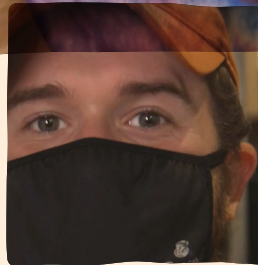




DIVERSITY, EQUITY, AND INCLUSION

2020 Progress Report



Creating the World We Want to See

Diversity, Equity, and Inclusion

2020 Progress Report



Note from Niren

Team,

May 25, 2021, marked one year since George Floyd's death. That event and the video of it that moved from our screens to our collective consciousness put a spotlight on race in America and accelerated the need for progress in our diversity, equity and inclusion (DEI) initiatives at Panera.

At that time, we recommitted to making Panera more inclusive, tolerant, respectful and compassionate. I'm proud to say that we undertook this work with a sense of urgency and made a great deal of progress in the past 12 months – even as pandemic-related challenges also demanded our energy and time. We now have a dedicated DEI leader in Pam Morris-Thornton and a robust, three-year DEI strategy grounded

in our Guiding Values and our mission of One Panera for a Healthier & Happier World. We've strengthened our Business Resource Groups, increased the diversity of our leadership team and are partnering with organizations that have the same dreams for an equitable and inclusive world. You can see a full report on our progress in the following pages.

This is only the beginning. I am optimistic about who we are, what we stand for as a company and about the future of our country. We can and will do more to make sure Panera is a place where all belong and our differences are always welcomed and celebrated. Through our actions, commitment and warmth, we will create in Panera the world we want to see and embolden those around us to share our dream and help us build a more inclusive future for all.

Thank you for joining me in the all-important work to bring this dream to life.

Niren Chaudhary
Chief Executive Officer

Our DEI Vision

At Panera, all are welcomed, know they belong and can dare to dream. At our core, we believe in being an organization Rooted in Respect – by achieving this vision we will transform the organization and become a celebrated leader in DEI.

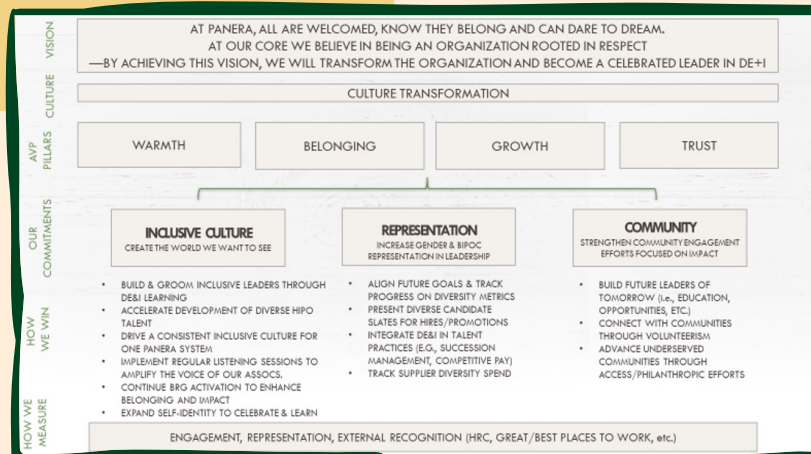
Welcome to our DEI Annual Progress Report

The past year has been filled with pain at the seemingly unrelenting loss of human life, yet what strikes me most is that it's also been filled with humanity shown by and toward others each time these events occur. That same humanity united us and fueled our desire for a re-imagined world – in fact, it signaled that such a world is possible.

At Panera, as with many organizations, what we witnessed in 2020 accelerated our need to act. Even so, the work of diversity, equity and inclusion is neither easy nor exact. While there is still so much to learn to get this right, we lean into this journey guided by our shared values of respect and compassion toward all.

In the past year, we've developed a comprehensive strategy, outlined our key commitments and defined the metrics we will use to gauge our success. We know this is only the beginning of our journey, and we have committed to lean into this work with all of our hearts and minds.

I am proud of the shared ownership of this work by the Executive Team and Board of Directors. Recognizing we are not yet where



we want to be, I am pleased to share a few of the highlights and improvements we have made this past year.

We will continue to build on our collective efforts to make meaningful and sustainable progress. We remain committed to creating the changes we want to see. Thank you for joining me.

Pamela Morris-Thornton
VP, Diversity, Equity & Inclusion



Creating the
World We
Want to See

INCLUSIVE CULTURE

Cultural Intelligence – Actions Rooted in Respect

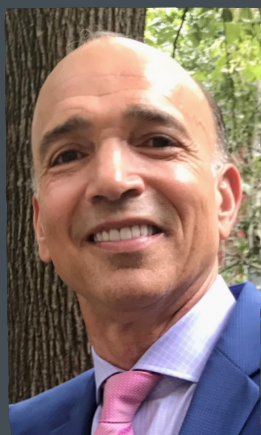
We've kicked off conversations about cultural competency throughout Panera. By fall, almost all Panera associates will have completed required Cultural Intelligence training designed to raise awareness of cultural competency. The training, available to our franchise partners and in both English and Spanish, sets behavioral expectations by focusing on complex topics and real-life experiences, improving day-to-day interactions among associates and guests, and reducing the likelihood of bias and microaggressions.

