normalize the data for weather.

We aim to drive further energy savings across our restaurants through system improvements and new learnings.



103-2, 103-3, 201-2, 302-4

CLIMATE

OFFSETS

In 2019, we began researching carbon offsets that are actively sequestering or reducing carbon emissions.

Some of the projects we have supported include landfill methane capture and agricultural methane digesters, both of which impact areas that account for a material portion of our emissions. As a start, and at the time of publication, we have offset the GHG emissions associated with all company owned aircraft, for two reporting years—offsetting a total of 3,875 tons of carbon. We intend to expand our offset program to other company emission generating categories in the near future.

	Offsets
2019	1,769 MT CO_2e
2020	2,106 MT CO_2e
Total	**3,875 MT CO_2e**



201-2, 305-5

CLIMATE

OUR FOOD

In 2020, we partnered with HowGood, an industry-leading agency with the world's largest sustainability database to further our transparency efforts and better understand the carbon footprint associated with our menu items.

This has proved to be less impactful than conventional due to our industry-leading sourcing standards. Below are the results of the emissions analysis conducted on our key menu items:

METHODOLOGY

To derive the amount of CO_2e released into the atmosphere from each ingredient, HowGood analyzed any global warming causing greenhouse gas emissions produced as a result of on-farm activities for each ingredient, in each menu item listed. All activity taking place from "farm to gate," i.e. from the growing or raising of an ingredient through to its arrival at the packing house, was considered in our calculations. This approach was adopted due to the fact that, while emissions occurring later in the supply chain are significant, they are largely unchanging regardless of the standard or quality of ingredient, and thus would not contribute meaningfully to a calculation of the difference between conventional versus responsibly-grown ingredients. Data came primarily from peer reviewed life-cycle-assessments (LCAs).

We are currently developing an empirical methodology for measuring the full impact of our ingredients and menu items as part of our Scope 3 measurement and climate commitments.

Farm to Gate Emissions by Menu Item	CO_2e KG
Barbacoa	2.48
Beans, Black	0.01
Beans, Pinto	0.01
Carnitas	0.60
Cauliflower Rice	0.08
Cheese	0.04
Chicken	0.35
Chips	0.03
Fajitas	0.02
Guacamole	0.09
Lettuce	0.01
Rice, Brown	0.04
Rice, White	0.04
Corn Salsa	0.05
Green Salsa	0.01
Red Salsa	0.01
Tomato Salsa	0.02
Sofritas	0.02
Sour Cream	0.09
Steak	2.60
Tortilla, Crispy Corn	0.01
Tortilla, Flour	0.01
Vinaigrette	0.03

201-2

REAL FOODPRINT

Real Foodprint is a first-of-its-kind tracker that provides customers with detailed impact data about their order.

At the order confirmation screen on the Chipotle app and Chipotle.com, guests receive data on five key metrics computed based on averages for the ingredients included in their order.

Real Foodprint compares average values for each of Chipotle's 53 real ingredients to their conventional counterparts against the following five key metrics:

- Less Carbon in the Atmosphere
- Gallons of Water Saved
- Improved Soil Health
- Organic Land Supported
- Antibiotics Avoided

The impact data is tracked on an ongoing basis, so that customers are able to see their lessened impact over a period of time. Real Foodprint gives our guests a look into our sourcing efforts and allows them to track how they can help Chipotle Cultivate A Better World.

HowGood Partnership

Metrics for Real Foodprint are provided by HowGood, an independent research company with the world's largest sustainability database for products and ingredients. HowGood aggregates information from Chipotle's suppliers and over 450 unique data sources, including peer-reviewed scientific literature, industry findings, and research from government and non-governmental organizations, to evaluate the average impact of Chipotle's 53 real ingredients on the environment and animal welfare. Chipotle is the first restaurant brand to partner with HowGood.

Methodology

To develop Real Foodprint, HowGood evaluated Chipotle's award-winning sourcing standards for all 53 ingredients to demonstrate the impact each Chipotle digital order is helping to have on the planet. The positive change in impact across the five key metrics is the difference between



average data for each ingredient based on Chipotle's sourcing standards and conventional, industry-average standards. HowGood also aggregated data on the percentage of each ingredient used in each Chipotle menu item, to help tailor each guest's Real Foodprint tracker.

Defining Conventional Sourcing

To establish the industry average, HowGood used data from authoritative sources like the United States Department of Agriculture, World Health Organization, and United States Food & Drug Administration to determine a baseline for conventional production of food.

201-2

WASTE

We carefully consider every item that enters our restaurants to better understand how we can control our waste and reduce our footprint.

We've adopted a holistic approach to our waste management strategy that includes carefully considering every item that enters our restaurants.

We thoughtfully assess what items are shipped in, where they are sourced from, and where they ultimately end up at the end of their life cycle. This holistic approach has allowed us to make some incredible progress in responsible waste management throughout all levels of our organization.

We prevent excess waste by being conscious of what we bring into our restaurants, starting with our ingredient shipments. We request that suppliers ship more of each item in fewer shipments, thereby using less packaging material. Then, we train each employee to mindfully prepare and cook our ingredients in ways that minimize waste.

Our ability to manage waste at each restaurant depends on who controls the location's waste infrastructure. At 52% of our restaurants, landlords manage the waste. In those cases, Chipotle isn't able to control waste, but we work with the landlords' waste contractors as much as allowed, including collaborating on annual goals and quarterly performance reports. At 48% of our restaurants, we manage our own waste. We work with a waste management company, Rubicon Global, to manage our portfolio.

