

Change

by DRAKE & MORGAN

Impact Report



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INTRODUCTION

A Warm Welcome

Drake & Morgan was founded in September 2008 with the opening of *The Refinery at Bankside*.

We were born from a belief that the bar & restaurant sector desperately needed an injection of bold, innovative thinking in order to reflect the way that people want to live & socialise; Gastropubs had become overpriced, city bars weren't very female friendly & coffee shops tended to be cramped.

We set out to create sanctuaries from the hustle & bustle of life - a meeting point for locals, workers & passers-by & a destination for all day drinking, dining & unwinding.

Today, you'll find our *gorgeous bars & restaurants* across London & Manchester that are all individual, all unique, all offering everyday escapes that leave you feeling enchanted, indulged & inspired.

As our business continues to evolve our commitment to our mission & values endures, they create the basis for our culture & behaviours towards our customers,

teams & the environment. I genuinely believe that at the heart of our business there has always been the subconscious mindset of choosing to do the right thing & we are all entrusted to make decisions that positively impact our reputation & relationships with each other & our communities.

Conducting business ethically, with integrity & transparency, is essential to preserving this culture & protecting our brand & I am delighted to outline how we have been translating that into our day-to-day operations through this report.

In the beautiful chaos of city life, sometimes you need a retreat from the real world & we believe Drake & Morgan can do that, we're thrilled to continue advancing how this translates into our mission for sustainability & welfare & are proud of the legacy we can create together.

Enjoy the read!

Jillian MacLean MBE, Founder & CEO



INTRODUCTION

Who are *D&M*?

2

Cities
London & Manchester

17

Bars &
Restaurants

500+

Employees

3.7m

Customers
per year

1

Shared DNA

THE FOLLY
by DRAKE & MORGAN

THE ANTHOLOGIST
LONDON
by DRAKE & MORGAN

the Fable
Bar & restaurant
by DRAKE & MORGAN

the parlour
by DRAKE & MORGAN

the refinery
REGENT'S PLACE
by DRAKE & MORGAN

INTRODUCTION

Change Programme *Highlights*



£113,000 raised for charity partner Maggie's through customers micro donations & our teams efforts including running marathons, 10k's & abseiling down buildings.



150 employees completed external mentoring programmes to develop their skills & *50+* are now on active career development pathways.



Awarded *Sunday Times Best Places to Work employer* for 2024.



Awarded an "*Excellent*" score for our ESG profile, far exceeding industry averages.



Nominated as one of only 3 global businesses for the '*Positive Luxury Sustainable Business of the Year*'.



Switched our whole electrical supply to *100% renewable sources*.



Saved 700 tonnes of CO2e from monitoring & awareness campaigns of utilities usage.



Sent zero of our controlled waste to landfill, with *47%* being used to create energy and *53%* recycled.



INTRODUCTION

ESG Progress Monitor

Last year our report stated that we believe good intentions are kind of, “*all well & good*” unless you can actually be held to account & are prepared to be transparent. So that is what we set out to do & demonstrate through the *Change by D&M* project.

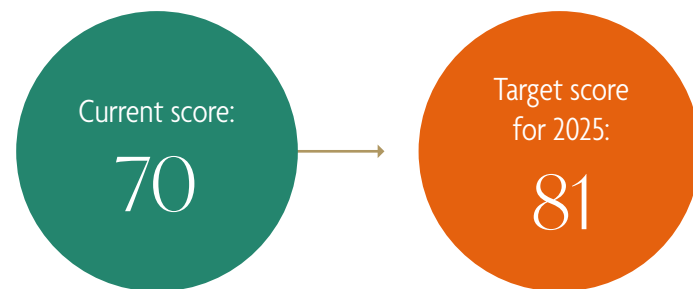
We wanted to be held accountable by our teams & customers & for this to mean we all work together to make a positive change. From our D&M staff, to the partners and suppliers we work with & the customers who come through our doors, how our business operates, impacts everyone!

