# AZZURRIGROUP

# SUSTAINABLE DINING REPORT

**OUR RECIPE FOR A BETTER FUTURE 2024** 



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### **A MESSAGE FROM OUR CEO**

Welcome to Azzurri Group's Sustainable Dining Report 2023 – 2024. This year has been especially exciting, as we celebrate continued growth and expansion among our existing offer, whilst incorporating two new businesses - Boojum and Dave's Hot Chicken.



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It's the strength of our culture and belief in our purpose that has ensured Recipe for a Better Future, our sustainability strategy, has become fully embedded into our business. Becoming a leading hospitality platform has been possible thanks to our exceptional team members who are motivated by the value they bring and the difference they make. We have highlighted the stories of those who are living our values and integrating sustainability in their daily tasks in our People Spotlights (Page 15, 20, 30).

It's the strength of our culture and approach to doing business that has ensured Recipe for a Better Future, our sustainability strategy, has become fully embedded into our business. I am hugely proud of how each business in our Group has collaborated to consistently embed their ESG goals into their ways of working. It's this sharp focus which has driven innovative new initiatives and programmes to help meet our ambitious targets. Some of the highlights you'll find in this report include:

From page 23, read about our work reducing like-for-like carbon emissions by 7% across our core operations.

- Through our ingredient sourcing, we have impacted our dough's carbon footprint too. Read about Ask Italian's award-winning partnership with Wildfarmed flour on Page 32.
- We're especially proud of the modernisation of our new restaurant sites, designed with sustainability in mind (Page 27) and with several receiving an SKA Gold rating.

The transition to a more sustainable business is one which I truly believe in. To build better food businesses, it's clear that we must collaborate. In support of this belief, I shared insights into our sustainability journey via Zero Carbon Forum's inaugural <u>video series</u>, and I fully support their ethos to bring the hospitality industry together.

As we move into 2025 and beyond, some of our first milestone goals will expire. This is an opportunity for our business to take stock, reflect on our progress to date, understand where we have created impact and for whom, and to evaluate where we focus our energy moving forward. We are preparing to make some challenging decisions that address rising and changing expectations, so we can continue to delight our customers and be a business that thrives in the long term.

For now, I hope you enjoy reading about our efforts towards building better food businesses that sustain happy, healthy lives.

SJ Hotes

**Steve Holmes** 

Chief Executive Officer Azzurri Group

### **ABOUT THIS REPORT**

This year's Sustainable Dining report captures the progress Azzurri Group has made during the time period covering our past financial year spanning from July 2023 to June 2024.

We are proud to share how we have advanced our work across the dimensions of People, Planet and Plate as established in 'Recipe For a Better Future', our sustainability strategy. Since launching our strategy, we have tirelessly worked to embed these goals into the business plans of our core businesses, namely Zizzi, Ask Italian and Coco Di Mama.

This report also introduces Boojum's sustainability efforts. Boojum opened its first restaurant in England under the Azzurri platform in mid-2024 and we are looking forward to growing our positive impact alongside them. In next year's report we plan to cover Azzurri's most recent enterprises: Dave's Hot Chicken and Openr. The Group has acquired the exclusive UK and Ireland franchise rights for Dave's Hot Chicken and is opening its first restaurant in our next financial year reporting cycle. Similarly, Openr, a software as a service (Saas) enterprise that has been incubated within Azzurri since 2022, has publicly launched in October 2024 and will therefore be omitted from this report's scope.

The following pages will showcase how the Azzurri Central functions and businesses have advanced sustainability in their operations and across the value chain. As with previous reports, we present our progress against our 'Recipe For a Better Future' goals linked to the relevant Sustainable Development Goals (SDGs), and summarise our impact based on the Sustainability Accounting Standards Board (SASB) metrics for food service.



### WHO WE ARE

We're building better food businesses, driven by dedicated teams of people who pride themselves on being conscientious, curious and resilient.

The Azzurri Group is one of the UK's largest and most successful hospitality investment platforms. We operate two leading national Italian full service brands, Zizzi and ASK Italian, the UK's leading quick-service Italian, Coco di Mama, renowned Irish fast casual Mexican restaurant brand Boojum.

We're a team of nearly 6,000 people, who serve over 15 million meals a year in our growing estate of over 230 restaurants and stores. For more information on our progress, check out our Annual Financial Report.

### COMING SOON TO THE SUSTAINABLE DINING REPORT

### DAVE'S HOT CHICKEN Openr



Everything we do here – from classic dishes to showstopping signatures, warm service to quintessentially Italian interiors – is so that you can enjoy eating together as much as the Italians do.



Ireland's award-winning fast casual Mexican brand with awardwinning food at great prices with generous portions. Slow-cooked meats, the freshest ingredients and authentic salsas made daily.



We take our passion for simple, delicious Italian food and add a constant stream of fresh inspiration to give each dish a Zizzi twist. Restaurants are individually designed using local themes to inspire original touches, and unique artwork to create a distinctive feel. It's these touches combined with warm, charismatic service that makes dining at Zizzi feel that little bit special.



London's largest quick service Italian. As well as a range of salads, sandwiches and soups we are famous for fast pasta and artisanal coffee served with a flourish by efficient and energetic teams. The brand is now available nationally for delivery.

### **OUR PURPOSE**

To build better food businesses that sustain happy, healthy lives.

### **OUR VISION**

We're serving better, with food businesses that nourish the needs of our people, our customers, our partners, and our planet.

### **OUR MANIFESTO**

### We have a vision for a world where food businesses are better.

We have a vision for a world where food businesses are better. Better at being honest and truthful. Better at investing in people and communities. Better at taking risks to find out what works, so that we can hand on heart say we've done our bit to build better food businesses that sustain happy, healthy lives. We'll need to work together and believe in each other to get this right. To ask for help when we're stuck, to talk through the times when we get it wrong and to be there for each other when it gets tough. We might even have a little fun along the way too!

But if we do succeed, if we do create a world where food businesses truly nourish the needs of people and planet, we'll all be thriving for years to come. Because better food businesses means better opportunities for people. It means better care for our planet's resources. It means a better future for everything and everyone.



### **OUR VALUES**

Our essential ingredients, our beliefs, how we do things at Azzurri, to bring our Purpose and Vision to life.

### **DO BETTER**

We are brave and conscientious. We consistently look for better ways to do things, improving how we work and the results we achieve.

### **BE CURIOUS**

We are inquisitive, we ask the questions, we seek out the answers. Our curiosity means we take rounded and well thought through decisions that make a tangible difference.

### DON'T GIVE UP

We are resilient, tenacious and driven. We keep going whatever challenges we face, meeting the goals we set ourselves.

### **BE CARING**

We listen, we give our time, we look out for each other. We embrace and value individuality. We create an environment for everyone to thrive, grow and progress.

### **BE YOU**

We come as we are. We're warm and welcoming and don't take ourselves too seriously. We work as one team, and we take pride in all that we do. We like nothing better than revelling in our work and enjoying our time together.

### OUR SUSTAINABLE DINING JOURNEY

At Azzurri, sustainability is woven into how we operate, guiding decisions across our central departments and businesses. This commitment has evolved over years of dedicated work, documented in our Sustainable Dining Reports, and marked by the following milestones:



Donated and redistributed over 250,000 meals to our communities since 2022.

Reduced our carbon emissions' intensity by 7% based

on a like-for-like comparison against our previous

equivalent to serving 1.9 million pizzas annually

» Reduced our electricity by 1.3 million kWh −

financial year's performance.

**>>** 

Looking ahead, we know there's still much to be done. We remain committed to addressing the urgent challenges of climate change and responding to the evolving needs of our communities. Our commitments and goals, outlined in the following pages, keep us focused and ensure we deliver impact in a meaningful and authentic way.





### **OUR COMMITMENTS**

The commitments under our **Recipe For A Better Future** define our ambition to drive positive impact across the areas that are most important to our people and planet.

### WE FOCUS ON WHAT MATTERS MOST



### **PEOPLE**

- » Growing potential
- » Wellbeing, recognition & reward
- » Inclusion & Diversity
- » Community



- PLANET
- » Energy, water & carbon
- » Waste
- Sustainable Design & construction



### PLATE

- » Sustainable Diets
- » Health & nutrition
- » Sustainable Sourcing

### AND WE COMMIT TO



 Caring about our teams' potential, creating opportunities for every team member to grow



Rewarding our team members
 fairly



» Tackling climate change



 Actively cutting waste, particularly food waste and packaging



 Making it easy for customers to make informed choices that support their health and wellbeing



Promoting sustainable diets
 through conscious menu design

### **OUR ESG GOALS**

Our Recipe For A Better Future goals are designed to shift our ways of working and focus on serving better by impacting those areas that matter the most for our people and the planet.

### PEOPLE



#### **GROWING POTENTIAL**

- >> By 2030 we will have helped 10,000 individuals enter the job market through apprenticeships, internships, work experience placements and job and life skills training.
- >> By 2025 at least 70% of our positions will be filled by internal candidates as we expand our training proposition to promote internal career mobility.