Inclusion

Our Executive and Leavening leaders have also begun a six-session series on conscious inclusion. The series is focused on developing leadership traits so they can give their teams a deeper sense of belonging and engagement. From now through October, leaders will explore the business case for inclusion, how and why bias happens, how to build mutual respect, and how to overcome resistance to change.

Franchise Alignment

In the spirit of our mission – One Panera for a Healthier & Happier World – our Franchise partners are working with us to advance our DEI strategy. Last fall we created a DEI Brand Committee to infuse DEI in our people practices systemwide, identify and address gaps in our diverse talent pipeline, and ensure DEI outcomes are measured and reported. The committee meets regularly to make sure we are making progress toward our goals. All Franchise groups are also completing some sort of cultural awareness training, ensuring we are working to reduce instances of bias and microaggressions systemwide.



“Our success will be dependent on attracting and retaining the best people. A more inclusive and diverse workforce will expand our capability, enabling us to become more competitive operators leading to greater profitability.”

– Don Harty, Owner, Take Home the Bread and Co-Lead, DEI Brand Committee

Business Resource Groups – Inspire & Celebrate

We've grown our number of Business Resource Groups and their span of influence. In 2020, we launched BLAAC (Black, Latinx, African-American, African, and Caribbean), creating a support network focused on cultural diversity and the professional development of Panera's Black associates. Panera Enabled, a group dedicated to ENhancing ABilities and LEveraging Disabilities, was founded in 2019, with the goal of increasing awareness and acceptance of those with disabilities in the workplace.

Four other groups – the Multi-Cultural Network Group, the Panera Women's Network, Salute, and the Panera Pride Alliance – revised their charters to ensure their work is better integrated with our DEI objectives and business goals. Each BRG has key partnerships to help achieve its goals and all company and franchise associates are welcome to participate.



For the past several years we have participated in the Human Rights Campaign Foundation's Corporate Equality Index. In 2021, Panera received an 85 for its ongoing commitment to lesbian, gay, bisexual, transgender and queer (LGBTQ) workplace equality. You can read more about our score [here](#). We will continue to hold ourselves accountable through this annual audit.



BLAAC

BLAAC seeks to foster respect and awareness by contributing to the inclusive environment that results from a diverse workplace and centers on recruiting and retaining the best talent, enhancing the professional development of employees, and recognizing their achievements.

Executive sponsor: Debbie Roberts



The Panera **Pride Alliance** is dedicated to creating an environment in which all associates feel safe, invested in, celebrated, and valued regardless of sexual orientation, ethnicity, or political association.

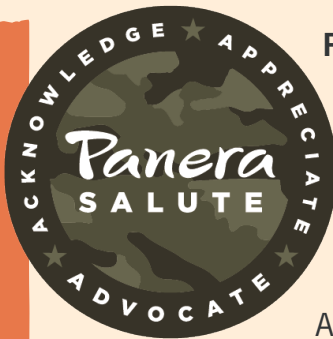
Executive sponsor: Eduardo Luz



The **Panera Women's Network** is dedicated to uplifting the voices of women within the Panera family. Earlier this year, 40 women attended the Women's Foodservice Forum's annual Leadership & Development

Conference, bringing back learnings to their teams. PWN members are also active in several mentoring networks. For instance, about 75 associates are currently mentors, mentees or both of Engage Mentoring, a group focused on career development.

Executive sponsor: Ted Stedem



Panera Salute elevates awareness of the challenges Veterans may experience navigating the corporate workspace by Acknowledging, Appreciating, and

Advocating for the men and women who have served as well as their families.

Executive sponsor: Jeff Harman

MCNG

Multi-Cultural Network Group



MCNG encourages everyone to bring their best authentic self to work, embracing the different backgrounds, experiences, culture, ethnicity and beliefs that make us unique yet bring us together.

Executive sponsor: John Meister

Panera ENABLED

Panera Enabled is dedicated to ENhancing ABilities and LEveraging Disabilities within the Panera family. We work to increase education, awareness, and acceptance of those with disabilities in the workplace.

Executive sponsor: Rob Sopkin



You can learn more about our BRGs [here](#).

Listening Sessions

Acknowledging the raw emotions provoked by the death of George Floyd and others, in 2020 we held a series of Listening Sessions, giving associates the opportunity to talk about what it is like to work at Panera and how we could better create a more inclusive and compassionate workplace. Several hundred associates attended each of the five sessions to share their thoughts. The discussions, led by Niren and KJ, our Chief People Officer, helped to inform our accelerated DEI strategy. Listening Sessions continue in an evolved format today, as honest feedback is the best way to drive meaningful change.



