Change by drake & Morgan

Impact Report





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A Warm Welcome

We have never really shouted about a lot of the wonderful things we do at Drake & Morgan, but at the heart of our business we have always looked to do the right thing.

We have undertaken a plethora of activities which you may not be aware of; from offering employment opportunities for under-represented groups at the first Refinery in Bankside, to protecting a rainforest area equal to the size of the City of London through the Pro Aves Foundation for the opening The Anthologist & The Folly, or more recently through the support we have provided our charity partner Maggie's over the last four years. Our business culture is to be passionate & respectful & has guided these choices since we founded the Drake & Morgan brand in 2008.

As we continue to grow, we feel it's the time to formalise & document the steps we've taken & will take to ensure our incredible team & lovely partners are supported whilst we ensure our environmental footprint is as light as possible.

We are on a journey with lots to do, but we hope the following pages give some insight into our impact targets & how we aim to improve further through the coming months & years.

Thank you & enjoy the read!

Jillian MacLean MBE, Founder & CEO









Change by Drake & Morgan



We believe good intentions are "all well & good," but not worth much unless you are held to account & are prepared to be transparent. That's what we, working alongside some specialist partners, intend to do with this project.

We want to be held accountable by our teams & to work together to make a positive change in how our business operates & impacts everyone, whether they work here, are a partner, or one of our lovely Drake & Morgan customers.

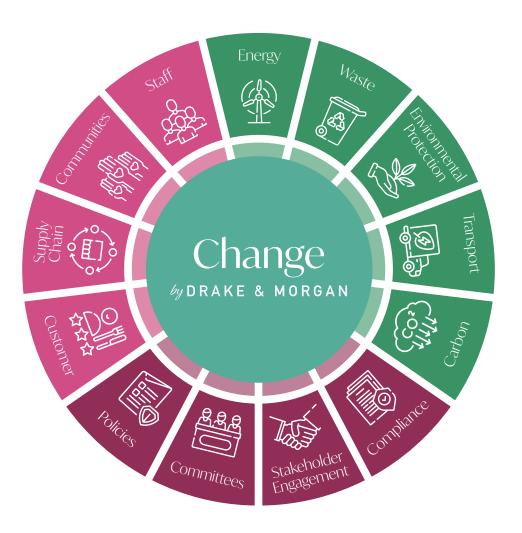
To implement our 'Change' project, we reviewed over 50 areas of impact across our business & supply chain to identify opportunities & any points of concern. As a result, we have identified three focus areas for "Change by Drake & Morgan:"



People







How will we measure this? Our ESG Dashboard

Sustainable Advantage have worked with D&M since 2018 on our utilities procurement & are also industry specialists in all areas of ESG reporting (Environmental, Social & Governance). Their team have developed a ESG scoring framework which we have adopted with a benchmark assessment score.

From this deep dive we will set targets & action plans which can be viewed by all managers within the team, many of whom will also be involved in these workstreams.

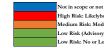
Our progress on these actions & our updated score will be reported to our board quarterly, keeping us all on our toes!



Area		Summary #	RAG		Summary #	RAG		Summary #	RAG		~
ENVIRONMENT	ſ	1		Pollution control (compliance & incidents)	4		Plastics	7		Carbon emissions disclosure	
		2		Hazardous materials (compliance & incidents)	5		Use of/depletion of scarce resources, including biodiversity (policy & strategy)	8		Climate risks and opportunities assessment	
		3		Recycling and resource efficiency	6		Energy				

SOCIAL	9	Employee engagement	16		Collective association (permitted)	23		Customer relationship (system & litigation)
	10	Employee handbook and Code of Conduct (policy, violations tracking & incidents)	17	А	Physical and mental wellbeing	24		Product safety/quality (compliance)
	11	Whistleblowing (policy, procedure & incidents)	18		Vulnerable people (policy)	25		Marketing/labelling (compliance)
	12	Grievance (policy, procedure and incidents)	19		Diversity, Equity, and inclusion (policy & strategy)	26		Supplier vetting (SC risk analysis, CoC, questionnaire & audit)
	13	Employee training & development	20		Recruitment and retention	27	А	Human Rights, Modern slavery and child labour (policy)
	14	Occupational H&S (policy, reporting procedure, RIDDOR)	21		Gender pay gap (calculation)	28		Community and social impact
	15	Working conditions	22	А	Reward and remuneration			