#### WELLBEING, REWARD AND RECOGNITION

- >> By 2030 all employees aged 18+ will receive pay that exceeds the national living wage.
- >> By 2025 we will sign up to the Mental Health at Work Commitment and provide mental health training to 100% of our leaders to develop supportive work environments.

#### COMMUNITY

- >> By 2025, we will provide all team members with volunteering opportunities, investing 100,000 volunteer hours in local communities by 2030.
- >> By 2030, we will donate half a million meals to people in need.

#### **INCLUSION AND DIVERSITY**

>> By 2025 we will be a signatory to BITC's Race at Work charter and build out our full diversity and inclusion strategy.

### PLANET



#### CARBON, ENERGY AND WATER

- >> By 2025 we will launch a robust environmental management system, allowing us to monitor and set annual consumption reduction targets for energy and water.
- >> By 2040 we will achieve net zero emissions across our operations and supply chain.

#### WASTE

- >> By 2025 all our out of restaurant packaging will be widely recyclable.
- >> By 2030 we will have cut our food waste by 15%.

#### SUSTAINABLE DESIGN & CONSTRUCTION

- >> By 2025 all new restaurants and restaurant fit-outs will be built to the standards set out in our new sustainable design and construction policy.
- >> Expanding on our existing zero-to-landfill commitment, by 2025 we aim to send zero waste to landfill from 100% restaurant fit outs and new builds.



### PLATE



### SUSTAINABLE DIETS

- >> By 2025 we aim to provide the carbon footprint of items sold or listed in our brands' menus.
- >> By 2030 we aim for at least 65% of the dishes listed on our brands' menus to be low or very low carbon impact.

#### **HEALTH AND NUTRITION**

>> By 2025 all our kids' menus will meet PHE targets for sugar, salt fat and calories.

#### SUSTAINABLE SOURCING

- >> Building on our existing commitments to source sustainably certified seafood, palm oil, free-range eggs and meat, by 2030 we will also source sustainably certified rice, sugar and coffee.
- >> By 2030, we will be sourcing sustainably our uniforms, paper products, and work with suppliers who use sustainable alternatives to soy in animal feed and avoid the routine use of prophylactic antibiotics.
- >> By 2030, we will invest in diverse and resilient supply chains by increasing spending with local suppliers by 10% and increasing spending with suppliers from minority backgrounds and sustainably certified organisations by 20%.

### GOVERNING SUSTAINABILITY

### We believe that in order for a sustainability strategy to be successful it needs to be embedded in a business with clear deliverables that touch all aspects of business.

Since launching our Recipe for A Better Future strategy in 2022, we have created strong governance mechanisms to create awareness of our goals and instil accountability across the Group. One key tool in our governance framework is our annual sustainable dining report, supplemented by quarterly ESG updates for Azzurri Central teams and regular communications with our businesses. We also regularly monitor the legal landscape for any changes and conduct an annual review of ESG-related risks as part of the Group's risk management process.

Ask Italian, Coco Di Mama and Zizzi also have their own ESG Governance Boards that set annual action plans aligned with both the Group's overarching sustainability goals and the specific values of each business. For example:

ASK Italian strengthens its local community connections through the Ask For Better initiative.

- Coco Di Mama leads with compassion through the Coco Cares program.
- Zizzi focuses on environmental initiatives via its Planet Zizzi campaign.

Similarly, Boojum has embarked on its own Responsible Business journey. Dedicated resources within Boojum support its People, Planet, and Plate objectives, working to reduce environmental impact, invest in local communities, and contribute to charitable causes—always with a touch of Boojum's fun and energetic spirit.

In addition to listing our ESG governance team members, this report features People Spotlights to celebrate individuals who contribute to our vision of a more sustainable business. These spotlights recognise team members who have made sustainability a natural part of their daily work. While these stories highlight only a few, over time we aim to showcase all those helping to embed sustainability across the Azzurri Group.

### GOVERNANCE STRUCTURE

### Azzurri Central AZZURRIGROUP

Celia Good, Head of People Claudia Candiotto, Head of Responsible Business Kieran Pitcher, Group Property Director Lucy La Rana, Head of Quality & Safety Stefan Porter, Group Commercial Director

#### ASK Italian Amita Patel, Head of People Corinne Prior, Marketing Director

Corinne Prior, Marketing Director Jan Dalton, Operations Director Matthew Grey, Finance Director

#### Coco di Mama

Jim Attwood, Managing Director Sara McKennedy, Commercial Brand Director

### Zizzi Harry Heeley, Managing Director Kathryn Turner, Food Director Paul Dunford, People Director Phil Boyd, Operations Director

#### boojum

coco

David Maxwell, CEO Fiona Tanham, Human Resources Manager Leigh-Anne Vermaak, Operations Manager Rob Powell, Head of Operations & People

Boojum







### PILLAR 1

## PEOPLE

Our business thrives because of people—our over 6,000 team members and the hundreds of local communities we proudly serve across the UK and Ireland.

Every day, our dedicated, conscientious, and resilient team members come together to create exceptional experiences and deliver great-tasting food. Supporting and sustaining happy, healthy lives is at the heart of our purpose, and we achieve this by taking care of our people and the communities we're part of.

#### We strive to:

- » Foster belonging through diversity and inclusion programs.
- » Reward our team members fairly and equitably.
- $\boldsymbol{\gg}$  Create opportunities for growth through training and development.
- Tackle food waste and insecurity by redistributing surplus food and volunteering for causes close to our hearts.





### **SPOTLIGHTS: THE PEOPLE BEHIND OUR SUCCESS**

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"Our mental health is a part of our health, just like physical health, and ignoring it at work would be like denying a part of ourselves," Kasia shares...

#### Wellbeing, Reward and Recognition

Kasia Pietrzak, Restaurant Excellence Manager at Zizzi, has been a driving force in promoting mental health and team member wellbeing at Zizzi. In the past financial year, Kasia has been researching in depth what wellbeing means to team members and how it relates to Zizzi's values and purpose. Backed by the leadership team, Kasia has used her research to pilot three mental health and wellbeing training programmes and put forward a proposal that lays the foundations for a more supportive work environment.

#### Impact

- >> Led Zizzi's research into setting a positive mental health strategy, focusing on awareness and support
- Piloted three training programs to enhance empathy and listening skills.
- >> Led workshops with leaders to embed Zizzi's values in daily interactions.

#### What we love about Kasia's journey

Kasia's dedication to fostering a culture of care shines through her belief in the power of empathy and listening, helping to make Zizzi a place where everyone feels valued and supported.



"The work experience program is designed to give young people more than just a week at a desk. We wanted them to leave with confidence, connections, and something valuable to add to their CVs," Jo explains.

#### **Growing potential**

Jo Keith, Education and Apprenticeship Manager at Azzurri Group, co-created Azzurri's first work experience program to give young people, especially those from disadvantaged backgrounds, a meaningful glimpse into office life. Partnering with London Youth, Jo crafted a week-long program that offers interactive sessions, mentorship, and real-world experience in various departments at Azzurri.

#### Impact

- Partnered with London Youth to support 7 young people from diverse backgrounds.
- Organised a week of workshops, mentorship, and team interactions.
- Provided guidance on CV-building and career skills, helping participants prepare for future job opportunities.

#### What we love about Jo's journey

Jo's dedication to building pathways for young talent reflects her passion for nurturing growth and providing meaningful opportunities, making a real difference in the lives of future professionals.

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"The concept of 'Just A Minute' in a fast-paced environment is powerful in its simplicity. It teaches empathy and helps us focus on each customer as an individual," Katy explains.

#### **Diversity and Inclusion**

Katy McLean, Training and Recruitment Manager at Boojum, has been instrumental in making Boojum's restaurants inclusive spaces for all. By introducing the 'Just a Minute' JAM Card initiative across Boojum's stores in Ireland, Katy has paved the way for customers with hidden disabilities to request extra time and understanding. Boojum has also been working with the Now Group since 2018, creating employment opportunities for individuals with learning difficulties and autism, strengthening the brand's commitment to diversity and inclusion.

#### Impact

- Rolled out the JAM Card initiative across all Boojum stores in Ireland. Providing a way for customers to flag any special needs and ensuring Boojum team members are trained in responding with empathy and understanding.
- Led the NOW Group partnership, leading to 11 individuals with learning difficulties joining the Boojum team.

#### What we love about Katy's story

These initiatives bring Boojum's vibrant, welcoming values to life, making each restaurant a place where everyone feels they belong, regardless of their unique needs.

### WELLBEING, REWARD AND RECOGNITION

### We know that the hospitality industry can be a particularly demanding industry to work in, which is why we are focused on creating supportive and fulfilling workplaces.