“Panera is and always will be a place where all belong, a place where our differences – whether they be race, gender, religion, sexual orientation, thought or life experiences – make us stronger and are always welcomed.”

– Niren Chaudhary



Partnering with our JAB Family

We continue to advance inclusivity in the global business community through participation in the Business for Inclusive Growth initiative as a JAB brand. This involvement allows us to share our best practices and learn from others. In addition, we have created a forum with other brands owned by JAB, such as Caribou Coffee, Pret A Manger and Keurig Dr Pepper, where we share structured processes for integrating brand-centric DEI strategies into our businesses. Pam Morris-Thornton is a co-leader of this group and, working and learning together, we are extending the reach of our impact.



REPRESENTATION: BOLD THOUGHTS BRAVE ACTIONS

Increase the Number of Women & BIPOC* Leaders to Create Talent Density

Our goal is for leadership at Panera to reflect the diversity of our organization and the country at large. Seeking diverse slates of candidates ensures we are working to place the best talent in the right roles while continuing to develop the next level of leaders.

Year-End 2020 Figures for Panera, LLC

 **34%**

Women in roles
Director and above

↑ **2%** from 2019

 **9%**

BIPOC in roles
Director and above

↑ **2%** from 2019

 **23%**

Increase in promotions
of BIPOC to Director
and above from 2019

 **49%**

Women General Managers

↑ **4%** from 2019

 **23%**

BIPOC General Managers

↑ **8%** from 2019



Our Bold Commitments

100%

Diverse candidate slates for
roles Director and above

50%

Women Director and
above by 2023

30%

BIPOC Director and
above by 2026

1 WOMAN, 1 ETHNICALLY DIVERSE CANDIDATE

At minimum considered for roles Director and above by a diverse, cross-functional interview panel using a standardized process to minimize bias

*Black, Indigenous, and People of Color

The Dream Project

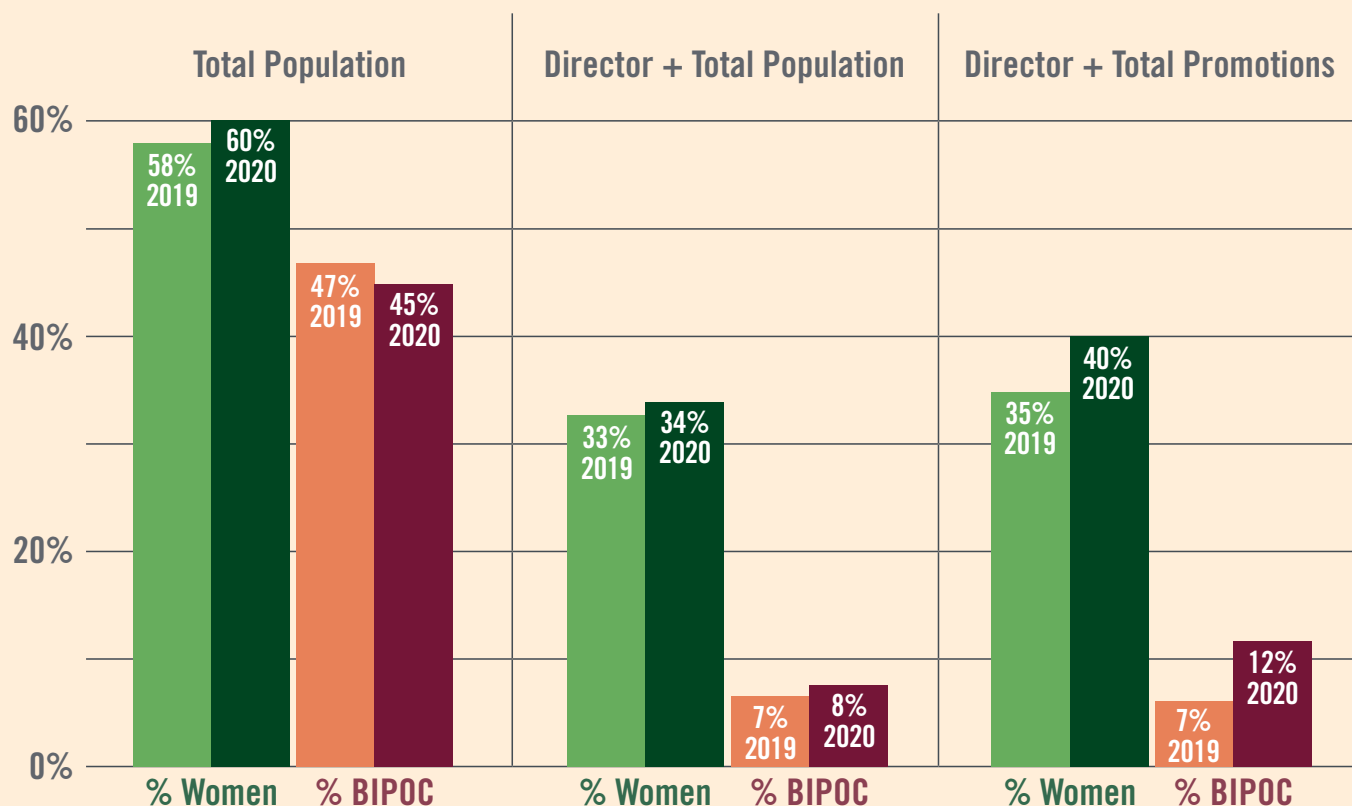
Unlocking the Potential of Young BIPOC Leaders