We employed ‘*Sustainable Advantage*’ who are an industry specialist partner in ESG to review over 50 areas of impact across our business & supply chain identifying any points of concern but also opportunities. Initially we received a baseline ESG maturity audit score for our performance of 45 with a target to improve to 70 by the end of the year.



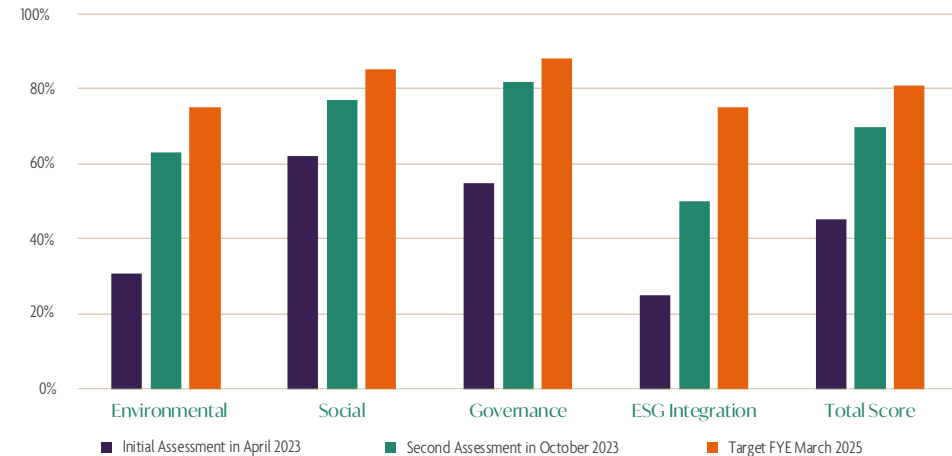
We are very happy to say that this target was met & through the hard work & buy in of the teams at D&M we *hit 70 & a rating of “Excellent”* when benchmarked to our peers & demonstrates that D&M has successfully integrated & developed key areas of ESG across our business operations.

Not wanting to rest on our laurels & continue to challenge improvement we have now reset our target for 2025 to a *score of 81* & achieving this ambition would enable D&M to be considered as leaders in its field.



Summary of ESG Performance	Initial Assessment April 2023	Second Assessment October 2023	Target FYE March 2025
Environmental	31%	63%	75%
Social	62%	77%	85%
Governance	55%	82%	88%
ESG Integration	25%	50%	75%
Total Score	45%	70%	81%

Summary of ESG Performance



Our Team

Fair pay, tips, benefits, & time off should always be the norm & remain the standard across all of D&M, however in the recent years we felt we could do more to ensure the teams feel supported & secure for life's ups & downs & so have remained committed to our core programmes of support for all employees including;



Financial Wellbeing

Financial Wellbeing with *Wagestream* to give our team anytime access to their wages, meaning any unexpected bills can be tackled.

We still proudly have 70% of the cohort signed up to the system (*the highest engagement from any Wagestream client*) & not only do they stream wages but many use the tax health check, coaching, education & savings pot functions to manage their money better.



Wellbeing Support

Wellness Support partnering with the *Drinks Trust Restore* programme to deliver 24/7 via phone or WhatsApp, to any of our team free confidential support on a number of issues such as mental health, alcohol use, sleep improvement & also professional legal advice, financial & debt support, mediation, career guidance & life coaching.



Hospitality is also by its nature thus one of the most diverse industries around. There should never be a barrier to working in our industry & we are proud that everyone is welcome at D&M, free from judgement on race, sexuality, gender, disability, beliefs or age.

We embrace *49 different nationalities* within our team, have no median gender pay gap & *50% of senior & management roles held by females*. This percentage of senior roles is a slight drop from last year, however still represents a fair balance & with the company being female led we of course continue to promote from within & to our female population for all roles, alongside this we conduct bi-annual DE&I surveys to give ourselves a health check on this progress & continue to retain a strict code of

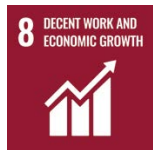
conduct on all points of discrimination. All this is trained on induction alongside new diversity & unconscious bias modules, & available to all employees via our internal Engage & E-Learning systems at any time.