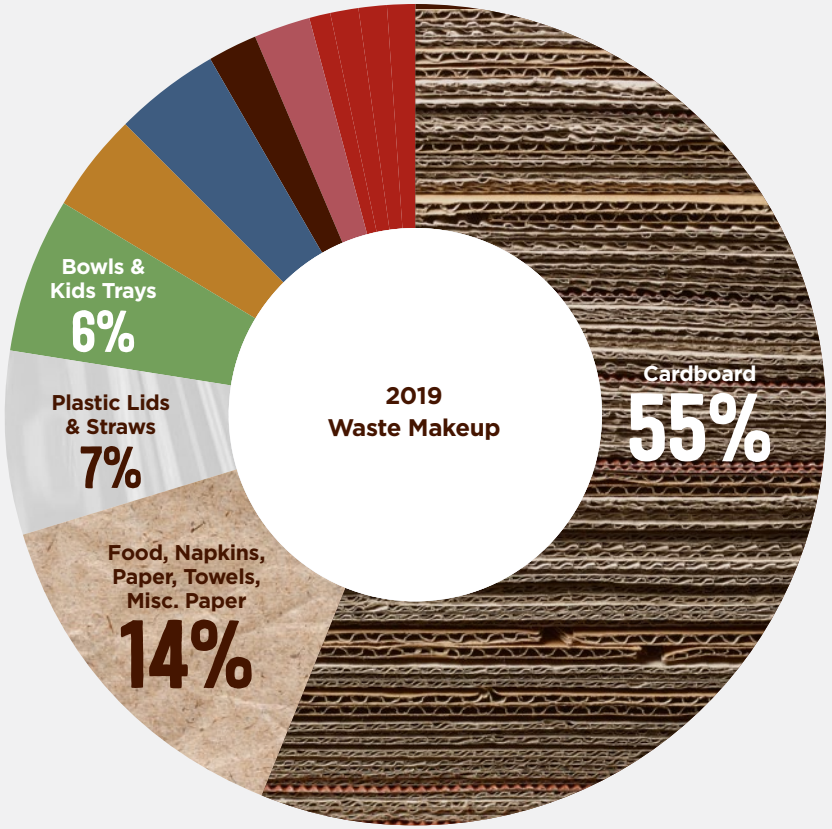
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WASTE

WASTE MAKEUP

We perform a series of waste audits every year to better understand our waste makeup and what leaves the restaurant.

Waste audits include sorting and accounting for various waste materials. Through this exercise, we can drive strategy and improve our diversion efforts. Due to COVID-19, our 2020 waste audits were postponed. We will resume waste audits when safely permissible.



Plastic Wrap & Gloves
4%

Paper Soda Cup
4%

Aluminum Foil
2%

Bathroom Waste
2%

Plastic Portion Cups & Margarita Cups
2%

Rigid Plastic
1%

Chip Bags
1%

Outside Waste
1%

Cutlery
1%

Glass Bottles
0.0%
(Less than 1%)

Plastic Beverage Bottles
0.0%
(Less than 1%)

103-2, 103-3, 306-1, 306-3

WASTE

WASTE DIVERSION OVERVIEW

RECYCLING & DIVERSION

We recycle wherever we are able to add services, and we encourage our customers, landlords, suppliers, and vendors to recycle as much as they can.

We continually try to increase the number of diversion programs in our restaurants and throughout our supply chain to promote the responsible disposal of waste. Although we are below our target to establish recycling programs at 95% of our restaurants, we have increased the number of restaurants with recycling services and our sustainability team is committed to achieving this rate.

At the end of 2020, approximately 92% of our restaurants recycled and 29% composted.

In 2020, we recycled nearly two million cubic yards, composted 60,000 cubic yards, and turned nearly 12,000 cubic yards of waste into energy, out of a total of 4.7 million cubic yards of waste. We have seen an increase in our total diversion rate despite growing our number of restaurants year over year.

Our previous goal was to divert 50% of our total landfill-bound waste from landfills through diversion programs by 2020, against a baseline of a 37% diversion rate at the end of 2016 and 47% at the end of 2019. We are proud to announce that we have achieved this rate and will further our diversion efforts through expanding on our previous commitments.

In 2020,

We achieved a
51% LANDFILL DIVERSION RATE

Approximately
92% OF OUR RESTAURANTS WERE RECYCLING
(2552)

Approximately
29% OF OUR RESTAURANTS WERE COMPOSTING
(803)



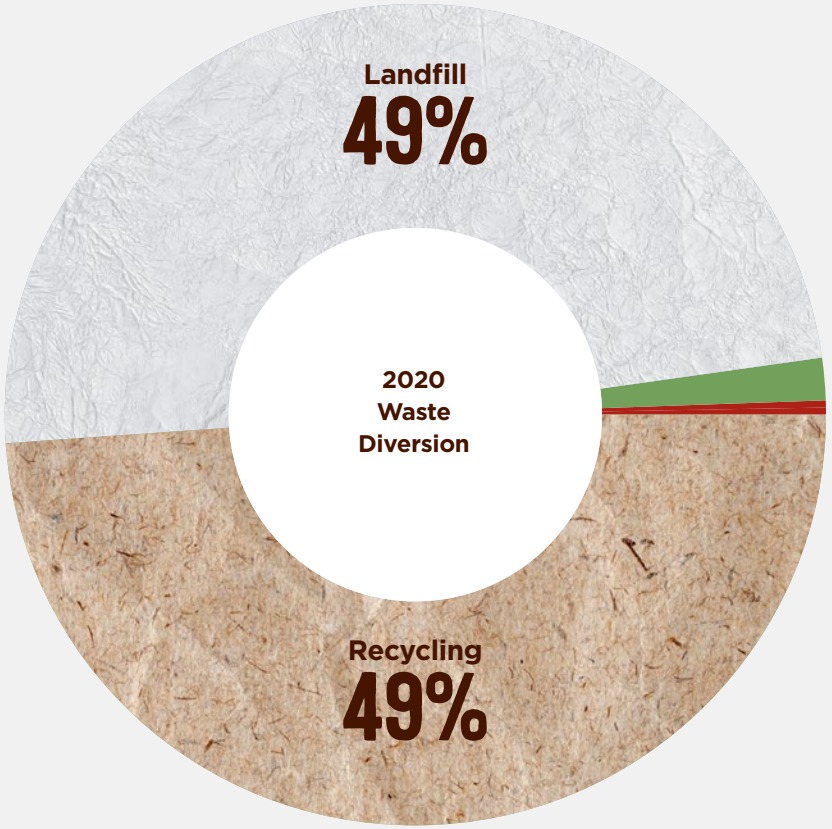
103-2, 103-3, 306-1, 306-2, 306-3, 306-4, 306-5

WASTE

WASTE DIVERSION

At the end of 2020 we achieved our diversion goal by achieving a

51% DIVERSION RATE



Composting
2%

Food Donations
<1%

Oil
<1%

Waste to Energy
<1%

103-2, 103-3, 306-1, 306-2, 306-4, 306-5

WASTE

WASTE AND THE ROLE OF DATA

RIGHTSIZING & THE ROLE OF DATA

We rely extensively on data to develop and manage our waste goals.