In the near future, Panera, LLC will launch a new initiative called “The Dream Project,” a leadership acceleration program for diverse talent that is focused on creating meaningful and lasting impact. By providing access to scholarships, training and education, mentoring and coaching, we will inspire progress that leapfrogs generations, where ability meets opportunity, and the right opportunity creates a path of financial success and ultimately generational wealth.



Our aspirational goal is for levels of leadership to mirror our total population.

Diversity Leadership Breakdown



Source: Panera, LLC

Panera's* Workforce



	2018	2019	2020
ASSOCIATES			
	57,750	61,777	51,858
Males	41%	42%	40%
Females	59%	58%	60%
BIPOC	46%	47%	45%
WORKFORCE AGE			
30 and Under	70%	69%	71%
31-50	21%	21%	20%
51 and over	9%	10%	9%
NON-EXEMPT WORKFORCE			
Total	96%	96%	96%
Females	57%	56%	58%
BIPOC	45%	46%	44%
BY POSITION			
Director level & above	347	354	331
Female director level & above	31%	32%	34%
BIPOC director level & above	7%	7%	9%
General manager	995	1,039	969
Female general manager	44%	45%	49%
BIPOC general manager	20%	15%	23%

*Panera, LLC only

COMMUNITY

Strengthen Community Engagement Efforts Focused on *Impact*

Collaborating with organizations that share our dream of an inclusive and equitable world is one of the important ways we can serve our communities and have an impact beyond the walls of our bakery-cafes, support centers and FDFs.



In 2020, we expanded our relationship with the Urban League of Metropolitan St. Louis, launching a five-year partnership during which we have committed \$500,000 to support their mission of helping African Americans and others secure economic self-reliance, social equality and civil rights. In addition, we will unveil this fall a bakery-cafe called the Panera Pantry at the group's new headquarters. At the same time, the Urban League hosts job fairs to help us recruit Customer Care representatives and Retail Team Members and is a resource on matters that impact communities of color.

Also in 2020, Panera partnered with the Trevor Project, donating \$50,000 to support



LGBTQ youth with crisis intervention and suicide prevention services. The Trevor Project is a valued partner in our annual PRIDE celebration and an important source for related educational materials and sessions.

Earlier this year, **Panera contributed \$25,000** to Girls Inc. of St. Louis to purchase 100 laptops for under-resourced students with limited access to technology beyond school walls. Girls Inc. inspires girls aged 5-18 to value their whole selves, develop their strengths and navigate their challenges. We are currently developing mentoring and sponsorship opportunities for Panera associates.



Inspiring all girls to be strong, smart, and bold

In honor of Dr. Martin Luther King Jr.'s legacy, we joined Boston Cares and the United Way of St. Louis in their virtual **MLK Day of Service**



Niren reading to Boston Public School students

on Jan. 18, 2021. Both organizations work to strengthen communities and improve the lives of people in need. Our \$10,000 donation to Boston Cares helped fund 22 virtual sessions, including training for the Allies for Immigrants



program, panel discussions on issues like food insecurity and homelessness, mask making, card making for essential workers and veterans, and recording children's books for Boston Public School students. Both Boston Cares and the United Way of St. Louis will continue to offer Panera associates volunteer opportunities.

To further encourage community service, we also this year launched a new benefits program offering Support Center associates 8 hours of paid time off for volunteer activities. So far, associates have logged 200 hours of community service. We expect this number to grow exponentially as word of the program spreads. This option is available when Support Center associates sign up for time off in Workday.

Our DEI journey is underway. We know our differences make us stronger and that working and winning together – with warmth, respect and compassion for all – we will bring our dream of a more inclusive and equitable Panera to life.

“We are fully committed to creating in Panera the world we want to see. What we want to see is a culture where we are inclusive, tolerant and compassionate, where our actions toward our entire Panera Family – each other, our guests and our communities – are Rooted in Respect.”

– Niren Chaudhary



ONE PANERA FOR A
healthier & happier
WORLD