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Panera Bread® Broadens Leadership on Animal Welfare Issues

Announces Effort to Lead Industry Relative to Broiler Chickens and Continued Progress on Animal Welfare

St. Louis, Dec. 20, 2016 – Panera Bread (NASDAQ: PNRA) today announced its intention to initiate an industry-wide effort to improve the welfare of broiler chickens by 2024. The company is also proud to share its continued progress on animal welfare issues and the reduced use of antibiotics across its U.S. Panera Bread® and St. Louis Bread Co.® bakery-cafe menus.

Effort to Lead Industry on Broiler Chicken Welfare

Today, Panera is announcing its intention to lead the industry to align its broiler chicken policy with the Global Animal Partnership’s Broiler Chicken Standard. Going forward, we will work with animal welfare experts, growers, suppliers, competitors and other market participants to identify cost-effective solutions for our industry. With help of other market participants, we hope to achieve the following across the restaurant industry by 2024:

- Use new broiler breeds recognized as having higher welfare outcomes
- Provide birds more space (reduced stocking density)
- Offer improved environments, including litter, lighting and enrichment
- Ensure birds are rendered unconscious using multi-step controlled atmospheric stunning

CEO comment

“We started 13 years ago with chicken raised without antibiotics because we believed that a national restaurant company could use size and scale to affect change in the marketplace,” said Ron Shaich, CEO and founder of Panera Bread. “Our journey to reduce antibiotics has taught us that truly transformational change requires moves by many stakeholders. It is our hope that leadership by companies like Panera will continue to be a catalyst for animal welfare across the industry.”

Sara Burnett, Director of Wellness and Food Policy

“As a restaurant serving more than 10 million people a week, we have the platform and purchasing power to encourage positive changes in animal welfare practices. We also have a responsibility to the farmers and ranchers who care for these animals. They have been essential partners over the years and we respect the investments they will need to make as we work together to find economically viable and sustainable models that lead to higher welfare birds,” said Sara Burnett, Director of Wellness and Food Policy at Panera.

2016 Update on Animal Welfare Progress

Poultry: 2016 – 100% of poultry on sandwiches and salads now raised without antibiotics

- With the introduction of RWA deli turkey in September 2016, 100% of the chicken and turkey on our sandwiches and salads is now raised without antibiotics and vegetarian fed. This means 86% of our poultry supply, or approximately 34 million pounds, met these standards.

Pork: 2016 – 100% of bacon, breakfast sausage and ham served on sandwiches and salad was raised without antibiotics and was gestation crate free

- All bacon, breakfast sausage and ham served on sandwiches and salads at Panera – or approximately 7.7 million pounds – were raised without antibiotics and gestation crates for pregnant sows. This represents more than 93% of our total pork supply.

Beef Cattle: 2016 – 95% of beef was grass fed, free range

- In 2016, 95% was of our beef – or approximately 4 million pounds – was grass-fed, free range – up from 89% in 2015.

Laying Hens (Eggs): 2016 – 16% of all eggs system-wide were cage free

- In 2016, 28% of the 70 million shell eggs used on sandwiches and salads were cage-free, up from 21% in 2015. System-wide, 16% of all 120 million eggs used across the menu were cage-free.

Panera has also extended the commitment to be cage-free to all Canadian bakery-cafe food menus by 2025.

Panera's Animal Welfare Beliefs

Panera also shared an expanded position on animal welfare practices, based on the UK Farm Animal Welfare Committee's Five Freedoms. Panera's Animal Welfare Beliefs are rooted in a definition of raised humanely put forth by the UK Farm Animal Welfare Committee's Five Freedoms: freedom from hunger or thirst; freedom from discomfort; freedom from pain, injury or diseases; freedom from distress; and freedom to express normal behavior.

For more information on Panera's animal welfare journey, visit panerabread.com/animal-welfare.

Stakeholder Perspectives

"When it comes to chickens, Panera is leading the pack—not only are they doing the right thing for their business, they're doing the right thing for animals. We commend this commitment, which is a signal to the entire restaurant sector that demand for higher welfare is not going away and now is the time to take action. Panera is the first national restaurant company to step up, and we are confident that others will soon follow their example," Leah Garces, US Executive Director, Compassion in World Farming.