While we only manage the waste program at 48% of our locations, we need to be able to measure waste at all locations. In order to do so, we have created a waste matrix, into which we have extrapolated our existing waste data from the locations where we do manage waste, in order to predict and manage our waste diversion rates across all our restaurants. We are able to accurately predict how much waste a restaurant produces—down to the single cup, bowl, and avocado pit—based on sales data. This data allows us to frame our business and operational decisions through the lens of environmental responsibility.

We further extrapolated this waste data to help us ensure proper service levels. "Rightsizing" is the process of adjusting waste service levels to better align with actual waste output. To determine the actual waste output of each restaurant, we took sales data and created a yard-per-dollar ratio, then filtered that through our waste matrix. In doing so, we identified restaurants that were both over- and under-serviced. We realized that we had an opportunity to increase our recycling services while also decreasing our trash services, a process we began in 2016 and that has continued to yield a significant environmental and financial impact. As a result, we have a better understanding of what our waste service levels should be for existing restaurants and know how to best set up our new restaurants with successful waste programs. We're also able to confirm that our restaurants are properly diverting all their recyclable materials.



Since starting the program in 2016, we have completed seven rightsizing initiatives. Through these initiatives, we've reduced our average waste by 25% and have saved more than $1.28 million. In 2020, we decreased trash services at 508 restaurants, added or increased recycling services at 672 restaurants, and added composting at 103 restaurants.

103-2, 103-3, 306-2

WASTE

WASTE INNOVATION

CASE STUDY: THE GLOVE-TO-BAG PROJECT

While single-use gloves are a necessity in our industry, the vast majority of them end up in the landfill. At Chipotle, over 95% of our gloves ended up there.

With an eye towards our diversion goals, and no existing solution available, we worked with our partner, Revolution Bag, to innovate a new closed-loop solution.

In 2018, we began a pilot program in Portland, Oregon, where our employees' used plastic gloves were recycled and turned into 54% of the waste bags used in our very own restaurants.

In 2019 and 2020, we expanded the Gloves to Bags program to an additional 3 markets incuding San Jose, Sacramento, and Los Angeles.

In addition to our used plastic gloves, Revolution Bag takes post-consumer



agricultural plastics, which would otherwise end up discarded or in the landfill, and produces high-quality trash can liners. To date, Revolution Bags has given more than one billion pounds of dirty used plastic a second life—and now that includes some of Chipotle's plastic gloves that were destined for the landfill.

Giving our used gloves a second life is only the beginning of our upcycling initiatives and we look forward to expanding the initiative across additional markets in 2021 and beyond.

CASE STUDY: CHIPOTLE GOODS: AVOCADO DYE

In 2020, we began exploring ways to reuse food waste items from our restaurants. We created our first-ever natural dye line as part of our Chipotle Goods clothing launch. The natural dye capsule utilized nearly 60,000 avocado pits, collected from our restaurants, to dye sweatshirts, tee-shirts, and tote bags. By leveraging food scrap items from our restaurants, we were able to give them a second life and ensure they would not end up in the landfill. All while avoiding the use of toxic dyes found in the textile industry. We have continued to reuse our avocado pits and plan to expand the line to include additional food scrap materials in the near future.



103-2, 103-3

WASTE

FOOD WASTE

While managing food waste can be a challenge, we have deliberately worked to reduce the amount of food wasted throughout our supply chain—edible and otherwise.

We follow the entire journey of our ingredients from the field to the restaurant, with a goal to decrease food waste. For example, we work with our suppliers to ensure our high standards are not producing excess waste. We closely monitor our ingredients throughout the distribution network to ensure as little is wasted as possible.

We take care to store and prep our ingredients mindfully so as to eliminate as much unnecessary waste as possible. We instruct our restaurant staff to be mindful of every head of lettuce, bell pepper, or onion they prep and every piece of meat they cook—just as they would be at home. In this way, we are incorporating our commitments to sustainability and avoiding unnecessary food waste into the preparation process.

As an example of how Mindful Prep works, we looked at the amount of key ingredients we used in 2015 versus 2014—establishing a baseline for ourselves moving forward, using years without major data anomalies. Year over year, adjusted for sales, we saved roughly 3% of the total avocados we purchased, 5% of the limes, 15% of the red onions, and 20% of the bell peppers. Eliminating food waste remains a focus in each of our kitchens.

For food waste that is not edible, such as kitchen prep scraps and customer waste, we have a compost program by which this organic material can be diverted from the landfill. At the end of 2020, 803, or 29%, of our restaurants had a compost program in place. We will continue to introduce composting programs in those restaurants where composting is available within their municipalities.

HARVEST PROGRAM

Small batch cooking also allows us to minimize the amount of food waste from our line each day. For prepared food that is edible at the end of the night, each restaurant has access to a food donation program, The Harvest Program. In 2020, we donated 455,766 pounds of food, an estimated cost of $5,186,345 to those in need through 468 local community partners. Since we began participating in the Harvest Program in 2007, we have donated enough food for an estimated 11,844,049 meals throughout the U.S.