This past year has been transformational for our learning & development programme with the launch of our online academy & in-person schools & we have additionally seen *150 team members* through external mentoring courses to hone confidence & a high-performance mindset, *45 undertaking insights profiling* to help build on skills gaps & 53 employees are now on *active career development pathways* which we believe can see many more people grow throughout the business for many years to come.

UN Sustainable Development Goals Alignment



D&M are well on track to meet *goal 5* of ensuring there is gender parity in the workforce.



Our continued growth, young workforce employee benefits, excellent pay and development programmes completely align with *goal 8*.

D&M Nationalities



■ Afghan	■ Albanian	■ Algerian	■ American	■ Angolan	■ Bangladeshi
■ Brazilian	■ British	■ Bulgarian	■ Columbian	■ Croatian	■ Romanian
■ Dutch	■ Ecuadorean	■ Estonian	■ Ethiopian	■ Filipino	■ Indian
■ German	■ Ghanaian	■ Greek	■ Hondurans	■ Hungarian	■ French
■ Irish	■ Italian	■ Ivorian	■ Kenyan	■ Korean	■ Latvian
■ Liberian	■ Lithuanian	■ Luxembourggeois	■ Mauritian	■ Mexican	■ Moroccan
■ Nepalese	■ Nigerian	■ Pakistani	■ Polish	■ Portuguese	■ Czech
■ Sierra Leonean	■ Slovakian	■ Spanish	■ Sri Lankan	■ Ugandan	■ Ukrainian
■ Yemeni					

We feel these steps have led us to be proudly recognised as a '*Sunday Times Best Places to Work Employer*'. This achievement is quite remarkable when considering this is our 1st year of a true focus on these workstreams & the assessment looks at some 70,000 companies UK wide.

Our employee survey for the award showed a '*happiness score*' of 77% which is 4% higher than global average & 7% higher than our industry comp set, gave us an overall '*excellent*' rating & will enable us to set a clear roadmap for further improvements to our team members experience throughout their careers at D&M.

CASE STUDY

Saydu Zaman *From behind the bar to General Manager*

Time with D&M: 12 years

Saydu, having little to no hospitality experience, first started with D&M in 2011 as bar support at *The Folly*.

Through the proceeding years he has worked his way up through bartender, bar manager, AGM & now for the last 2.5 years as the high performing General Manager of *The Drift* in the City of London.

His dedication & passion combined with the training & development on offer have driven this success story, and of course we've had a lot of fun along the way.

The longevity & internal promotion rate of our management teams remains exceptional & we hope that in the future we could see D&M'ers come all the way through from the bar to the boardroom.



Engagement

Paying forward & Giving back are well used buzz words but these values have always been a huge part of our DNA, however over the last couple of years with all the pressures on charities it has become even more important, & we have been blown away by the engagement & support from the lovely teams at D&M to our partnership with *Maggie's Cancer Care Centres*.

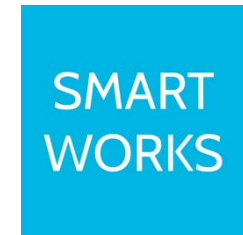
We set ourselves & ambitious target for fundraising in the last year of £100,000 & we are ecstatic to have overachieved this with *£113,000* raised & donated, this effort will make a real difference to families living with cancer in the UK & provides funding for *4,000 hours of dedicated support* through the incredible Maggie's centres.

As with last year we also continue to support other worthwhile charities including supporting events for *Smart Works* & hosting more than 300 ex-service men & women for lunch on *Poppy Appeal Day* in the City of London fuelling their fundraising activities throughout the main transport hubs.

We pledged last year to implement a volunteering programme involving our teams & uniquely our customers & we completed this aim. Our partnership with *Earnt*, an innovative platform redefining 'VIP' allowing people to volunteer their time & 'earn' an exclusive thank you, went live in the autumn supporting *The Renaissance Foundation* a charity who help young carers with their education & next steps into work by providing experiences such as visiting the Nobel foundation & work experience with FI teams.