In 2024 we focussed on expanding resources to support our team members' wellbeing. Ask Italian provided mental health at work training to 100% of its restaurant and office leaders, equipping them to better support team members facing challenges. Ask Italian also expanded its partnership with The Burnt Chef Project, initially launched by Azzurri Central in 2023. As Azzurri continues to deliver mental health training, three central team members have achieved Mental Health First Aiders certifications, offering valuable support to anyone in need. Similarly, Boojum's Mental Health First Aiders support team members in UK and Ireland, with plans to broaden training based on recommendation from Boojum's Health and Safety Committee.

Zizzi has researched and piloted programme to ensure alignment with its values and culture, focussing on equipping teams to normalise mental health conversations. At a Group level we are committed to expanding training opportunities and making steady progress to ensure leaders are prepared to support team members through challenging times. Our One Team approach remains a cornerstone of our working culture, enabling every restaurant based team member to receive the same tip allocation, no matter their job title. We are also moving closer to our goals of ensuring all our team members aged 18 and over receive pay exceeding the living wage. This figure rose from 84% in 2023 to 88% in 2024. Azzurri central, Boojum and Coco Di Mama have already reached this goal by eliminating age-based pay differences. We also continue to work on addressing any gender-pay disparities, as detailed in our Gender Pay Gap report.

Recognising the hard work and commitment of our people is a highlight each year. Our businesses consistently recognise contributions made to business objectives and overall purpose, and in 2024, Azzurri Central joined this initiative by launching the Purpose Awards. These awards honour individuals who bring Azzurri's purpose, vision, and values to life in exceptional ways. Our first recipient, Nicholas Cromwell, part of our Finance team, was recognised for his outstanding contribution to growing, nurturing and supporting post graduate level apprentices. We look forward to celebrating many more dedicated team members in the years to come.



# Our One Team approach remains a cornerstone of our working culture.

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Our Azzurri Inclusion Group includes members of Ask, Zizzi and Coco, ensuring that everyone at our head office has a voice.





### **INCLUSION AND DIVERSITY**

We're passionate about nurturing talent, celebrating diversity, respecting individuality, and providing opportunities for all to thrive and grow. We believe that diversity strengthens our creativity and resilience, and our commitment to inclusion is at the heart of our diversity, equity, and inclusion (DEI) strategy.

In line with these goals, Azzurri Central has expanded its Inclusion Group to include members of Ask, Zizzi and Coco ensuring that everyone at our Chapel Street head office has a voice. This group advises on initiatives to foster a more inclusive culture, break down barriers, and educate colleagues. As part of these efforts, Azzurri added a Prayer and Wellbeing room at the head office, transforming a former meeting room into a dedicated space for personal reflection and wellbeing.

Azzurri Central also achieved a Level 2 Disability Confident Employer certification, building on the previous Level 1 qualification. This step reflects our commitment to creating a welcoming work environment, and we're encouraged by the positive feedback from new team members who found this certification reassuring in their application process.

Our annual engagement survey at Azzurri Central has provided insight into the impact of our DEI strategy. Since launching the strategy in Spring 2022, we have seen increases in both engagement levels and team member's perception of wellbeing being a priority at Azzurri. As we share learnings from Azzurri Central across the Group, we look forward to seeing the impact across all businesses. Ask Italian, for example, is developing a transformative strategy to improve recruitment, engagement and support for team members. Boojum's work in Ireland with the Now Group and the Just-A-Minute (JAM) Card initiative also stands out. Since 2018, Boojum has hired 11 individuals through its partnership with NOW Group, a social enterprise supporting young people with learning difficulties and autism into jobs. In addition, Boojum's team members are trained to understand and support JAM Card, identifying when customers may need additional support in store.

We recognise there's always more to learn and do. We are assessing our performance across diversity dimensions such as age, gender, sexual orientation and identity and social-economic backgrounds, expanding our initial focus set by the 'Race to Work Charter' in 2022. We are also exploring how to establish more meaningful objectives to guide our DEI efforts. Moving forward, we are committed to empowering each business to take meaningful actions that create welcoming environments reflecting the diversity of the communities we serve.

### **GROWING POTENTIAL**

We're dedicated to helping more people enter the hospitality industry through apprenticeships, internships, and internal growth opportunities, empowering both new entrants and our own team members to build rewarding careers.

Across our businesses, we run several programmes that showcase the diverse opportunities in hospitality, from entry-level roles to leadership pathways. These initiatives provide support in areas such as CV writing, mentoring, interview skills, and hands-on work experience, helping individuals of all backgrounds take the first step in their careers.

Our goal is ambitious: to support 10,000 individuals entering the job market through apprenticeships, internships, work experience placements and job and life skills training. This commitment has opened up new development pathways across our business that we may have otherwise not pursued. For example, Azzurri Central expanded its summer internship programme to include a work experience week, offering younger individuals relevant experience and exposure to the industry. As for the summer internship programme, Azzurri works with Saltire, 10,000 Black Interns and London Youth, through which we ensure access to these opportunities for individuals from diverse backgrounds.

Our longstanding apprenticeship programme also continues to thrive. To date, we have enrolled

109 apprentices at Group level, reflecting our commitment to supporting individual learning journeys. On top of offering apprenticeship opportunities, our businesses, such as Boojum, are also supporting individuals in attaining qualifications that might support their roles and growth, from diplomas to higher education degrees.

These efforts have enabled us to reach 1,000 individuals since launching our goal in 2022. Although it's taken us a while to understand what works for us and our communities, we're excited to continue offering valuable opportunities, advice, and job and life skills training to our communities.

Alongside these external initiatives, we are also focused on creating clear career pathways for our own team members to support a high internal fill rate. Zizzi has continued to improve its development initiatives including Viaggio and ELEVATE, investing in building opportunities for team members to grow and develop. Ask Italian, Boojum and Coco Di Mama all have similar initiatives that echo Zizzi's programmes, ensuring that every team member has the opportunity to advance and reach their potential.





Since launching our Recipe For A Better future we have supported 109 apprentices and reached 1,000 individuals.





### **COMMUNITY WELLBEING**

Building food businesses that sustain happy, healthy lives, is especially important among the communities where our businesses operate. Working with organisations and causes that align to our values is where we feel we can have the most impact.

We support our communities by sharing our time and skills, supplementing these volunteering efforts by fundraising in our restaurants and offices. This year, our teams volunteered nearly 500 hours at youth clubs, food banks and other community organisations. While feedback from our volunteering events has been consistently positive, we recognise that volunteering isn't for everyone. That's why we encourage team members to engage with the aspects of our Recipe For A Better Future strategy that resonate most with them. Beyond volunteering, we have donated £80,000 across the Group, supporting charities both small and large alike in our efforts to live up to our businesses' commitments. Our business' chosen charities range from local foodbanks, to more established organisations such as FareShare and the Felix project, as well as homeless charities such as Rhythms of Life and Crisis, and established partners such as the Mental Health Foundation.

Our support for foodbanks extends beyond financial donations. In response to increasing levels of food insecurity in the UK, we're also supporting people in need through redistributing surplus food, so we can play our part in feeding more people whilst reducing food waste. This is especially important for Coco di Mama as the business is determined to ensure that its surplus food ends where it's most appreciated. In our past financial year, the business has expanded its food donation strategy beyond working with local foodbanks, incorporating food redistribution platforms like To Good To Go and Olio. Through Olio alone, Coco Di Mama has been able to avail itself of a network of volunteers to redistribute over 43,000 meals, preventing roughly 74,000kg of carbon dioxide emissions.

Thanks to our Group's combined efforts, we are proud to be almost halfway to our goal of donating half a million meals by 2030. Since 2022, we have redistributed and donated the equivalent to 229,662 meals to our communities. This is a huge milestone that we are excited to have reached as it demonstrates that we can pursue our ambition of reducing our waste levels whilst incorporating food redistribution in our strategy to ensure that no good food goes to waste.



Proud to have donated and redistributed over 250,000 meals to our communities.





### **PROGRESS ON OUR GOALS: PEOPLE**



### **GROWING POTENTIAL**

» By 2030, we will have helped 10,000 individuals enter the job market through apprenticeships, internships, work experience placements and job and life skills training.



» By 2025, at least 70% of our positions will be filled by internal candidates as we expand our training proposition to promote internal career mobility.



### WELLBEING, REWARD AND RECOGNITION

- **»** By 2030, all employees 18+ will receive pay that exceeds the national living wage.
- » By 2025, we will sign up to the Mental Health at Work Commitment and provide mental health training to 100% of our leaders to develop supportive work environments



### INCLUSION AND DIVERSITY

» By 2025, we will be a signatory to BITC's Race at Work charter and build out our full diversity and inclusion strategy.



### COMMUNITY

» By 2025, we will provide all team members with volunteering opportunities, investing 100,000 volunteer hours in local communities by 2030.