103-2, 103-3, 306-2

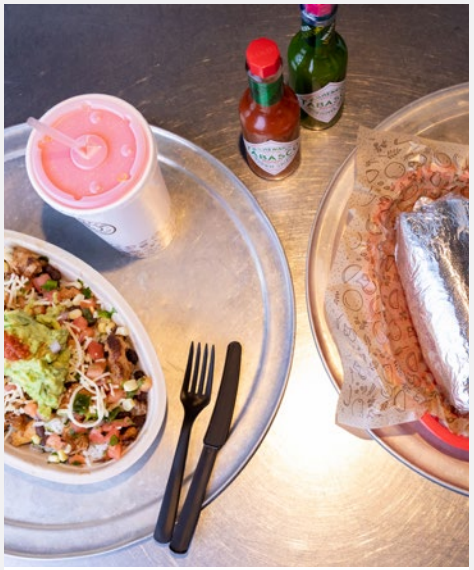
PACKAGING

SUSTAINABILITY & PACKAGING

Our Paper & Packaging team works very closely with our sustainability team to improve the overall sustainability of our packaging. As packaging makes up nearly one-third of all of our waste, improving the environmental impact of our packaging is a top priority. We believe a sustainable packaging program must include both a diversion and reduction component. In 2020, 56% of our consumer packaging was renewable. We're actively working to introduce more compostable and recyclable packaging, while reducing the material used in our packaging.

In the past, our forks, spoons, and knives were made from clear polystyrene, which made them difficult to recycle due to material and color. Our cutlery was modified nationwide to use black polypropylene, which is less dense and therefore requires less plastic. Additionally, switching the color of our cutlery to black allows us to potentially increase the amount of recycled content in our cutlery by using any color of recycled polypropylene (versus clear cutlery, which only allowed for clear recycled polypropylene). Polypropylene is also more readily recyclable versus polystyrene, allowing us to keep more of our cutlery out of the landfill. In 2020, we designed a new fork that utilizes 20% less plastic. Our new designs were piloted in select markets and are planned for national rollout by the end of 2021. While COVID-19 has put us behind our 2020 target, we remain committed to achieving this goal.

We're also exploring new market innovations, including materials made from carbon sequestration practices, upcycled materials, and marine biodegradable bioplastics. We look forward to continuing to make progress in this area including piloting some of these new materials in 2021.



Our current sustainable packaging goals are to:

Goal: Pilot at least one innovative new packaging design that reduces plastic in 2021

Goal: Pilot closed-loop recycling program for our cutlery

IMPROVING SHIPPING

Cardboard alone accounts for approximately half of our total waste — much more than food—and is a significant focus of our sustainability program.

We're continuing to optimize the logistics of our packaging, starting with our most highly used packaging items.

In 2018, we changed the shape of our compostable burrito bowl slightly in order to double the amount of bowls that fit in a single case. Through this effort, we were able to considerably reduce the amount of cardboard packaging used and total cases of burrito bowls shipped on an annual basis.

In 2020, we continued to improve our case optimization efforts by adjusting our tortilla chip packaging. This improvment has allowed us to ship nearly 7% more product in the same packaging and reduced the need for shipping of an additional 94,000 cases.

103-2, 103-3, 301-1, 301-2

PACKAGING

LOGISTICS

Shortening the distance between where our suppliers ship goods and our restaurants shortens lead times and reduces pollution, miles traveled, and greenhouse gas emissions. Our aluminum foil lids and sheets, cups, cup lids, and paper bags are currently manufactured and processed within North America, reducing Chipotle's global emissions footprint and allowing for shorter truck routes. In 2019, our Distribution & Logistics team focused on reducing overall inbound truckloads by 5%, by improving packaging routes and minimizing packaging shipments that travel through the storage HUB—driving a reduction in emissions—despite seeing a large amount of growth.

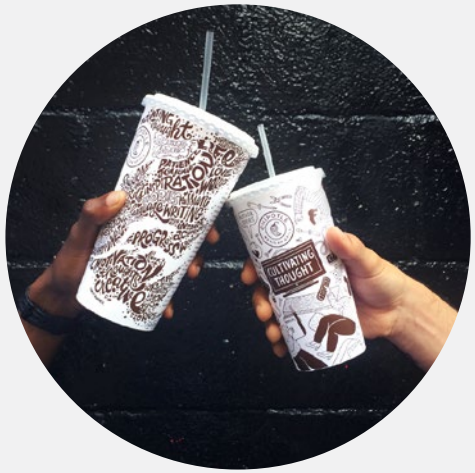
In 2020, we made additional improvements by completely removing redistribution from our network, thus further reducing miles traveled. We did have headwinds, however, on payload optimization because of COVID-19's impact on the flow of inventory.

SAFETY & PACKAGING

We are committed to safe and sustainable food packaging and only partner with suppliers who make food safety and customer health a top priority. These suppliers operate under strict guidelines set forth by the FDA. Each supplier has provided Chipotle with certification that all raw material and finished pulp products fully meet the FDA regulatory guidelines for the safe use of only approved polyfluoroalkyl substances (PFAS). Specifically, no packaging includes the three long-chain PFAS compounds prohibited by the FDA's 21 code of Federal Regulations.

We follow all applicable regulations related to the use and disposal of our packaging products. If a product comes into contact with food, we ensure the product is FDA-approved. We ask our suppliers to provide certification that packaging is free of Bisphenol A (BPA, an industrial chemical for plastics that can seep into food), perfluorinated chemical (PFC, a toxic chemical), conflict minerals and nanoparticles, and that it is Biodegradable Products Institute (BPI)-certified compostable where applicable. We also ask suppliers to verify all ingredients and the country of origin of each ingredient, as well as recycled content.

With safety a top priority, we have previously committed to removing PFAS from our packaging items. At the time of publication, we have transitioned 100% of our burrito bowls. Kids' trays will complete the transition by the end of 2021.



Our packaging suppliers, and internal packaging team, continue to invest in the research and expertise to re-conceptualize the products, processes, systems, and sources to keep food safety a top priority for all the communities we serve.