GOVERNANCE	29	Board structure	33	Λ	Policy management (review, violations tracking & incidents)	38	А	ESG Governance (Policy, Committee, board ownership)
	30	Ethical business conduct (AB&C policy & incidents)	34		Data and privacy (GDPR policy & incidents)	39		ESG Performance management (targets, metrics and KPIs;)
	31	Risk Management	35	Λ	Data and cyber security (policy, Disaster Recovery Plan & incidents)	40		Influencing client / customer ESG performance
	32	Business Continuity Plan	36		Corporate Criminal Offence (policy & incidents)	41		Stakeholder ESG maturity
			37		Money Laundering (policy & incidents)	42		ESG reporting compliance



High Risk: Likelyhood of current practices having significant impact and may require immediate attention Medium Risk: Moderate likleyhood of impact which may require mitigating actions in the medium term

w Risk (Advisory): Low likelyhood of practices having significant impact however this item should be adressed in the short term to mitigate risk of item er

w Risk: No or Low likelyhood of practices having significant impact

People

Working in hospitality is one of the most rewarding careers out there. The people you meet are genuinely the most creative & caring in any job going *(not that we're biased of course!)*.

It's also by its nature one of the most diverse industries around. There should never be a barrier to working in hospitality & we're proud that everyone is welcome at Drake & Morgan & are free from judgement on race, sexuality, gender, disability, beliefs & age.

We embrace 47 different nationalities within our team & have no gender pay gap. We retain a strict code of conduct on all points of discrimination & this is part of our training induction for every member of our team. Our policy is available to all our employees via our internal communications platform, Engage.

However, we're determined to make sure that we're doing the very best for our team. That's why this year, we have launched a diversity & inclusion survey, reviewed our representative recruitment policy & added diversity training to our E-Learning platform for all employees - & there's still a lot more for us to do!

e ning via

> 56% of our most senior roles are held by females

Pledges _____

Further unconscious bias training for all managers from May 2023

Diversity

Launch of a quarterly employee-led D&I board to challenge best practice in D&M

Drake & Morgan

is made up of

different

nationalities

People

Fair pay, tips, benefits & time off should always be the norm & are the standard across Drake & Morgan. We do realise however that since the Covid-19 pandemic, our hard-working team need to feel even more supported & secure. They need to know that they have a valued place at D&M through all of life's ups & downs & we've introduced a number of initiatives to ensure that this is the case.

Financial Wellbeing

Since 2021, we've partnered with Wagestream to give our team anytime access to their wages, meaning that any unexpected bills can be tackled. We are proud that 70% of our team have signed up to the system *(the highest engagement from any Wagestream client)*. Not only using the platform to stream wages, but to use the tax health check, coaching, education & savings pot functions to help them manage their money better.

Wellness Support

We've always had a dedicated support line for every team member & this year we will partner with the Drinks Trust Restore programme to continue to deliver this.

Pensions

Thanks to Drinks Trust Restore, our team can receive free, confidential support 24/7 via phone or WhatsApp on a variety of issues such as mental health, alcohol use, sleep improvement as well as professional legal advice, financial & debt support, mediation, career guidance & life coaching.







Pledges _____

By the end of 2023 we will sign up - to "Money Matters" & offer a truly green company pension option



Mental Health first aiders will be trained across all bars & restaurants & support teams by September 2023

People

On average, 68% of management roles at Drake & Morgan are filled internally, & within that group our average length of service is just under 5 years, which we personally think is pretty amazing.

To ensure we maintain this exceptional team retention, we know job satisfaction & development are key. That's why for this year we have introduced external programmes to further expand the minds & learning of our team.

Otolo Hospitality Community Mentoring

Professional mentoring open to all front & back of house managers to develop skills via a 'purpose – philosophy – practice' method.

STAR management development programme

Award winning 4-5 month fully flexible senior leadership programme focused on people management & coaching.

