

# **CHIPOTLE ANNOUNCES EXECUTIVE COMPENSATION METRICS TIED TO SUSTAINABILITY GOALS**

**Brand's new metric tying executive compensation to sustainability goals holds leaders accountable**

NEWPORT BEACH, Calif., March 4, 2021 — Chipotle Mexican Grill (NYSE: CMG) today announced that it has 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 Chipotle's 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 the company's goals.

"We are passionate about inspiring real change in people, food, and the environment every day," said Laurie Schalow, Chief Corporate Affairs & Food Safety Officer. "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." 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/raised food used in its restaurants year over year.

For example, Chipotle ended 2020 at 31 million pounds of local produce and has a goal of reaching 37 million pounds of local produce by the end of 2021.

As part of the launch of its first-ever Super Bowl ad, Chipotle announced it is committing \$5 million over the next five years to help invigorate the struggling farming industry. The company also introduced a Virtual Farmers Market to help create additional revenue streams for its suppliers amid COVID-19 and has worked with the National Young Farmers Coalition to offer education, scholarships, grants, and three-year contracts to young farmers.

## **People**

Chipotle has set out to maintain both racial and gender pay equity. It is also implementing a program to accelerate the development of its 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 and the formalized advancement process for diverse employees will only underscore this commitment.

## **Environment**

Originally announced for 2025, Chipotle is moving up its goal to publish its Scope 3 emissions to December 31, 2021. The company currently publishes its Scope 1 and Scope 2 emissions in its annual Sustainability Report and Report Update.

The goal is part of Chipotle's larger movement to increase transparency surrounding its carbon emissions and its food's overall environmental impact. In the fall of 2020, Chipotle became the first brand to provide detailed impact data about its ingredients for guests when it launched Real Foodprint on the Chipotle app and Chipotle.com. Real Foodprint compares average values for each of Chipotle's real ingredients to their conventional counterparts against five key metrics: Less Carbon in the Atmosphere, Gallons of Water Saver, Improved Soil Health, Organic Land Supported, and Antibiotics Avoided.

## **ABOUT CHIPOTLE**

Chipotle Mexican Grill, Inc. (NYSE: CMG) is cultivating a better world by serving responsibly sourced, classically-cooked, real food with wholesome ingredients without artificial colors, flavors or preservatives. Chipotle had over 2,750 restaurants as of December 31, 2020, in the United States, Canada, the United Kingdom, France and Germany and is the only restaurant company of its size that owns and operates all its restaurants. With nearly 88,000 employees passionate about providing

a great guest experience, Chipotle is a longtime leader and innovator in the food industry. Chipotle is committed to making its food more accessible to everyone while continuing to be a brand with a demonstrated purpose as it leads the way in digital, technology and sustainable business practices. Steve Ells, founder, first opened Chipotle with a single restaurant in Denver, Colorado in 1993. For more information or to place an order online, visit [chipotle.com](#).

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