**»** By 2030, we will donate half a million meals to people in need.



### PILLAR 2

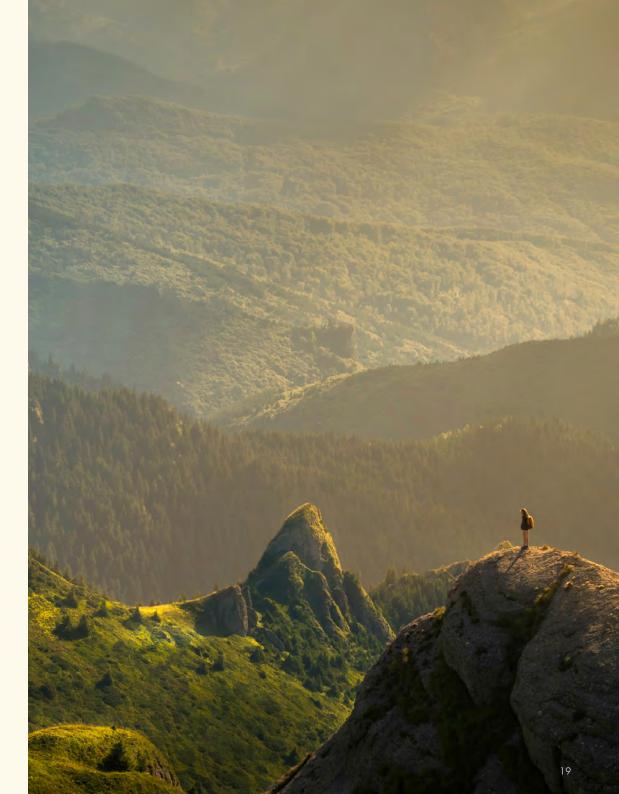
# PLANET

At Azzurri, we recognise the critical role businesses play in addressing the challenges of climate change. As part of our commitment to achieving net zero carbon emissions by 2040, we are determined to reduce our environmental impact while sharing our progress and learnings along the way.

Reducing our environmental footprint means taking bold steps to:

- $\boldsymbol{\gg}$  Lower our energy consumption and transition to more sustainable energy sources.
- » Minimise waste across our operations and divert over 99% of it from landfill.
- » Create circular solutions, such as turning food waste into green gas.
- Design sustainable, future-ready restaurants that meet external standards like SKA Gold certification.





### **SPOTLIGHTS: THE PEOPLE BEHIND OUR SUCCESS**

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"Planet Zizzi allows me to share my passion for sustainability with our teams and collaborate with ambassadors to overcome challenges together," Radek says.

#### **Energy and Water**

Radek Lakomski, Operational Excellence Manager, spearheaded the creation of the 'Planet Zizzi Ambassadors' network, which has helped reduce Zizzi's electricity use by ~5% over the past two years. His leadership has empowered restaurant teams to embrace sustainability in their daily operations.

#### Impact

- Created the 'Planet Zizzi Ambassadors' network to support energy-saving initiatives across restaurants.
- Led efforts that resulted in a 4.7% reduction in electricity usage in FY23/24 and 4.9% in the first quarter of FY24/25.
- Increased food waste segregation from 30% to 90-100% at Zizzi Worcester and Hampton Court.
- Empowered restaurant teams to take ownership of energy-saving plans, supporting long-term change.

#### What we love about Radek's journey

Radek's dedication to building a culture of energy awareness has transformed daily operations, inspiring teams to take ownership of sustainability.

"Sustainability and design are considered hand in hand from the very start of every project. Any potential finish that isn't sustainable doesn't get a look in!" Emma explains.

#### Sustainable Design

Emma Brookes, Senior Design Manager at ASK Italian, has led the charge in embedding sustainability into every aspect of restaurant design. By sourcing sustainable materials, like fabrics from recycled plastic bottles and repurposing marble from other projects, Emma has ensured ASK Italian's refurbishments consistently achieve SKA Gold accreditation without compromising on style.

#### Impact

- Achieved SKA Gold accreditation in every assessed refurbishment.
- >> Introduced sustainable materials, including custom fabrics from recycled plastic bottles.
- >> Enhanced brand reputation as an industry leader in sustainable restaurant design.

#### What we love about Emma's journey

Emma's dedication to sustainable design has inspired ASK Italian's teams and customers alike, proving that style and sustainability can go hand in hand.



"I've always been interested in the impact we have on our environment and what we can do to reduce it," George says, reflecting on his motivation to get involved.

#### Carbon

George Holmes, Finance Analyst at Azzurri Group, played a key role in advancing the company's carbon footprint analysis. Although new to sustainability projects, George brought his analytical expertise to Azzurri's carbon data management, working closely with Zero Carbon Services to ensure the integrity and accuracy of the data.

### Impact

- Improved the accuracy of Azzurri's carbon data collection and analysis.
- Supported the business in devising strategies to reduce year-on-year carbon emissions, especially in assessing opportunities in Scope 3 food and beverage.
- Collaborated with Zero Carbon Services to adopt industry best practices and test a new visualisation tool.

#### What we love about George's journey

George's journey from finance to sustainability is an inspiring reminder of how cross-functional skills can make a real difference. His work is setting the foundation for more frequent emissions tracking, keeping Azzurri on track to meet its long-term sustainability goals.

### **ENERGY AND WATER**

As the world faces ongoing climate challenges, it's essential for us to manage our energy and water use efficiently. We closely monitor energy consumption and set annual reduction targets for our businesses. For water, we're implementing monitoring tools to help us identify areas for improvement.

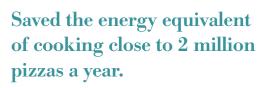
Following a structured 'Plan-Do-Check-Act' approach, we systematically manage our energy use. Each year, we review our energy goals, set reduction targets, and work with champions and partners to drive initiatives toward these goals.

In 2024, these efforts led to a 4.7% reduction in electricity usage at ASK Italian and Zizzi compared to last year, amounting to 1.3 million kWh saved—equivalent to serving 1.9 million pizzas annually. This achievement is largely thanks to the targeted behavioural campaigns implemented by each business. ASK Italian's 'Lightbulb Moments' and Zizzi's 'Watts! The Plan?' campaigns foster energy awareness among team members and encourage everyday actions that reduce energy use. Supporting these efforts, Zizzi's 'Planet Zizzi' committee, with its network of restaurant-based ambassadors, ensures that sustainable practices are embedded across all operations. Similarly, Coco Di Mama's dedicated energysaving committee works closely with the operations team, identifying consumption patterns, addressing outliers, and reducing overnight power usage. Through these reviews, Coco Di Mama has also found new opportunities to enhance the use of smart meters, laying the groundwork for improved performance in 2025.

Smart meters have played a crucial role in our energy management strategy, helping us track usage patterns in real-time. We've expanded the use of Mindsett, an asset energy monitoring tool, to 17 sites. This technology enables us to conduct in-depth energy audits, assess equipment efficiency, and pinpoint savings opportunities. For example, at Zizzi Bridgend, Mindsett identified an energy-draining water heater that lacked a timer, which was using power unnecessarily overnight. Insights like these directly inform our training programs and communications, empowering our teams to act on specific opportunities for savings. While electricity reductions have been significant, our focus is now expanding to gas. In 2024, we invested in more accurate gas monitoring and initiated plans to install smart meters across our sites by 2025. We aim to bring the same level of control and insight to our gas consumption as we have with electricity.

Our commitment to resource efficiency also extends to water. While an increase in water consumption has been observed due to business growth, we are proactively addressing this by installing smart water meters in 14 Zizzi and ASK Italian locations. These meters enable us to track and analyse water usage trends, providing valuable insights to identify and prioritise conservation measures. With these tools, we aim to optimise water usage and minimise consumption across the Group, ensuring we balance growth with sustainability.

Looking ahead, we remain committed to finding new ways to reduce energy and water usage while leveraging our partnerships and tools to drive impactful change. We're proud of our teams' dedication and eager to expand our partnerships, utilising tools like Mindsett for predictive maintenance to prevent issues before they arise.



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# Converted 2,200 litres of cooking oil into biodiesel.

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Reduced waste at our core operations by 3% and turned our food waste into green gas.

### WASTE

At Azzurri, we're committed to waste management excellence, continuously improving our practices to drive meaningful impact. Through enhanced training, partnerships with industry leaders, and engaging our teams, we're focused on minimising waste, maximising recycling, and supporting circular systems across all our businesses.

Our standard goal is to divert over 99% of waste from landfill at ASK Italian, Zizzi, Coco Di Mama, and Boojum sites. With just one exception among our sites, we meet this goal consistently, thanks to our dedicated waste partners who continuously help us identify new opportunities for our managed estate.

For example, ASK Italian and Zizzi work with Olleco to turn used cooking oil into biodiesel rather than clogging drains. In the past financial year, this partnership converted 2,200 litres of cooking oil into biodiesel, helping to reduce associated vehicle carbon emissions by 88%. Our waste partner, First Mile, assists Coco Di Mama in ensuring that recycled plastic is transformed into food waste bin liners, closing the loop on plastic use in our stores.