Over
£113k
raised for
Maggie's in the
last year

Proudly supporting



EARNT

Teams from D&M helped the charity move into their new community hub in Aldgate clearing, painting, & setting up the spaces & then we hosted children from the foundation with our customers for an evening of mentoring, & inspiration showcasing their own stories & wide, varied routes into employment.

This year we are giving all of our employees the opportunity of 2 paid volunteering days should they wish to take them up. We are also further expanding partnership

with *Earnit* into Manchester, where we will link with *State Talking*, who develop 'relatable' role models' for students in the state school system. Together we will coach & inspire the young people by raising awareness of opportunities in the North West through on-site experience with our team & mentoring sessions with our customers.



Supply Chain

Throughout the years D&M has operated we have always tried to source responsibly, eschewing products that use unsustainable ingredients or ones which could encourage deforestation such as palm oil. We have recently swapped our cleaning chemicals to sustainable biotechnology products, and we *buy as many ingredients locally as possible* including vegetables from Kent & south coast fish for our London estate.

UN Sustainable Development Goals Alignment



Food waste reduction training changes to ingredients, garnishes and local buying have helped us contribute towards *goal 2*.



We associate with *goal 12* through our focus on supply chain responsibility, use of renewables and reducing food waste & miles.

In the last 12 months we have onboarded more products that farm using regenerative standards, this revolution against mass industrial production *supports biodiversity, promotes soil health, wildlife growth & waterway protection* and can now be tasted within the *sourdoughs, buns & all beef burgers* on our menus.

We are committed to seeking suppliers who share the same values and ethics as us and who understand our social and environmental requirements, this is achieved through careful vetting, a code of conduct and regular supplier visits to ensure practices and standards are of the highest order.

However, with 96% of our carbon footprint being in Scope 3 and of that 77% being upstream purchased goods we know to meet our decarbonisation targets more must be done in collaboration with our suppliers. Our goal for this coming year is to further engage these partners on environmental action, including addressing data gaps within our analysis of the menu and forming project plans that can reduce emissions for both parties.

Our butcher
now delivers to
D&M exclusively using
electric
vehicles



Environment & Climate Action

Our 2023 report acted to define the baseline carbon footprint, efforts around sustainable practices and our environmental impact. We were really happy with how we sat, despite having never really considered this previously, but as we understand more and have access to better data, we do expect this baseline to shift, and so as we have seen for 2024 our overall carbon footprint number has actually grown year on year.

Whilst this may seem disappointing, we acknowledge that this entirely comes through having better data in our Scope 3 calculations and is therefore attributed to the annual increase in our sales volume and thus purchasing of goods that comes hand in hand with having more lovely customers through the doors!

When we break down the footprint and look at the impact of our interventions last year vs 2023 we saw more than *700 tonnes of CO₂e saved* within 'Fuel & Energy Related Activities (FERA)' and location based Electricity' which came from our utilities project, *25 tonnes saved* within waste from our focus on reducing what is thrown away and *65 tonnes saved* from upstream transportation, where we have moved to more local suppliers or worked with them to see deliveries transferred to electric vehicles removing traditional trucks from the roads.

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

0
tonnes of
CO₂e

Scope 3

These are the emissions we are indirectly responsible for by association up & down our supply chain

7857
tonnes of
CO₂e

So, what have we been doing?

D&M is now a Carbon Neutral company, whilst this doesn't reduce our overall direct impact it does move to offset it in the interim whilst we work on our '*Climate Action Plan*' which we have created this year in partnership with the *Zero Carbon Forum* to help us formalise a way to decarbonise our operations & meet our goals of hitting net zero (scopes 1&2) by 2030 & across all scopes by 2040.

Last year we set goals to make D&M a more environmentally conscious business & this largely centred around allowing our customers to continue consuming delicious food & drink but make '*Positive Choices*' to help our environmental journey.