"Panera's monumental announcement will vastly improve the lives of broiler chickens in the company's supply chain. We applaud the company for moving forward on this issue that's quickly gaining importance within the food industry and among consumers," Josh Balk, VP of Farm Animal Protection at the Humane Society of the United States.

"The ASPCA applauds Panera's holistic new broiler chicken welfare standards and Five Freedoms policy. Together, they represent a landmark commitment to improving chickens' welfare and further demonstrate Panera's dedication to creating a responsible and transparent supply chain. Panera has shown outstanding leadership with this move and we hope other food companies follow suit to bring about much-needed improvements in the lives of the billions of chickens raised in the U.S. each year," Nancy Roulston, Director of Corporate Engagement, ASPCA Farm Animal Welfare Program.

“World Animal Protection applauds Panera Bread for committing to give chickens better lives,” Priscilla Ma, U.S. Executive Director at World Animal Protection. “Panera’s dedication to improving the animal welfare standards for the millions of chickens in its supply chain, and to transparently report on its progress, sets an encouraging precedent for the food industry to follow worldwide. The public has already shown that the caging of egg-laying hens is unacceptable, and it’s now time for the wider food industry to join Panera’s call to implement much-needed changes for broiler chickens.”

"We're excited to partner with Panera on this industry-leading initiative. This ground-breaking commitment will improve the lives of countless chickens and sets a precedent that we fully expect the rest of their industry will follow," David Coman-Hidy, Executive Director of The Humane League.

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About Panera Bread

30 years ago, at a time when quick service meant low quality, Panera set out to challenge this expectation. We believed that food that was good and that you could feel good about, served in a warm and welcoming environment by people who cared, could bring out the best in all of us. To us, that is food as it should be and that is why we exist.

So we began with a simple commitment: to bake fresh bread every day in our bakery-cafes. No short cuts, just bakers with simple ingredients and hot ovens. Each night, any unsold bread and baked goods were shared with neighbors in need.

These traditions carry on today, as we have continued to find ways to be an ally to our guests. That means crafting a menu of soups, salads and sandwiches that we are proud to feed our families. Like chicken and turkey raised without antibiotics on our salads and sandwiches. A commitment to transparency and options that empower our guests to eat the way they want. Seasonal flavors and whole grains. And commitment to removing artificial additives (flavors, sweeteners, preservatives and colors from artificial sources) from the food in our bakery-cafes and our Panera at Home grocery products. Why? Because we think that simpler is better and we believe in serving food as it should be. Because when you don't have to compromise to eat well, all that is left is the joy of eating.

We're also focused on improving quality and convenience. With investments in technology and operations, we now offer new ways to enjoy your Panera favorites – like mobile ordering and Rapid Pick-Up for to-go orders – all designed to make things easier for our guests. As of September 27, 2016, there were 2,024 bakery-cafes in 46 states and in Ontario, Canada operating under the Panera Bread®, Saint Louis Bread Co.® or Paradise Bakery & Cafe® names. For more information, visit panerabread.com or find us on Twitter (@panerabread), Facebook ([facebook.com/panerabread](https://www.facebook.com/panerabread)) or Instagram (@panerabread).

Matters discussed in this news release and in our public disclosures, whether written or oral, relating to future events, including any discussion, express or implied, regarding our intentions to improve the welfare of our broiler chickens and statements made therein, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are often identified by the words "believe," "positioned," "estimate," "project," "target," "plan," "goal," "assumption," "continue," "intend," "expect," "future," "anticipate," and other similar expressions, whether in the negative or the

affirmative, that are not statements of historical fact. These forward looking statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict, and you should not place undue reliance on our forward-looking statements. Our actual results and timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those discussed from time to time in our reports filed with the Securities and Exchange Commission, including our Annual Report on Form 10- K for the fiscal year ended December 30, 2014 and our quarterly reports on Form 10-Q. All forward-looking statements and the internal projections and beliefs upon which we base our expectations included in this release are made only as of the date of this release and may change. While we may elect to update forward-looking statements at some point in the future, we expressly disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.