



PANERA TARGETS EXPANSION IN URBAN MARKETS DRIVEN BY PORTFOLIO OF DIGITALLY-LED NEW BAKERY-CAFE FORMATS

Company Reaches 50% Digital Sales, Opens First of its New Urban Bakery-Cafe Format in NYC

ST. LOUIS, Nov. 8, 2022 – Panera Bread, a leader and innovator in the fast casual restaurant segment, today announced the opening of its updated urban store format in New York, the newest of several new formats targeted at more densely populated and non-traditional trade areas. With digital sales at Panera now representing 50% of total system sales, Panera now offers a portfolio of store formats designed to cater to the needs of an increasingly digital and off-premise guest. With more than 3 million average transactions each week from digital channels including the app, kiosk and web, Panera guests continue to seek freshly-prepared menu items with the increased convenience, customization, speed and ease that the digital experience enables.

“At Panera, our innovation has always been rooted in the guest and associate experience, how we can reduce friction, drive convenience and bring Panera to new places where we know the demand is high for the freshly-prepared food we serve,” said Eduardo Luz, Chief Brand & Concept Officer, Panera Bread. “With a flexible portfolio of cafe designs, we’re now able to bring Panera anywhere, from suburban cafes with double drive-thrus, to a digital-only Panera To Go and everything in between.”

Digital-Driven New Urban Store Formats Debut in New York

The new Panera urban format marries a 40% smaller footprint than traditional bakery-cafes with updated ordering kiosks, a fully digitized menu and a new tracking screen providing more detailed order status. Designed with only limited counter seating, the bulk of the bakery-cafe is geared toward a statement Rapid Pick-Up® experience, with dedicated shelves for pick-up and to-go orders. It is also the first Panera bakery-cafe in the country that fully incorporates the new Panera brand world, featuring modern and inviting new art, and updated design touches and color palette. The new urban format will continue to provide the freshly-prepared menu offerings and bakery-forward experience that guests expect from Panera.

Following a successful test earlier this year, the first New York Panera To Go opens next month. Different from the new urban format, Panera To Go offers no dine-in seating, solely offering Rapid Pick-Up and Delivery shelves where guests and delivery drivers can easily pick up orders. With less front-of-house duties and simplified operations, Panera To Go associates can focus on crafting freshly prepared meals to meet the needs of a guest on-the-go. The two New York bakery-cafes are the first of several new Panera bakery-cafes planned for expansion in urban markets in the next year, along with a series of non-traditional locations in settings like hospitals and universities.

Enhancing the Guest and Associate Experience

Panera's digital capabilities go beyond the format of the bakery-cafe, allowing for a differentiated and personalized guest experience and reduced friction for the bakery cafe associates. For the guest, the company has intentionally taken technology beyond the point of purchase, from contactless-dine in options, to a digitized order status board, to reorder and recommendation functions in the app. Future iterations of the new urban format plan to test new tap and go technology for an even more seamless experience for Unlimited Sip Club members. For associates, AI technology is used to auto reorder ingredients based on sales to labor scheduling and more.

Panera continues to test AI technology across multiple areas of the bakery-cafe. Earlier this year, it began testing Miso Robotics' automated coffee brewing system, as it rolled out its Unlimited Sip Club subscription program. More recently Panera began testing OpenCity's proprietary voice AI ordering technology, called "Tori," for drive-thru orders, with the goal of maximizing efficiency and increasing speed of orders. Each AI test allows for Panera associates to focus more on freshly preparing orders and improving the guest experience.

Building on Technology & Digital Heritage

After pioneering bringing free-wi-fi into its bakery-cafes, in 2014 Panera unveiled what the company then called "Panera 2.0" – an investment in the guest experience creating new ways to order and receive food, including in-cafe kiosk, Rapid Pick-Up, and other digital enhancements which became the building blocks of Panera's digital presence today. The Panera app is one of the top-rated restaurant apps and MyPanera®, Panera's loyalty program that began in 2010, has reached more than 50 million members. Last month, MyPanera introduced new choice-based rewards, allowing members to select their reward from multiple options based on their personal preferences, instead of a single, pre-selected reward.

To learn more, or to sign up for MyPanera, visit www.PaneraBread.com.

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About Panera Bread

Panera Bread opened in 1987 as a community bakery, founded with a secret sourdough starter and a belief that sharing great bread is an expression of warmth and generosity. That vision holds true today with a robust menu of delicious, chef-curated recipes created with a simple principle: The Familiar, Made Fantastic™. At Panera, we serve food that we are proud to serve our own families, made with responsibly raised proteins and freshly prepared with Clean ingredients--food that does not contain the artificial preservatives, sweeteners, flavors, and colors from artificial sources set forth on our No-No list served in U.S. bakery-cafes. From crave-worthy soups, salads and sandwiches to flatbread pizza and sweets, we offer our guests more than great food. Our ethos of generosity drives us to meet our guests where they are through technology and through our shared values. We are stewards of our communities and the

planet — with programs like Day-End Dough-Nation® that donates unsold baked goods in the evening to local non-profits, or labeling climate-friendly low carbon [Cool Food Meals](#).

As of November 3, 2022, there were 2,114 bakery-cafes, company and franchise, in 48 states and in Ontario, Canada, operating under the Panera Bread® or Saint Louis Bread Co.® names. Panera Bread is part of Panera Brands, one of the largest fast casual restaurant companies in the U.S., comprised of Panera Bread®, Caribou Coffee® and Einstein Bros.® Bagels. For more information, visit panerabread.com or find us on Twitter (@panerabread), Facebook (facebook.com/panerabread) Instagram (@panerabread) or TikTok (@panerabread).

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