Correct waste segregation is critical to unlocking these benefits, and we motivate our teams to maintain high recycling standards. Together with Novati, our waste management provider, we've introduced initiatives like the 'Recycler of the Quarter' awards at Zizzi, ASK Italian, and Coco Di Mama. Novati also supports us in developing training resources, from online modules to back-of-house posters and videos, keeping our teams engaged and informed.

In 2024, ASK Italian launched a focused food waste reduction campaign as part of the 'Ask For Better' initiative. This effort began with a food waste mapping trial and evolved into a national food waste segregation campaign. Insights from ASK Italian's campaign were shared with other Azzurri businesses, including Zizzi, where they influenced Zizzi's 'Planet Zizzi' waste campaign. Ultimately, all food that cannot be donated or redistributed across our managed operations gets turned into green gas.

We are also preparing to comply with the Simpler Recycling legislation coming into effect in March 2025. Recognizing our role in promoting sustainable practices, we aim to impact customers' recycling habits as well, particularly with our takeaway and retail packaging. Currently, nearly 100% of our main takeaway packaging across ASK Italian, Zizzi, Coco Di Mama, and Boojum is recyclable. While some items, such as flexible plastics, have limited recycling options, they can still be recycled at specific locations. For our retail lines, we're progressing toward full recyclability, with ~70% of primary packaging already recyclable. We're confident that the Simpler Recycling legislation will further support this goal by enhancing recyclability across the industry.

Our commitment to waste management is bolstered by the dedication of our teams and our ambitious partners, all focused on minimising our footprint. As the regulatory landscape evolves, we anticipate improvements in the UK's recycling infrastructure and will continue striving for best-in-class recycling practices.

### CARBON

At Azzurri, we are steadfast in our commitment to achieving net zero carbon emissions by 2040. Recognizing the critical role businesses play in reducing greenhouse gas emissions, since becoming a founding member of the Zero Carbon Forum in 2020, we have focused on understanding and addressing our environmental impact through robust carbon accounting and strategic action.

In FY24, our total emissions reached 79,530 tCO<sub>2</sub>e, with 15% originating from Scopes 1 and 2, and 85% from Scope 3. Even as our business continues to grow, we are proud to report a 7% reduction in emissions intensity across the Group and a 2% reduction in absolute emissions compared on a like-for-like basis to FY23. These achievements highlight our ability to decouple economic performance from environmental impact, a critical step in our journey toward net zero.

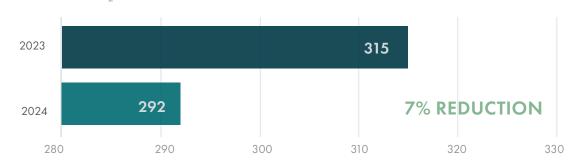
### Progress on Scopes 1 and 2

Direct emissions from Scopes 1 and 2 accounted for 15% of our total

footprint in FY24, reflecting the success of targeted energy-saving initiatives. ASK Italian and Zizzi led the way, with campaigns such as "Lightbulb Moments" and "Watts! The Plan?" driving behavioural change at the restaurant level. These efforts were complemented by technology upgrades, including smart meters and energy-efficient equipment, as detailed further in the "Energy and Water" chapter. Together, these measures have laid a strong foundation for continued reductions in operational emissions.

#### TOTAL GHG EMISSIONS PER £1M TURNOVER

Intensity (tCO<sub>2</sub>e / £1m turnover)



#### **GHG EMISSIONS**



We are committed to continually improve data accuracy and transparently report our emissions to the best of our knowledge.

#### **Advancing Scope 3 Reductions**

Scope 3 emissions remain our most significant challenge, but also our greatest opportunity for impact. In FY24, we refined our understanding of Scope 3 emissions by incorporating more primary data through partnerships with Foodsteps and suppliers like Leprino and Wildfarmed. For example, we were able to apply Foodsteps' carbon footprinting methodology to 19% of ASK Italian, Zizzi, and Coco di Mama products, while leveraging supplier life-cycle assessments to validate key data. These refinements enabled us to reduce food-related emissions by 6.85% compared to FY23.

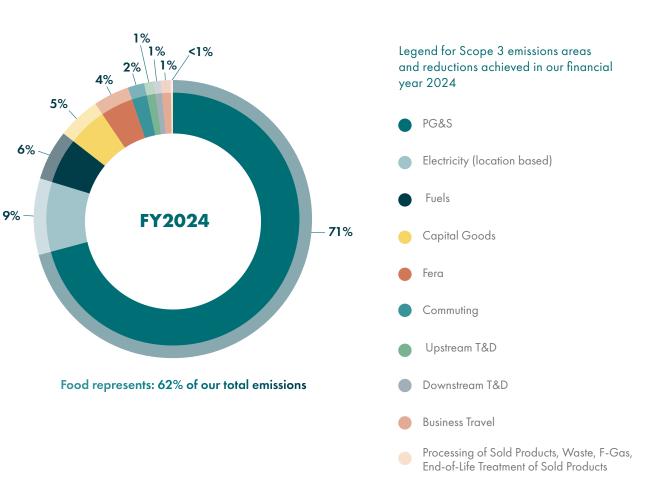
Despite this progress, some non-food categories saw an increase in emissions due to updated emission factors. This highlights the dynamic nature of carbon accounting and the importance of continually improving our methodologies.

#### Looking ahead

Our commitment to reducing emissions remains steadfast as we continue to expand. Boojum completed its first carbon footprint in FY24, establishing a baseline for future reduction targets, while the launch of Dave's Hot Chicken in the UK necessitates an updated Net Zero Roadmap to account for new operations.

Looking ahead, we aim to deepen our collaborations with suppliers and continue to embed carbon awareness in all relevant teams and departments at Azzurri. Upskilling our teams and keeping carbon top of our agenda is critical to our success. And by prioritizing highimpact areas such as food sourcing, operational energy use, and supplier engagement, we are confident in our ability to achieve meaningful progress. As we advance toward net zero by 2040, we remain committed to balancing business growth with environmental responsibility, ensuring a sustainable future for our operations and the communities we serve.





...by 2040

### AZZURRI ROADMAP TO NET ZERO

#### O A NEW ENVIRONMENTAL : MANAGEMENT SYSTEM

Put power in our people's hands by 2025 by providing resources to monitor energy consumption and introducing incentivised annual consumption reduction targets

#### ) IMPROVED PACKAGING

By 2025 all of our takeaway packaging will be widely recyclable. Ο

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#### O COLLABORATING : FOR THE GREATER GOOD

We will continue to work with the Zero Carbon Forum, suppliers and other partners to solve wicked problems that affect our industry

### **O** GREEN ENERGY

By 2030 Azzurri sites will be powered by 100% renewable energy.

...by 2025

### **O** PLATES WITH A PURPOSE

By 2030 65% of Azzurri brands' menus will consist of low or very low carbon options.

O SUSTAINABLE MENU CREATION

> By 2025 all of our brands will integrate carbon accounting to menu planning.

#### **O** RAISING EXPECTATIONS

We will introduce new criteria to our sourcing processes by 2025 to partner with suppliers committed to reducing their own carbon footprint.

### SUSTAINABLE DESIGN

At Azzurri Group, we recognise that opening sustainable, future-ready restaurants is essential to reducing our environmental footprint. With the construction industry facing increasing pressure to address its role in climate change, we remain committed to leading the way in sustainable design within the hospitality sector.

Since implementing our sustainable design commitment in 2022, we've applied best practices to all refurbishments and new openings. This ensures that every new restaurant is built to minimise its environmental impact while offering our customers the same vibrant and welcoming experience they expect from Azzurri.

In our past financial year, three more of our sites—Zizzi Chatham, Zizzi Bridgend, and ASK Merryhill—achieved SKA Gold certification, further reinforcing our dedication to integrating sustainability into every stage of our design and construction process.

Zizzi Bridgend exemplifies the impact of this commitment. The site achieved a 29.4% improvement in energy efficiency thanks to the implementation of LED lighting, efficient mechanical equipment, and the use of sustainable materials. Through careful planning, we also reduced the project's carbon footprint by reusing existing elements, saving both resources and emissions. Additionally, 100% of waste produced during the fit-out was diverted from landfill, contributing to a more circular approach to construction.

In line with our commitment of opening a SKA-aligned restaurants across the portfolio, our fit outs all feature FSC wood and timber, low-VOC paints and finishes and sustainable furniture and materials. In addition, our teams try to reuse preexisting materials and features as much as possible. For instance, Boojum transforms scaffolding material into low table seating and Ask Italian Merry Hill saved 4.34 tCO2e by reusing and reconditioning existing elements instead of replacing them with new.





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We have aligned our design process to the SKA Gold standard and opened 3 more gold certified sites, incorporating sustainable excellence to our new openings and refurbishment projects.



Ask Italian also collaborated with its suppliers and contractors to source new materials, including marble salvaged from a scrap yard for its bar and a new 100% recycled plastic upholstery fabric that has since become a staple for the business. Zizzi worked with suppliers to incorporate eco-friendly materials, such as a unique copper-like tabletop made from upcycled coffee waste and organic fibres like powdered fruit stone and walnut shells.