Some of these programme highlights are that we now spotlight our low carbon dishes on the menu measured by the clever bods at *Foodsteps*, we moved all the flour in our sourdough & flatbreads over to '*wildfarmed*', a food production revolution where regenerative standards of growing to protect soil health & biodiversity ensure the product sequesters more carbon than it creates, & our burger buns are next up to be swapped over too!

We have continued our relationship with smaller local producers such as Sapling Gin & Avalon Calvados who go the extra mile to protect the environment including planting trees & supporting wildlife projects, & lastly but certainly not least have introduced a draught beer again with 'wildfarmed' but this time for the barley that if volumes are the same this year as last will ensure *50 less tonnes of CO2e is created by D&M purely by selling this type of beer vs another!* Now a world changing pint is something we can pretty much all say '*Cheers*' to.....!

Our action plan will never be delivered of course without the help & input from the fabulous people who run our venues & the past year has seen the teams make huge strides in reducing emissions & especially the intensity of our operations.

We continue to source all our electricity from renewable supplies, moved a further 2 older locations fully to LED lighting, & have also fully rolled out an appliance level monitoring systems

& dashboards which have helped sites reduce *average electricity consumption by 13% year on year (with some larger venues seeing +30% reductions).*

Zero % of our controlled waste is sent to landfill with it all being used for energy generation or Grade-A Recyclables & all food waste, where collected, is turned into biofuel through anaerobic digestion. More of our landlords have engaged with us this year on how they also process our waste they control, with positive results, & this remains a focus for us this year to ensure we continue this upward trend.

UN Sustainable Development Goals Alignment



Our goals and plan show commitment to net zero, sector collaboration and taking positive action towards decarbonisation.

It was our intention to be able to offer a *greener pension solution* to our teams last year enabling them greater control to ensure investments are made more consciously, this proved a little more challenging than expected however we are now delighted that this financial year we shall move our standard pension pots over to *Cushon* offering a climate friendly & more engaging platform to all.

Last year we really wanted to start to understand what we threw away a little more, frankly having been shocked to discover that globally food waste is 4 times

more damaging to the environment than the whole aviation industry! We started an awareness & training programme for our teams & selected 2 trial locations to measure exactly what was being put in the bin. This campaign enabled us, without impacting quality, to make changes to our dish & drink specs to *remove unnecessary garnishes*, use dehydration techniques to reduce spoilage & highlight items that could be shared or turned into *something delicious* rather than being considered an offcut & binned.

CASE STUDY

The Sipping Room

Situated dock side in the buzzing surrounds of Canary Wharf, The Sipping Room is a 10,000 sq. ft. venue & can seat over 400 people inside & out. The team is led by a General Manager with 7 years D&M experience & a Head Chef with over 5 in the business so was chosen as one of our focus locations last year for testing new initiatives to help reduce our impact.

We successfully *removed the need for natural gas* from the venue completely moving all appliances

over to electricity, & despite adding this extra equipment to the circuit, through the monitoring & measurement programme still managed to *cut electricity consumption by 10% year on year*. Their focus on waste also paid dividends with food reducing by 6% & overall general waste by 11% compared to the year prior, these fantastic results & learnings will this year be implemented across the wider estate of all our bars.



THANK YOU

Thank You

This is the 2nd year we have produced this report, & it remains one of the most rewarding but also challenging things we do.

By holding ourselves to account to ensure we maintain the values this company was built on 16 years ago & by asking how we can *do better each day* not just for our customer's experience but also our teams & the environment we live in we often find more questions than answers but continue to strive to improve.

This coming year we hope to further diminish our carbon intensity, work extensively with our suppliers for them to do the same & continue our focusses on reducing utilities consumption, including our water use.

The people team will maintain efforts on learning & development, encouraging volunteering, community support & fostering a diverse, balanced workforce to continue to be recognised as one of the *Best Places to Work* into 2025 & beyond.

All Drake & Morgan'ers remain excited by the challenges & opportunities ahead of us for the company we are looking forward to the coming year & the positive change we can achieve.

Onwards!