Class of 68

Training for our in-house trainers, upcoming stars & department leaders in the art of giving candid feedback & developing confidence, leadership skills & a high performance mindset.









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Community

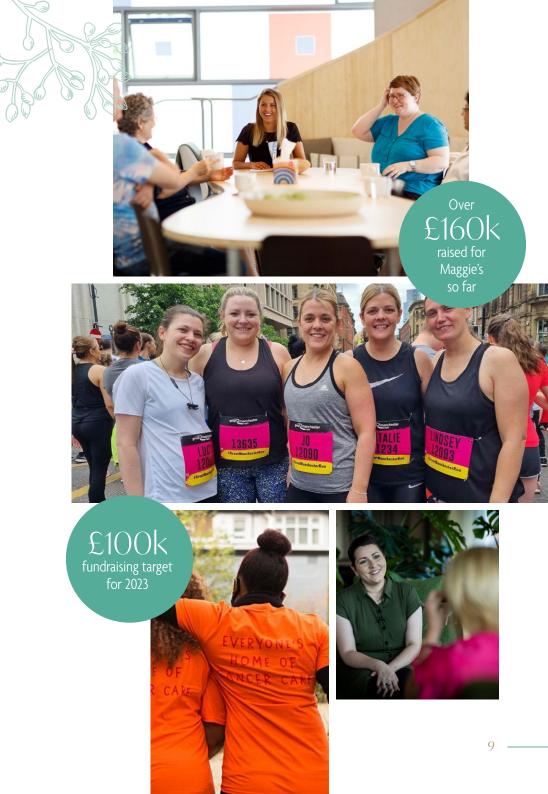
Giving is a huge part of our DNA & always has been. Over the last couple of years with the immense pressure facing charities, it's become even more important for us to remember this as a business.

Since 2019, we are proud to have been partnered with the incredible charity Maggie's, who support people impacted by cancer. From the very beginning, the level of engagement, dedication to fundraising & all round support of Maggie's by our lovely team has been outstanding.

Since our partnership began, we've raised over £160k for Maggie's with over £80k raised in 2022 alone. Our target this year is to raise £100k & we know that we're up to the challenge!

We support Maggie's in many ways each year with one of the highlights being a donation of 50p that we donate from one of our favourite seasonal dishes.

Alongside this, each of our bars & restaurants have a monthly fundraising target & we encourage the teams to regularly fundraise for their local communities. From bake sales to sponsored charity runs & participation in organised fundraising activities including an upcoming abseil off the Leadenhall building in June!



Community



From localised fundraising to group wide, we're determined to support Maggie's in every possible way. In September 2022, we hosted over 200 of Maggie's guests at The Fable for canapés & snacks as part of their London Night Hike event. Last Christmas year, we donated a gorgeous Christmas tree to St Bart's Centre to ensure the festive season was packed full of sparkle for their members.

Micro-donation

Alongside Maggie's, we also partner with Pennies, the digital charity box who make it possible for our customers to be part of our daily fundraising through micro-donations.

A micro-donation is when a customer opts in to add an amount of money to our chosen charity when they pay their bill. Over 500k micro-donations have been made from our generous customers since we started our partnership with Pennies.

But, giving doesn't stop there! We're also privileged to be working with two other wonderful charities this year; Smart Works & The Poppy Appeal.

Our support sees us hosting fundraisers & fuelling their external events with some lovely treats. We even had a D&M'er run the London Marathon, raising over £2500 personally for Smart Works, who help coach & mentor marginalised women back into work.



For a company of 550 people, it is a massive achievement for Drake & Morgan to be on track to raise £100,000 for Maggie's in just one year. It's a testament to how passionate & hard working your staff are across the whole of the D&M team. Thanks to your incredible long-term support, Maggie's have been able to support thousands of people living with cancer.

Dame Laura Lee DBE Chief Executive of Maggie's Centres

> Pledges for 2023

Develop a partnership with Earnt to encourage our customers to participate in environmental causes & earn exclusive rewards & access to exclusive events & products at D&M

Environment



The threat of climate change is probably one of the greatest challenges we all face. Hospitality is certainly not insulated from the responsibility & now needs to act in as sustainable a way as possible. It's often at the forefront of not only our team & prospective employees when applying for roles, but also of our customers who truly care about the environment & at Drake & Morgan, we absolutely do!