These design principles not only reduce our environmental impact but also meet evolving regulatory standards and align with the expectations of customers and landlords. At Merryhill, stakeholders praised our ASK Italian fit-out as a best-in-class example of sustainable design, applauding its reuse of materials that would otherwise have gone to landfill.

Looking ahead, our goal is to increase the number of SKA Gold-certified sites and continually raise the bar for sustainable design. As we incorporate new technologies and practices, we remain committed to building restaurants that reflect our vision for a greener, more responsible future.





We challenge ourselves and partners to come up with innovative design solutions, such as using recycled coffee table tops and giving a second life to discarded marble.

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### **PROGRESS ON OUR GOALS: PLANET**



### CARBON, ENERGY & WATER

- » By 2025, we will launch a robust environmental management system, allowing us to monitor and set annual consumption reduction targets for energy and water.
- **»** By 2040, we will achieve net zero emissions across our operations and supply chain.



### WASTE

- **»** By 2025, all our out of restaurant packaging will be widely recyclable.
- **»** By 2030, we will reduce our total food waste by 15%.



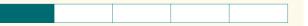




# SUSTAINABLE DESIGN & CONSTRUCTION

» By 2025, all new restaurants and restaurant fit-outs will be built to the standards set out in our new sustainable design and construction policy.







# PILLAR 3 PLATE

Pursuing sustainable food production and promoting sustainable diets require a global, system-wide effort. As the Food and Agriculture Organization rightly stated, "the issue is not 'if' diets should change, but how to obtain these results."

At Azzurri, we take this responsibility seriously. We are committed to supporting our customers' health preferences and needs, promoting sustainable diets, and sourcing responsibly. This means integrating sustainability into every aspect of our menu and supply chain, from ingredient selection to recipe development.

Our focus includes:

- » Introducing innovative, low-carbon ingredients to reduce our environmental footprint.
- >> Expanding plant-based and vegetarian menu options to support the shift toward more sustainable diets.
- Partnering with suppliers to meet stringent sustainability criteria, ensuring our food is ethically and responsibly sourced.
- Enhancing transparency through initiatives like carbon labelling, empowering our customers to make informed dining choices.



SUSTAINABLE DINING REPORT 2023-24



### **SPOTLIGHTS: THE PEOPLE BEHIND OUR SUCCESS**

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"For me, sustainability means more than just a label—it's about thoughtful ingredient choices and minimising food waste to reduce our impact," Kate says.

#### **Health & Nutrition**

Kate Creedon, Food & Drink Development Manager at Coco Di Mama, champions the sustainable diets agenda by working on carbon labelling for Coco's products. Her approach combines careful ingredient sourcing and menu planning to create delicious, lower-impact recipes that meet both Coco's and customers' sustainability goals.

#### Impact

- Introduced carbon labels to help customers make informed choices.
- Incorporated lower-impact ingredients, such as using dairy alternatives, and developed vegan and glutenfree options like Sunny and Luna gnocchi, which matched sales of a meat-based counterpart.
- Prioritised sustainable ingredient sourcing, engaging smaller suppliers aligned with Coco's ESG values.

#### What we love about Kate's journey

Kate's passion for sustainability has brought an innovative perspective to Coco Di Mama's menu, encouraging both teams and customers to embrace more planet-friendly choices.



"I'm really proud of being the first UK Italian restaurant chain to launch such a sustainable product and seeing the positive impact on both our menu and carbon emissions," Katy says.

#### **Sustainable Diets**

Katy Pigg, Food Development Manager at Azzurri Group, led the change to incorporate Wildfarmed Flour into the business' dough recipe — the first recipe change since opening. This shift resulted in a 50% reduction in the dough's carbon emissions, supporting Azzurri's sustainability goals and setting a new benchmark in the industry.

#### Impact

- >> Developed a new dough recipe with Wildfarmed Flour, cutting the dough's carbon emissions by 50%.
- >> Integrated the new dough into kitchen processes with minimal disruption.
- >> Positioned Azzurri as a sustainability leader in the UK restaurant industry.

#### What we love about Emma's journey

Katy's passion for sustainable sourcing has driven innovation in the kitchen, setting an inspiring standard for the industry.

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"Sustainable sourcing has become second nature here at Azzurri, and it's rewarding to work with suppliers who share our commitment," Neil shares.

#### **Sustainable Sourcing**

Neil Westley, Head of Purchasing at Azzurri Central, has played a key role in advancing Azzurri's sustainable sourcing practices. By working closely with suppliers to meet Azzurri's sourcing criteria, Neil has embedded sustainability as a core consideration in all purchasing decisions. His efforts also included attending carbon workshops to gather Life Cycle Assessment data, helping Azzurri better understand and reduce its carbon footprint.

#### Impact

- >> Formalised sustainable sourcing requirements for all new product listings across Azzurri businesses.
- Moved key products like ASK Italian's pizza dough to 100% Wildfarmed regenerative flour, significantly reducing carbon impact.
- Pioneered Life Cycle Assessment practices, encouraging data-based carbon reduction.

#### What we love about Neil's journey

Neil's proactive approach has not only strengthened Azzurri's sustainability goals but also inspired suppliers to raise their own standards, setting a positive example for the industry.





50% of our menu items include vegan and vegetarian meal choices.







90% of Coco Di Mama's mains can be enjoyed for less than 800 calories.

### **HEALTH AND NUTRITION**

At Azzurri Group, we believe that everyone deserves food they can trust, which is why the provenance, production, and preparation of our dishes are at the heart of everything we do. We remain committed to ensuring that all of our restaurants and stores are safe choices for our customers, supporting dietary needs, preferences, and overall health.

In 2024, food safety continued to be a top priority. Building on last year's achievements, we further improved our Food Hygiene Rating System performance, with 94% of our restaurants now holding the highest rating of 5 (or PASS in Scotland), up from 93% in 2023. This accomplishment reflects our strengthened Quality & Safety protocols, which include regular unannounced audits by third-party experts and increased internal reviews. We have also increased the number of restaurants inspected by food safety oversight bodies, as part of our commitment to maintaining high hygiene standards. All our restaurants are also subject to bi-annual audits as part of our comprehensive audit program.

As allergen management remains a key focus, we've continued leveraging technology to improve transparency and accuracy in tracking allergen information across our businesses. With customer health and safety in mind, we've made enhancements to our external audit program to further increase monitoring and implement improved allergen management practices. This commitment to continuous improvement ensures that we're staying ahead of industry standards and providing safe, allergen-conscious dining experiences.

In addition to food safety, Azzurri businesses remain dedicated to promoting healthier dietary choices. Throughout the year, more than 50% of our menu items at, on average, have been vegan or vegetarian at Ask Italian, ZIzzi and Coco Di Mama. With 90% of Coco Di Mama's mains featuring fewer than 800 calories, and 35% of the menus at Zizzi and ASK Italian consisting of lowercalorie options, we're helping our customers make more health-conscious decisions while enjoying their favourite meals.

Our efforts to encourage vegetable intake among children have also continued, with Zizzi and Ask Italian's commitment commended at the tailend of 2023 by the Food Foundation's Green-Traffic light rating. As we continue into 2024, our businesses have made significant progress toward meeting PHE targets for children's menus, and we remain committed to closing any remaining gaps.

### **SUSTAINABLE DIETS**

With growing populations, food waste, and complex agricultural supply chains, the global food system is responsible for up to <u>one-third of greenhouse gas emissions</u>. As a food-focused business, we have a responsibility to address this impact by balancing customer needs and preferences with our commitment to achieving net zero carbon emissions by 2040.

To support this goal, we partnered with Foodsteps, a platform that helps food businesses measure, understand, and reduce the environmental impact of their products. Since 2022, Foodsteps has enabled us to map the carbon emissions of our menus, providing detailed insights into the footprint of individual dishes and ingredients. By 2024, we had completed a full carbon analysis of our core businesses' menus and established regular monthly performance reviews to track progress.

Mapping the emissions of individual dishes, in addition to conducting our annual carbon footprint accounting, provides multiple benefits. Firstly, it enables us to identify the carbon impact of specific ingredients and benchmark dishes against industry averages. This insight allows us to reduce emissions through recipe reformulation. For example, Coco Di Mama replaced dairy yoghurt with coconut yoghurt in its tiramisu overnight oats, reducing the dish's carbon footprint by 26% and contributing to a successful product launch in Spring 2024.