In 2020,

100% of our bags were made with
100% RECYCLED CONTENT OR NATURAL FIBER

100% of our napkins were made with
100% RECYCLED FIBER OR NATURAL FIBER

100% of our bowls and kids meal trays were made with
100% COMPOSTABLE PLANT-BASED FIBER

91% of our restaurants had a
DIVERSION PROGRAM (RECYCLING AND/OR COMPOST) FOR PACKAGING

100% of the paper in our cups was
SUSTAINABLE FORESTRY INITIATIVE (SFI) CERTIFIED

103-2, 103-3, 301-1, 301-2

SUSTAINABLE DESIGN & DEVELOPMENT

From our design team that builds our restaurants with energy efficiency in mind, to our procurement team that purchases energy-efficient equipment, to our facilities team that helps drive down energy usage by maintaining and fixing equipment, we are constantly looking for ways to build and operate more sustainable restaurants.

We have consulted Leadership in Energy and Environmental Design (LEED®) green building standards in a number of our restaurants and continue to consider them when we construct new restaurants. We work with the Food Service Technology Center, a national resource for commercial foodservice energy efficiency, to test the efficiencies of our restaurant equipment.

We prioritize the utilization of the following equipment to lessen environmental impact across our restaurants:

- Full LED lighting
- High efficiency heating and cooling systems
- Energy Management Systems
- Low-flow plumbing fixtures
- Tankless water heaters
- EnergyStar rated kitchen equipment
- Finishes with low volatile organic compounds (VOCs)

Beyond sustainable operations, we are in the process of piloting an innovative construction diversion program at six locations. We anticipate the reclamation and recycling of mixed metals, concrete, asphalt, and gypsum board. With the completion of the pilot, we then plan to scale the program to include future remodels and new construction projects.

Furthermore, we look forward to integrating our restaurant development as part of our overall climate and sustainability commitments in 2021.



WATER MANAGEMENT

Water is an invaluable part of our business and we look for opportunities to conserve water wherever possible.

We recognize that our biggest opportunity for water conservation and stewardship is at the supply chain level. In 2019, we started engaging with our meat and dairy farmers more formally to discuss their water management practices. In 2020, we edited our supplier audit form to include questions about water management in an effort to baseline and better understand our water impact throughout the value chain. Starting in 2021, suppliers will provide answers to these water-related questions which we will use to develop a better understanding of our water impact. As of this year, we plan to further our commitment to reducing our water impact by conducting an updated water assessment at the restaurant and supply chain level. As we map our supply chain impact, we will also assess water withdrawals by source, areas of water stress, and identify freshwater versus non-freshwater impacts. This data will help inform future goals around water management, including tracking water source and withdrawals in water strained areas.

We manage water use in our restaurants through recovery, reuse, recycling, and proper wastewater disposal. At minimum, we strive for total compliance with local regulations pertaining to effluent discharge and have had very few issues of non-compliance.

We reduce water usage at our restaurants by making continual improvements in design, facilities and procedures, and data gathering. Between November 2015 and November 2016, we collected water data from 123 Chipotle restaurants nationwide, and found that each restaurant was using 48,000 gallons of water per month on average. Over the last few years, we have implemented



103-2, 103-3, 303-1, 303-2, 303-3

WATER MANAGEMENT

a number of major water-saving changes to our restaurant design and equipment. In both existing and new restaurants, we look to install low-flow toilets, urinals, faucets, and spray valves to reduce daily water consumption in our restaurants. Additionally, we plan on conducting an updated analysis in the near future.

In 2015, we introduced a new low-flow dish sink sprayer that reduces water usage by 0.35 gallons per minute (GPM) compared to our previous model. Because of this innovation, more than 2,000 of our restaurants are collectively saving 700 gallons of water every minute that these low-flow dish sink sprayers are in use.

In drought-prone areas such as California, we use native and drought-tolerant plants in our landscaping to reduce exterior water use. At many of our new, freestanding restaurants, we include on-site water retention for rainwater when permissible. Rather than sending rainwater directly into the storm water system, on-site retention allows soil to rehydrate itself naturally, thus reducing the need for irrigation.

Our Facilities team teaches our restaurant teams how to make simple repairs and perform basic, preventative maintenance on equipment to maximize water efficiency. Part of their regular maintenance includes completing an ownership checklist that itemizes all the water-consuming equipment in our restaurants, making it easy to identify any waste and fix minor leaks.

At minimum, we strive for total compliance of all local regulations pertaining to effluent discharge and have had very few issues of non-compliance.

At the restaurant level, our Sustainability team collects data from multiple sources to uncover opportunities for reducing water usage. Because we are often tenants and do not have access to our water data, we use the data that we do have to extrapolate information about our water usage across our building portfolio. We also conduct visual audits at our restaurants, which helps inform some of our key design and equipment decisions.

As we map our supply chain, we will also work to measure our water withdrawals by source, areas of water stress, and freshwater vs. non-freshwater. It is important for us to understand the water risk of the areas from which we source our key ingredients, particularly as the effects of climate change increase.

We work closely with our utility broker and local water utility providers to identify restaurants with high water usage and work to reduce their usage, particularly in key usage areas (cleaning, restrooms, food prep, and water for soda and ice). We also look for trends and opportunities that can inform best practices across our restaurants.

103-2, 103-3, 303-1, 303-2, 303-3

ENVIRONMENTAL COMPLIANCE

We had very few issues of non-compliance with environmental laws and regulations in 2020—and these were primarily minor infractions, such as overflowing garbage dumpsters or water discharge violations due to incomplete grease trap maintenance records.

Although such contraventions are common in our industry, we continue to strive for zero instances of environmental non-compliance.

307-1

FORWARD-LOOKING STATEMENT

Certain statements in this report, including statements under the heading "Our New Goals," which relate to our food and animal, people, and environment goals, and statements regarding our goals, plans, and initiatives with respect to staffing, employee benefits, our supply chain standards and auditing, environmental goals and philanthropy, as well as other statements of our expectations and plans, are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995.