We're so delighted to have become a member of the Zero Carbon Forum, non-profit, collaboration supported by UKHospitality & the BBPA, to help decarbonise our sector, together & at pace.

Collaboratively, we have set net zero targets & have committed to eliminate our operational emissions *(see scope 1 & 2)* by 2030. We'll also work with our partners to achieve Net Zero across our supply chains *(see scope 3)* by 2040.

As part of this membership, we've completed our carbon footprint, set a personalised Climate Action Plan & alongside the supportive community network, set out our strategy. Moving forwards, we're working with others in the sector to reduce our impact, monitoring our progress along the way.



ZERO CARBON FORUM

Our greatest asset is always our team & to ensure we meet our targets, an employee-led board will be established in 2023 to drive sustainability forward at D&M.

Drake & Morgan's Carbon Footprint

Scope 1

These are the emissions we directly create such as from running our heating or kitchen equipment 299 tonnes of CO2e

Scope 2

These are the emissions we indirectly create by buying our electricity

Scope 3

These are the emissions we are indirectly responsible for by association up and down our supply chain 6823 tonnes of CO₂e

tonnes of

CO₂e

Environment

Whilst our long term focus is on reducing our impact rather than offsetting it, that doesn't mean we can't have a little *(tasty)* fun along the way!

To reduce our waste where we can, we make beautiful cocktails from fruit offcuts in the kitchens & our own vermouth from wine that's been left open for a few days. We actively seek out & learn from inventive boutique producers with sustainable credentials, especially those around the UK. Over the past year we've worked with Sapling Spirits on a gorgeous cocktail, "The Merlin" & have planted 350 trees which deals with 7,700Kg of CO₂e as a result. Some of our lucky team from The Parlour even went so see this reforestation in action in Morocco!

Energy

All of our bars electricity is from 100% renewable sources, & whilst this is brilliant, we still need to ensure we're using as little energy as we can. To this end, we're installing monitoring systems to report on the power drawn from each individual piece of equipment in our venues in 2023. This will allow us to make the most impact & see the biggest change. We will no longer just look at energy usage as a whole which means we will be able to make operational changes quickly – the smartest of smart meters you may say.

This also drives our capital expense & as equipment comes to the end of its life, we will continue to aim to replace it with low carbon or energy items, moving away from natural gas as a fuel where possible.



Environment

The elephant in the room, although we should probably say more topically the passion fruit or avocado, is the amount of green house gasses (GHG) emitted as part of food production & waste.

Food production accounts for a quarter of all GHG across the world & shockingly 1/3rd of all food grown is then wasted.

For every 1kg of food thrown away, 2.5kg of CO₂e is emitted, & to put this into context, global food waste is 4x more damaging than the whole aviation industry combined! If food waste was a country, it would be the third worst polluter in the world behind the USA & China!

For our bars & restaurants this is a huge part of our GHG emissions, but not something we have ever looked at seriously before. However, things have changed & this is a problem we will be tackling head on this year.

How?

We will implement a programme of food waste monitoring & education for our teams & put forward a targeted reduction of 10% across the year from the baseline in each of our bars & restaurants.

Alongside this, all the general waste we currently create is diverted from landfill & turned into energy - 100% of the food we control is sent for anaerobic digestion into handy biofuel. However, we don't control it all & therefore, we'll need to work hard this year to get all our landlords on board fully.

Pledges for 2023

Plant Based

Commit that as a minimum 25% of the menu will be plant based for Spring growing to 30% for Autumn

> Dish Emissions

A trial in the Autumn of highlighting 3 'low carbon' meals on the menu

Thank You

Taking the time to stand back & be able to produce this report for the first time has been an extremely valuable exercise for the team at Drake & Morgan.

Our brand was founded with great social values at its heart; we have always tried to do the right thing & make the right choice for our people, partners & the environment.

We have never looked at our impact on so many areas connected with our business & whilst we know this is simply just the start of our journey, it's one we now approach with an executable strategy, ability to hold ourselves accountable & the excitement to witness the positive change we can make.

We hope you'll follow our journey & support us in making Change!