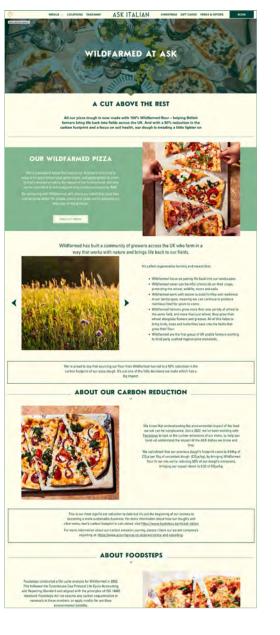
Secondly, measuring the carbon footprint of our dishes also helps us engage suppliers

in meaninaful conversations. For instance, our carbon analysis identified dough as a significant emissions contributor at ASK Italian. accounting for nearly a third of its menu items. In response, ASK Italian partnered with Wildfarmed to introduce a new dough recipe made with regenerative flour. This change reduced the carbon footprint of dough-based products by 50%, as verified by a Foodsteps life cycle assessment (LCA). Ask Italian communicated this milestone to customers through updated menus and website, table talkers, and promotional material in Spring 2024. The initiative was also awarded 'Best Supplier' initiative at the 2024 Footprint awards.

We also leverage sustainable sourcing to meet our commercial objectives while advancing our climate commitments. For example, Zizzi's autumn special, Beef Brisket & Venison Stufato, replaced beef-only sauces with a venison blend, reducing the sauce's carbon intensity by 17.6%. This initiative demonstrates how creative menu solutions can align customer satisfaction with our Planet objectives. Our teams at ASK Italian, Coco Di Mama, and Zizzi remain dedicated to driving sustainable diets, using innovation and customer engagement to reduce the environmental impact of the food we serve.







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We have more than doubled the number of ingredients that are both sourced and manufactured in the UK.



Over 50% of our cocktail suppliers are now B Corpcertified organisations.

### **SUSTAINABLE SOURCING**

Achieving our sustainable sourcing goals requires collaboration across our entire value chain, from central operations to our businesses. This joint effort is increasingly important as supply chains globally face mounting challenges, including poor crop harvests due to the worsening climate crisis and geopolitical tensions in Eastern Europe and the Middle East.

The impact of climate change is becoming more evident within our supply chain. Warmer temperatures and extreme weather patterns are affecting ingredient growth worldwide. From wine producers in Italy to chilli growers in the Middle East, our suppliers are sharing firsthand accounts of these challenges. In response we are changing our ways of working, from sourcing more sustainable ingredients to working with suppliers on more flexible sourcing opportunities. We're continually learning how to better support our partners while promoting sustainable practices across our supply chain.

We prioritise working with suppliers who share our ethos and from whom we can learn. Over the past financial year, we increased the number of suppliers with sustainability accreditations. Notably, over 50% of our cocktail suppliers are now B Corp-certified organisations, meeting rigorous social and environmental standards.

While sourcing local ingredients is only one part of a sustainable supply chain, we have more than doubled the number of ingredients that are both sourced and manufactured in the UK. Although overall UK ingredient manufacturing has decreased to support a more flexible supply chain, this change rewards sustainable practices and balances environmental goals with commercial considerations. Our efforts to reduce the environmental impact of our supply chain was awarded 'Best economic sustainability' initiative at the 2024 Footprint awards.

In 2024, we updated our sourcing policy to include stricter expectations around sustainable sourcing practices, welfare certifications, and deforestation best practices. This policy supports goals like using only sustainably sourced palm oil. Additionally, we enhanced our criteria for meat sourcing by incorporating environmental considerations into the tender process alongside high traceability requirements. While there have been challenges in meeting some meat welfare goals this year, we are confident that these policy changes will strengthen our longterm progress. Enforcing this policy remains a priority for our Purchasing and Supply Chain department.

Although we are eager to act on all our sourcing goals immediately, we are taking a phased approach. This year, we are focusing on two key areas: enhancing due diligence processes across our supply chain and building stronger relationships with suppliers responsible for our highest-emission ingredients, as identified in our carbon footprint analysis. By prioritising these areas, we aim to make meaningful progress on critical issues such as deforestation and our net zero commitment, bringing us closer to a more sustainable future together with our partners.



### **PROGRESS ON OUR GOALS: PLATE**



### **SUSTAINABLE DIETS**

- **»** By 2025, we aim to provide the carbon footprint of items sold or listed in our brands' menus.
- **»** By 2030, we aim for at least 65% of the dishes listed on our brands' menus to be low or very low carbon impact

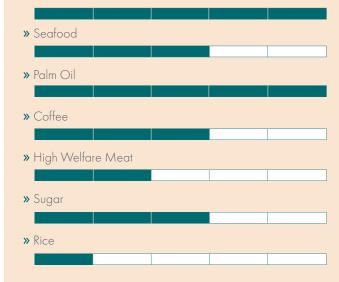
### **HEALTH & NUTRITION**

**»** By 2025, all our kids' menus will meet PHE targets for sugar, salt, fat and calories.

### SUSTAINABLE SOURCING

Building on our existing commitments to source sustainably certified seafood, palm oil, free-range eggs and meat, by 2030, we will also source sustainably certified rice, sugar and coffee.

#### **»** Free-Range Eggs used in our restaurants



By 2030, we will sustainably source our uniforms, paper products, and work with suppliers who use sustainable alternatives to soy in animal feed and avoid the routine use of prophylactic antibiotics.

- » No Routine Use of Prophylactic Antibiotics
- » Sustainable Sourcing of Soy (in Animal Feed)
- » Sustainable Sourcing of Uniforms

By 2030, we will invest in diverse and resilient supply chains by increasing spending with local suppliers by 10% and increasing spending with suppliers from minority backgrounds and sustainably certified organisations by 20%.

» Increase Spending with Local Suppliers by 10%

» Increase Spending with Minority Suppliers by 20%

Increase Spending with Sustainably Certified
 Organisations by 20%

### SUSTAINABLE DEVELOPMENT GOALS

# Recipe For A Better Future supports seven of the 17 United Nations Sustainable Development Goals (SDGs), a global agenda to end poverty, protect the planet, and ensure prosperity for all.

Aligning our 2030 Goals with the SDGs was a deliberate decision for several reasons. Firstly, it ensures that our impact is meaningful and addresses critical issues affecting both people and the planet. Secondly, it allows us to frame our progress in a way that resonates with key stakeholders, including our industry peers, investors, team members, and the communities we serve. The SDGs provide a universal framework that connects our work to global ambitions shared by businesses, governments, and communities worldwide. After reviewing the SDGs, we identified seven goals that are most relevant to our operations and sustainability strategy. These goals reflect the areas where we believe we can make the most significant impact. While we recognise that our work touches on other SDGs, these seven provide a focused foundation to guide our progress and ensure alignment with global priorities.

Throughout this report, we've marked each section with the relevant SDG logo to highlight how our initiatives contribute

to these goals. This approach underscores our commitment to advancing sustainability and transparency while driving meaningful change within the Group and beyond.

Additionally, the table below brings it all together, detailing the specific commitments we have made for each goal and the 2030 targets that underpin our strategy. This table serves as a clear roadmap, linking our initiatives to the global agenda and demonstrating how we measure and track our progress.

SUSTAINABLE DEVELOPMENT GOAL	OUR COMMITMENT	OUR 2030 GOAL
SDG 2 Zero Hunger (Target 2.1; Target 2.3)	End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Our 220 restaurants and stores are at the heart of many UK communities. We're here to sustain happy, healthy lives within those communities, managing our food waste, and donating surplus food to those who need it most.	Donate half a million meals by 2030.
SDG 8 Decent work and economic growth (Target 8.5; Target 8.6) 8 ECONTRECTION	Promote inclusive and sustainable economic growth, employment and decent work for all. We're committed to training our teams and providing career opportunities. We're dedicated to building an engaging and healthy environment that supports and nourishes individuals to be better and do better.	By 2030, we will have helped 10,000 individuals enter the job market through apprenticeships, internships, work experience placements and job and life skills training. By 2030, all employees aged 18+ will receive pay that exceeds the national living wage.

SUSTAINABLE DEVELOPMENT GOAL	OUR COMMITMENT	OUR 2030 GOAL
SDG 9 Industry, Innovation and Infrastructure (Target 9.4)	Build resilient infrastructure, promote sustainable industrialisation and foster innovation. With 220 restaurants and stores across the UK, we're focused on minimising our environmental footprint at every site. We're already committed to sending zero-to-landfill and want to take this further. Our design and construction policy will also promote sustainable design and construction.	By 2025, all new restaurants and restaurant fit-outs will be built to the standards set out in our new sustainable design and construction policy.
SDG 10 Reduced inequalities (Target 10.2)	Reduce inequality within and among countries. Our customers come from all walks of life and so do we. We're not all the same and that is our greatest strength. We draw on the differences in who we are, what we've experienced and how we think, to build better food businesses that sustain happy, healthy lives. We build teams made up of great people from a wide variety of backgrounds and abilities, not just because it's the right thing to do, but because it makes our business stronger.	By 2030, we will invest in diverse and resilient supply chains by increasing spending with local suppliers by 10% and increasing spending with suppliers from minority backgrounds and sustainably certified organisations by 20%. By 2025, we will be a signatory to BITC's Race at Work charter and build out our full diversity and inclusion strategy.
SDG 12 Responsible Consumption and Production (Target 12.2; Target 12.3; Target 12.5; Target 12.6)	Ensure sustainable consumption and production patterns. We believe in responsible business - in doing business in a way that is better for both our planet and our people. That means having sound social and ethical practices and considering our impact on the environment and how to reduce it. We believe in getting as much value as possible from every waste stream, to protect our planet's resources and drive value for our businesses.	By 2025, all our out of restaurant packaging will be widely recyclable. By 2030, we will have cut our food waste by 15%. Expanding on our existing zero-to- landfill commitment, by 2025 we aim to send zero waste to landfill from 100% restaurant fit outs and new builds.
SDG 13 Climate Action (Target 13.3)	Take urgent action to combat climate change and its impacts. Climate change is one of the most urgent issues facing humankind. It requires swift and radical action. We're taking action both within our business through our net zero by 2040 ambition and in the way we support our customers to make more informed choices through carbon footprint labelling too.	By 2040, we will achieve net zero emissions across our operations and supply chain By 2025, we aim to provide the carbon footprint of items sold or listed in our brands' menus.