We use words such as "anticipate", "believe", "could", "continue", "should", "estimate", "expect", "intend", "may", "predict", "target", and similar terms and phrases, including references to assumptions, to identify forward-looking statements.

The forward-looking statements in this report are based on information available to us as of the date such statements are made and we assume no obligation to update these forward-looking statements.

These statements are subject to risks and uncertainties that could cause actual results to differ materially from those described in the statements. These risks and uncertainties include the risk factors described from time to time in our SEC reports, including our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q, all of which are available on the investor relations page of our website at ir.chipotle.com.

GRI CONTENT INDEX

The 2020 Chipotle Sustainability Report aligns with the GRI Standards framework set forth by the Global Reporting Initiative (GRI). In addition, this report also uses the Food Processing Supplement to address topics that are specific to our sector. The table below outlines which disclosures we have addressed in this report and where they are located. We have also included tags throughout this report. This report has been prepared in accordance with the GRI Standards: Core Option.

GRI INDEX

GRI 101: FOUNDATION 2016

GENERAL DISCLOSURES

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 102: General Disclosures 2016	102-1	Name of the organization	About Chipotle (pages 6) **Direct Response:** Chipotle Mexican Grill, Inc.	
	102-2	Activities, brands, products, and services	About Chipotle (pages 6-7)	
	102-3	Location of headquarters	About Chipotle (page 7)	
	102-4	Location of operations	About Chipotle (pages 6-7)	
	102-5	Ownership and legal form	About Chipotle (page 7)	
	102-6	Markets served	About Chipotle (pages 6-7)	
	102-7	Scale of the organization	About Chipotle (pages 6-7); Employee Overview (page 70)	
	102-8	Information on employees and other workers	Employee Overview (pages 70-79)	
	102-9	Supply chain	Supply Chain Priorities & Oversight (pages 26-29) Meat & Dairy Supply Chain (page 36) Produce Supply Chain (page 46) Additional Ingredients (page 50)	
	102-10	Significant changes to the organization and its supply chain	**Direct Response:** There were no significant changes to the organization's structure, ownership or supply chain. In 2020 we added 145 new restaurants.	
	102-11	Precautionary Principle or approach	**Direct Response**: While Chipotle Mexican Grill does not have a formal policy regarding the precautionary principle or approach, we support a precautionary approach by communicating potential risks, providing complete information on risks to the consumer and the public in our 10k, Proxy Statement, and Sustainability Report. Further, we support scientific climate research and are addressing the impact of climate change on our business, as listed in GRI 201-2.	

GRI INDEX

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 102: General Disclosures 2016 *(Continued)*	102-12	External initiatives	Our Commitment to Farmers (page 32); Animal Welfare (pages 42-43)	
	102-13	Membership of associations	Our Meat and Dairy (page 38)	
	102-14	Statement from senior decision-maker	A Letter from our CEO, Brian Niccol (page 4)	
	102-15	Key impacts, risks, and opportunities	Materiality (page 8); Climate: Risk & Adaptation (pages 129-130)	
	102-16	Values, principles, standards, and norms of behavior	About Chipotle (pages 6-7); Our Values (page 69)	
	102-17	Mechanisms for advice and concerns about ethics	Ethics (page 101)	
	102-18	Governance structure	Governance (pages 105-109)	
	102-19	Delegating authority	Governance (pages 105-109)	
	102-20	Executive-level responsibility for economic, environmental, and social topics	Governance (page 105)	
	102-23	Chair of the highest governance body	Governance (pages 107-109)	
	102-26	Role of highest governance body in setting purpose, values, and strategy	Governance (page 105)	
	102-28	Evaluating the highest governance body's performance	Governance (pages 105-106)	
	102-29	Identifying and managing economic, environmental, and social impacts	Governance (pages 105-106)	
	102-30	Effectiveness of risk management process	Governance (page 105); Shareholder Engagement (page 110)	
	102-31	Review of economic, environmental, and social topics	Governance (page 105)	
	102-32	Highest governance body's role in sustainability reporting	About this Report (page 5)	
	102-35	Remuneration policies	Proxy Statement: Compensation Discussion and Analysis(pages 40-56), CEO Pay Ratio (page 70)	
	102-40	List of stakeholder groups	Shareholder Engagement (page 110)	
	102-41	Collective bargaining agreements	Employee Overview (page 70)	
	102-42	Identifying and selecting stakeholders	Shareholder Engagement (page 110)	
	102-43	Approach to stakeholder engagement	Shareholder Engagement (page 110)	
	102-44	Key topics and concerns raised	Materiality (page 8)	
	102-45	Entities included in the consolidated financial statements	About Chipotle (pages 6-7)	
	102-46	Defining report content and topic Boundaries	About this Report (page 5)	
	102-47	List of material topics	Materiality (page 8); Materiality Map (page 9)	
	102-48	Restatements of information	Materiality (page 8); Materiality Map (page 9)	

GRI INDEX

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	102-49	Changes in reporting	Materiality (page 8)	
	102-50	Reporting period	About this Report (page 5)	
	102-51	Date of most recent report	About this Report (page 5)	
	102-52	Reporting cycle	About this Report (page 5)	
	102-53	Contact point for questions regarding the report	About this Report (page 5)	
	102-54	Claims of reporting in accordance with the GRI Standards	About this Report (page 5)	
	102-55	GRI content index	GRI Index (pages 156-168)	

MATERIAL TOPICS

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
ATTRACTION & RETENTION OF TALENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); New Hires (pages 76-77); Benefits Overview (pages 80-87); Turnover & Development (pages 90-91)	
	103-3	Evaluation of the management approach	Materiality (page 8); New Hires (pages 76-77); Benefits Overview (pages 80-87); Turnover & Development (pages 90-91)	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	New Hires (pages 76-77); Turnover & Development (pages 90-91)	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits Overview (pages 80-87)	
	401-3	Parental leave	Benefits Overview (page 81)	
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Turnover & Development (page 91)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Turnover & Development (page 91) **Direct Response:** CMG does not vary training hours based on gender.	
	404-2	Programs for upgrading employee skills and transition assistance programs	Food Safety #5 Food Safety Certification (page 60); Turnover & Development (pages 91-94)	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Employee Evaluation & Compensation (page 95)	
CLIMATE CHANGE MANAGEMENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Climate (page 128)	
	103-3	Evaluation of the management approach	Materiality (page 8); Climate (page 128)	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Climate: Risk & Adaptation (pages 129-130); Climate: Science-Based Emissions Reduction Targets (page 136); Climate: Energy Management Systems (page 137); Climate: Offsets (page 138); Climate: Our Food (page 139); Climate: Real Foodprint (140)	
	201-4	Financial assistance received from government	Ethics (page 102)	
COMMUNITY INVESTMENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Giving (pages 113-122)	
	103-3	Evaluation of the management approach	Materiality (page 8); Giving (pages 113-122)	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Giving (pages 113,115-122); Our Commitment to Farmers (page 32); Food Safety #2 Farmer Support & Training (page 57)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	203-2	Significant indirect economic impacts	Local Growers Program (page 48); Giving (pages 113-122)	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	**Direct Response:** 100% of our operations have access to community engagement through food donation, community fundraisers, Community Outreach Grants, and volunteer initiatives.	
CUSTOMER HEALTH AND WELLNESS				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Customers (pages 103-104)	
	103-3	Evaluation of the management approach	Materiality (page 8); Customers (pages 103-104)	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Our Real Ingredients (page 34); Animal Welfare (pages 42-43); Food Safety #1 Supplier Intervention (page 56); Food Safety #3 Advanced Technology (page 58); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Procedures (page 61); Food Safety #7 Ingredient Traceability (page 62)	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Animal Welfare (page 43)	
GRI 417: Marketing and Labeling 2016	417-3	Requirements for product and service information and labeling Incidents of non-compliance concerning product and service information and labeling Incidents of non-compliance concerning marketing communications	Customers (pages 103-104) **Direct Response:** In 2020, there were few incidences of non-compliance with regulation concerning marketing communications.	
GRI 2018: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customers (page 103)	

GRI INDEX

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
ENERGY & GREENHOUSE GAS MANAGEMENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Climate (page 128); Climate: Risk & Adaptation (pages 129-130); Climate: Energy (page 134); Climate: Energy Management Systems (page 137)	
	103-3	Evaluation of the management approach	Materiality (page 8); Climate (page 128); Climate: Risk & Adaptation (pages 129-130); Climate: Energy (page 134); Climate: Energy Management Systems (page 137)	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Climate: Energy (page 134); Climate: Electricity Breakdown (page 135)	
	302-4	Reduction of energy consumption	Climate: Electricity Breakdown (page 135)	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Climate: Emissions (pages 131-133)	
	305-2	Energy indirect (Scope 2) GHG emissions	Climate: Emissions (pages 131-133)	
	305-4	GHG emissions intensity	**Direct Response:** Scope 1 and Scope 2 greenhouse gas emissions intensity ratio for 2020, inclusive of N_2O, CO_2 and CH_4 as compared to total annual revenue: 40.69 MT CO_2e/$M	
	305-5	Reduction of GHG emissions	Climate: Energy (page 134); Climate: Electricity Breakdown (page 135); Climate: Offsets (page 138)	
ETHICAL BUSINESS PRACTICES				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Ethics (pages 101-102)	