SUSTAINABLE DEVELOPMENT GOAL	OUR COMMITMENT		OUR 2030 GOAL
SDG 14 Life below water (Target 14.4; Target 14.6)	Conserve and sustainably use the oceans, seas and marine resources. Many of our dishes are reliant on fish and seafood ingredients, so we're committed to sourcing our fish and seafood sustainably to protect fish stocks and marine ecosystems.		Building on our existing commitments to source sustainably certified seafood, palm oil, free-range eggs and meat, by 2030, we will also source sustainably certified rice, sugar and coffee.
Grou	v your	OWK	i way

### SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) RESPONSE

This disclosure marks Azzurri Group's first response to the SASB Restaurants Standard. We are in the process of developing our approach to collecting data for the accounting metrics. For metrics for which data is not yet available, we offer information on our approach to and targets for these topics.

SASB CODE	ACCOUNTING METRIC	MATERIAL TOPICS	2023	2024	
Energy Management					
FB-RN-130a.1	(1) Total energy consumed	Energy	225,185 Gigajoules	234,867 Gigajoules	
	(2) percentage grid electricity	Energy	100%	100%	
	(3) percentage renewable	Energy	12.3%	1.9%	
Water Managem	ent				
FB-RN-140a.1	(1) Total water withdrawn	Water	Data for water withdrawal is not yet centralised at entity level. We are taking action to improve our data collection processes to accurately measure water consumption and are committed to reducing it.		
	(2) total water consumed	Water	20,3414 m <sup>3</sup>	221,650 m <sup>3</sup>	

SASB CODE	ACCOUNTING METRIC	MATERIAL TOPICS	2023	2024		
Food & Packagi	Food & Packaging Waste Management					
FB-RN-150a.1	(1) Total amount of waste	Waste	6,224 Mt	8,799 Mt This figure now includes Boojum's operations in the UK and Ireland, and estimates for landlord- managed sites, which were not included in the 2023 reported figures.		
	(2) percentage food waste	Waste	13.95%	14.71% for Azzurri operations managed via main waste management partner. 19% for Boojum.		
	(3) percentage diverted	Waste	99%	99% Exception of one site that is working on improving a 38% rate.		
FB-RN-150a.2	(1) Total weight of packaging	Waste	640.44 Mt (based on EPR reporting standards for calendar year 2023)	939 Mt This figure includes Boojum.		
	(2) percentage made from recycled and/ or renewable materials	Waste	We are working with suppliers to improve the accuracy of this figure.	26% across our primary takeaway lines		
	(3) percentage that is recyclable, reusable, and/or compostable	Waste	88%. This includes our retail & takeaway business lines.	96% This includes our takeaway and retail business lines.		
Food safety	Food safety					
FB-RN-250.a1	(1) Percentage of restaurants inspected by a food safety oversight body	Health & Nutrition	45% 100% of our restaurants and stores are subjects to two annual third-party inspections as part of our comprehensive audit programme.	52% 100% of our restaurants and stores are subjects to two annual third-party inspections as part of our comprehensive audit programme.		
	(2) percentage receiving critical violations	Health & Nutrition	0%	0%		

SASB CODE	ACCOUNTING METRIC	MATERIAL TOPICS	2023	2024
Food safety (co	ntinued).			
FB-RN-250.a2	(1) Number of recalls issued	Health & Nutrition	0	0
	(2) total amount of food product recalled	Health & Nutrition	0	0
FB-RN-250a.3	Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation	Health & Nutrition	Not applicable. This metric is only relevant to operations in the United States, which Azzurri does not have.	
Nutritional Co	ntent			
FB-RN-260a.1	(1) Percentage of meal options consistent with national dietary guidelines	Health & Nutrition	Refer to page 34 for our health and nutrition strategy. Following calorie legislation in the UK, 70% of CDM's menu is under 500 calories, 34% of ASK Italian's menu is under 800 calories, 27.5% of Zizzi's menu is under 800 calories.	Refer to page 34 for our Health and Nutrition strategy. In alignment with UK calorie legislation, the percentage of menu items under 800 calories is as follows: - Coco di Mama (CDM): 95% - ASK Italian: 51% - Zizzi: 47% Boojum's 'make your own' meal allows consumers to fully cutomise their meal based on individual preferences.
	(2) revenue from these options	Health & Nutrition	Refer to our Annual Report for information on	the company's financial performance.

SASB CODE	ACCOUNTING METRIC	MATERIAL TOPICS	2023	2024		
Nutritional Co	Nutritional Content (continued).					
FB-RN-260a.2	(1) Percentage of children's meal options consistent with national dietary guidelines for children	Health & Nutrition	Refer to page 34 for data on our main meals, we are working to define a unified methodology for data collection and calculation for our brands' set kids meals.	Over 90% for Ask and Zizzi. Neither CDM or Boojum have children-specific menu options.		
	(2) revenue from these options	Health & Nutrition	Refer to our Annual Report for information on the company's financial performance.			
FB-RN-260a.3	Number of advertising impressions made on children, and percentage promoting products that meet national dietary guidelines for children	Health & Nutrition	0,0%	0,0%		
Labor Practice	S					
FB-RN-310a.1	(1) Voluntary turnover rate for restaurant employees	Wellbeing, reward & recognition	Please refer to our Annual Report. For more information on our people approach to wellbeing, reward & recognition refer to page 13.	Please refer to our Annual Report.		
	(2) involuntary turnover rate for restaurant employees	Wellbeing, reward & recognition	This topic is mentioned in our Azzurri Annual Report. For more information on our people approach to wellbeing, reward & recognition refer to page 13.	Please refer to our Annual Report.		
FB-RN-310a.2	(1) Average hourly wage, by region	Wellbeing, reward & recognition	86% of our employees are paid above National Living Wage	88% of our employees's take-home pay is above the national living wage		
	(2) percentage of restaurant employees earning minimum wage, by region	Wellbeing, reward & recognition	100%	100%		
FB-RN-310a.3	Total amount of monetary losses as a result of legal proceedings associated with (1) labor law violations	Wellbeing, reward & recognition	0	0		

SASB CODE	ACCOUNTING METRIC	MATERIAL TOPICS	2023	2024	
Labor Practices	Labor Practices (continued).				
FB-RN-310a.3 (continued).	Total amount of monetary losses as a result of legal proceedings associated with (2) employment discrimination	Wellbeing, reward & recognition	0	0	
Supply Chain M	lanagement & Food Sourcing				
FB-RN-430a.1	Percentage of food purchased that (1) meets environmental and social sourcing standards	Sustainable Sourcing	We are working with suppliers to be able to accurately calculate report on this figure.	We are working with suppliers to be able to accurately calculate report on this figure.	
	Percentage of food purchased that (2) is certified to third-party environmental and/or social standards	Sustainable Sourcing	48.1% of food products hold environmental or social certification as disclosed by our suppliers (based on an 86% supplier response rate).	73% based on key commodities monitored (coffee, sugar, rice, meat, seafood, palm oil and eggs)	
FB-RN-430a.2	Percentage of (1) eggs that originated from a cage-free environment and	Sustainable Sourcing	100	100% whole eggs 76% for all other forms of egg products	
	Percentage of (2) pork that was produced without the use of gestation crates	Sustainable Sourcing	83% as disclosed by our suppliers (based on a 60% supplier response rate). This figure encompasses products from gestation-free environments and those compliant with Higher Animal Welfare certifications)	92% as disclosed by our suppliers (based on a 71% supplier response rate). This figure encompasses products from gestation-free environments and those compliant with EU standards.	
FB-RN-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Sustainable Sourcing	Refer to page 38	Refer to page 34	
Activity Metric					
FB-RN-000.A	Number of (1) company-owned	NA	214	235	
	Number of (2) franchise restaurants	NA	0	0	
FB-RN-000.B	Number of employees at (1) company- owned	NA	5,693	> 6,000	
	Number of employees at (2) franchise locations	NA	0	0	

# AZZURRIGROUP

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