GRI INDEX

GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	103-3	Evaluation of the management approach	Materiality (page 8); Ethics (pages 101-102)	
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Ethics (pages 101-102)	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Board of Directors (page 107); Senior Management Team (page 109); Employee Overview (pages 70-79)	
GRI 415: Public Policy 2016	415-1	Political contributions	Ethics (page 102)	
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	Customers (pages 103-104) **Direct Response:** In 2020, there were few incidents of non-compliance with regulation concerning marketing communications	
FAIR LABOR PRACTICES				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Supply Chain Priorities & Oversight (pages 26-28); A Letter from Kerry Bridges (page 53); Food Safety Overview & Oversight (page 54); Employee Safety (pages 88-89)	
	103-3	Evaluation of the management approach	Materiality (page 8); Supply Chain Priorities & Oversight (pages 26-28); Food Safety Overview & Oversight (page 54); Employee Safety (pages 88-89)	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	A Letter from Kerry Bridges (page 53); Food Safety Overview & Oversight (page 54); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Inspections (page 61); Employee Safety (pages 88-89)	
	403-2	Hazard identification, risk assessment, and incident investigation	Food Safety #4 Enhanced Restaurant Procedures (page 59); Employee Safety (pages 88-89)	
	403-3	Occupational health services	A Letter from Kerry Bridges (page 53); Food Safety Overview & Oversight (page 54); Food Safety #4 Enhanced Restaurant Procedures (page 59)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	403-4	Worker participation, consultation, and communication on occupational health and safety	A Letter from Kerry Bridges (page 53); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #6 Restaurant Procedures (page 61); Food Safety #8 Advisory Council (page 63); Employee Safety (pages 88-89) **Direct Response:** While we have a formal food safety advisory council, we do not have formal joint management-worker health and safety committees.	
	403-5	Worker training on occupational health and safety	Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Procedures (page 61)	
	403-6	Promotion of worker health	A Letter from Kerry Bridges (page 53); Food Safety #4 Enhanced Restaurant Procedures (page 59)	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Food Safety Overview & Oversight (page 54); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Procedures (page 61); Food Safety #7 Ingredient Traceability (page 62); Food Safety #8 Advisory Council (page 63)	
	403-8	Workers covered by an occupational health and safety management system	Food Safety Overview & Oversight (page 54); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Procedures (page 61) **Direct Response:** Chipotle has an occupational health & safety management system for all employees, including contractors, that adheres to FDA & CDC guidelines. The occupational health & safety management system is internally audited monthly.	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Board of Directors (page 107); Senior Management Team (page 109)	
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	**Direct Response:** Cultivating A Better World where people can thrive is an essential component our purpose. We have built our culture through our commitment to ensuring a workplace free from discrimination. There were 290 concerns of discrimination closed in 2020, or 5% of total complaints received through various reporting channels. Chipotle uses Navex/Ethicspoint as the primary channel for employees to bring forth issues, however we have additional methods where our crew can connect with a manager or company leaders, including an anonymous hotline. 60% of the time our employees choose to identify themselves while using this hotline. 45% choose to identify themselves when disclosing discrimination concerns.For instances where discrimination was substantiated or partially substantiated (23% of discrimination cases), we took action 100% of the time, with discipline/termination 68%, training 15% & policy review 17% as the remediation.	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Supply Chain Priorities & Oversight (pages 26-27)	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply Chain Priorities & Oversight (pages 26-27)	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Ethics (page 101)	
GRI 412: Human Rights Assessment 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Ethics (page 102)	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Our Real Suppliers (page 30)	
FOOD & AGRICULTURE ADVOCACY				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8)	
	103-3	Evaluation of the management approach	Materiality (page 8)	
GRI 415: Public Policy 2016	415-1	Political contributions	Ethics (page 102)	
FOOD SAFETY & QUALITY				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Animal Welfare (pages 42-43); A Letter from Kerry Bridges (page 53); Food Safety Overview & Oversight (page 54)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	103-3	Evaluation of the management approach	Materiality (page 8); Animal Welfare (pages 42-43); A Letter from Kerry Bridges (page 53); Food Safety Overview & Oversight (page 54)	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Animal Welfare (pages 42-43); Food Safety #1 Supplier Intervention (page 56); Food Safety #3 Advanced Technology (page 58); Food Safety #4 Enhanced Restaurant Procedures (page 59); Food Safety #5 Food Safety Certification (page 60); Food Safety #6 Restaurant Procedures (page 61); Food Safety #7 Ingredient Traceability (page 62)	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Animal Welfare (pages 42-43)	
G4 Food Processing Sector Disclosures 2010	FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	Animal Welfare (pages 42-43)	
FOOD SECURITY & AFFORDABILITY				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Our Commitment to Farmers (page 32); Aluminaries Overview (pages 120-121)	
	103-3	Evaluation of the management approach	Materiality (page 8); Our Commitment to Farmers (page 32); Aluminaries Overview (pages 120-121)	
RESPONSIBLE FOOD SOURCING				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Supply Chain Priorities & Oversight (pages 26-28); Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	103-3	Evaluation of the management approach	Materiality (page 8); Supply Chain Priorities & Oversight (pages 26-28); Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Local Growers Program (page 48)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Environmental Compliance (page 153)	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Our Real Suppliers (page 30)	
	308-2	Negative environmental impacts in the supply chain and actions taken	Our Real Suppliers (page 30)	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	**Direct Response:** 100% of our operations have access to community engagement through food donation, community fundraisers, Community Outreach Grants, and volunteer initiatives.	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Priorities & Oversight (pages 26-29)	
	414-2	Negative social impacts in the supply chain and actions taken	Animal Welfare (page 42-43)	
G4 Food Processing Sector Disclosures 2010	FP1	Percentage of purchased volume from suppliers compliant with Company's sourcing policy	Supply Chain Priorities & Oversight (pages 26-29); Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	FP5	Percentage of production volume manufactured in sites certified by an independent third party according tointernationally recognized food safety management system standards	Animal Welfare pages (42-43)	
	FP9	Percentage and total of animals raised and/or processed, by species and breed type	Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic	Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type	Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
	FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	Our Meat & Dairy (pages 38-39); Animal Welfare (pages 42-43)	
	FP13	Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals	Animal Welfare (pages 42-43)	
SASB Food & Beverage: Restaurants Standard 2018	FB-RN-430a.1	Percentage of food purchased that (1) meets environmental and social sourcing standards and (2) is certified to third-party environmental and/or social standards	Animal Welfare (pages 42-43)	
	FB-RN-430a.2	Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	Animal Welfare (pages 42-43)	
	FB-RN-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Our Meat & Dairy (pages 38-39); Animal Welfare pages 42-43)	
TRANSPARENCY & DISCLOSURE				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About this Report (page 7); Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); 2020 Impact Overview (pages 10-13); Achieved Goals (page 14); Our New Goals (16-18)	
	103-3	Evaluation of the management approach	Materiality (page 8); 2020 Impact Overview (pages 10-13); Achieved Goals (page 14); Our New Goals (16-18)	
WASTE MANAGEMENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Waste (pages 141-147); Packaging (pages 148-149)	
	103-3	Evaluation of the management approach	Materiality (page 8); Waste (pages 141-147); Packaging (pages 148-149)	

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GRI Standard	GRI Number	Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Packaging (pages 148-149)	
	301-2	Recycled input materials used	Packaging (pages 148-149)	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste (page 141); Waste: Waste Makeup (page 142); Waste: Waste Diversion Overview (page 143); Waste: 2020 Waste Diversion (page 144)	
	306-2	Management of significant waste-related impacts	Waste (page 141); Waste: Waste Diversion Overview (page 143); Waste: 2020 Waste Diversion (page 144); Waste: Waste and the Role of Data (page 145); Waste: Food Waste (page 147)	
	306-3	Waste generated	Waste: Waste Makeup (page 142); Waste: Waste Diversion Overview (page 143)	
	306-4	Waste diverted from disposal	Waste: Waste Diversion Overview (page 143); Waste: 2020 Waste Diversion (page 144)	
	306-5	Waste directed to disposal	Waste: Waste Diversion Overview (page 143); Waste: 2020 Waste Diversion (page 144)	
WATER MANAGEMENT				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality (page 8)	
	103-2	The management approach and its components	Materiality (page 8); Water Management (pages 151-152)	
	103-3	Evaluation of the management approach	Materiality (page 8); Water Management (pages 151-152)	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water Management (pages 151-152)	
	303-2	Management of water discharge-related impacts	Water Management (pages 151-152)	
	303-3	Water withdrawal	Water Management (pages 151-152)	