

STAND FOR SOMETHING GOOD®
2022 SUMMARY



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LETTER FROM OUR CEO

Our mission since our first Shack has always been to Stand For Something Good, and that unwavering commitment is as strong as ever today. It is reflected in the dedication of every member of the Shake Shack team, our deep connections with guests, and our meaningful relationships with suppliers, and our stockholders.

As the CEO of Shake Shack, I am grateful to lead a brand that embodies this mission in every aspect of our operations. From creating uplifting experiences to sourcing premium ingredients, we strive to elevate everything we do for our all our stakeholders.

Here are just a few of our accomplishments from 2022:

We opened 69 Shacks around the globe, deepening our commitments to communities in the US and abroad.

We launched and improved digital tools for our operators and our guests, added tipping for our teams, launched digital gift cards, improved how we connect with our fans, and evolved how hospitality meets convenience in our Shacks daily.

We developed our team and expanded their opportunities to grow. Throughout the year, we created countless opportunities for career advancement through leadership development programs, Shift Up, mentoring, and so much more. In May, we gathered nearly 1,000 of our leaders, partners, and suppliers for our Evolve Together Leadership Retreat, which was filled with learning and connection.

We made efforts to drive positive change as a company, which you'll see detailed throughout this summary. We fostered our Employee Resource Groups, and we partnered with The Trevor Project to support the LGBTQ+ community. We also advanced our sustainability efforts by investing in regenerative farming and innovating to remove unnecessary packaging elements.

Our culinary team continued to improve our menu, focusing on hormone- and antibiotic-free proteins, forming even deeper bonds with partners and cooking exciting new menu items like Hot Ones™, Buffalo Chicken, and so many new shakes and lemonades. You can bet 2023 will be even tastier!

What remains pivotal to Shake Shack is celebrating our people and their accomplishments. This year, we've welcomed and promoted thousands of new team members, orienting them into our culture and providing opportunities around the globe for growth. Meanwhile, most of our promotions went to women and people of color as our company continues to devote ourselves to lifting each other up. What continues to motivate us, and always will, is that this company is a place where people can achieve their dreams; Shake Shack must always be a place where we can be our best selves and do our best life's work.

We also take seriously our commitment to governance and our stockholders. As a company, we are fortunate to have the dedicated focus of our exceptional directors, who remain committed to creating value for all our stakeholders.

I am grateful for our teams worldwide, who continue to embody the values we've held since Shake Shack began as a humble hot dog cart. Here's to an even brighter year ahead, together, in 2023!



Randy Garutti, CEO





SHAKE SHACK HISTORY

Shake Shack was founded by Danny Meyer, a famed NYC restaurateur. He opened his first restaurant, Union Square Cafe, in 1985 and went on to create several other unique restaurant concepts, including Eleven Madison Park, which played a significant role in the development of Shake Shack.

2001

In 2001, the I Heart Taxi art installation opened in Madison Square Park. The team at Eleven Madison Park ran a hot dog cart to raise funds for the park's revitalization. The cart was so successful that it operated for two more summers.



In July 2004, Shake Shack was officially founded when Danny and his team won a bid to create and manage a permanent food kiosk in partnership with Madison Square Park Conservancy. The concept was an extension of the original hot dog cart, a stand serving high-quality, family-friendly food such as burgers, hot dogs, fries, and frozen custard. It was a gathering place for the community, attracting people to the park with delicious and affordable all-American classics.

2004



2008

In the Fall of 2008, we opened our second location on the Upper West Side of Manhattan, near Central Park and the American Museum of Natural History. Our third location was our first licensed Shack, located at Citi Field, home to the NY Mets (2009). Our fourth Shack was the first outside of NYC, located in Miami Beach, which we opened in 2010.

2011



In 2011, we expanded beyond the United States with our first international location in Dubai. Partnering with local restaurant owners and licensed partners enabled us to leverage the expertise of those in the market while growing our brand on a global stage.

2015

In 2015, after a decade of steady growth, we took Shake Shack public on the New York Stock Exchange. The IPO was a huge part of our history, spurring enhanced growth and expansion across the US and world. At the time of going public, we only had 63 Shacks in total, and our furthest west was a solo Las Vegas Shack.

2017

Since 2017, our business has grown consistently. Additionally, we expanded our reach further by building our digital platforms, including web ordering, mobile ordering, and in-Shack kiosks, and partnering with third-party delivery service providers. This allowed us to reach more guests, and redefine what hospitality means in a digital world.

2020s

In 2020, we began to explore new ways for guests to experience Shake Shack through new digital channels and enhanced pickup methods such as walk-up windows, drive-up windows, and even drive-thrus. This transformation built on the digital ordering systems we introduced in 2017, which focused on improving how guests order.



OUR COMMITMENTS

We **Stand For Something Good®** in everything we do. That means sourcing premium ingredients from partners with the same dedication to quality; thoughtful, well-crafted, responsible design; environmental responsibility and a deep commitment to community support through donations, events, and volunteering.

WE **ELEVATE**
EVERYTHING **WE DO**

WE DELIVER
ENLIGHTENED
HOSPITALITY
AT EVERY TOUCHPOINT

WE GATHER **COMMUNITIES**
AND ENRICH OUR
NEIGHBORHOODS

WE DO THE
RIGHT THING
AND HOLD OURSELVES
ACCOUNTABLE

WE **EMPOWER** **OUR**
TEAM TO ACT
LIKE **ENTREPRENEURS**

SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS IN 2022

The sustainable development goals (SDGs) are a collection of 17 global goals set by the UN General Assembly serving as a call to action to achieve a better and more sustainable future for all.

At Shake Shack, there are multiple ways our mission-driven work aligns with these global goals.

The highlighted goals are just a few of the ways our strategy aligns with evolving initiatives within the following areas:

- Social Impact + Our Culture
- Environmental Responsibility
- Food: Safety, Quality + Innovation

SOCIAL IMPACT + OUR CULTURE



ENVIRONMENTAL RESPONSIBILITY



FOOD: SAFETY, QUALITY + INNOVATION



2022 BUSINESS SNAPSHOT

>11,700
Team Members


NYC
Headquarters

436
Total Shacks

69
Total New Shacks
Opened in 2022

36
Domestic
Company-Operated
Shacks

33
Licensed Shacks

33
Total New Licensed
Shacks Opened in 2022

8
New Domestic
Licensed Shacks

25
New International
Licensed Shacks

We made a home in new cities including Nanjing, Guangzhou, Chengdu, and Suzhou—all in China.

GLOBAL PRESENCE

AS OF 2022

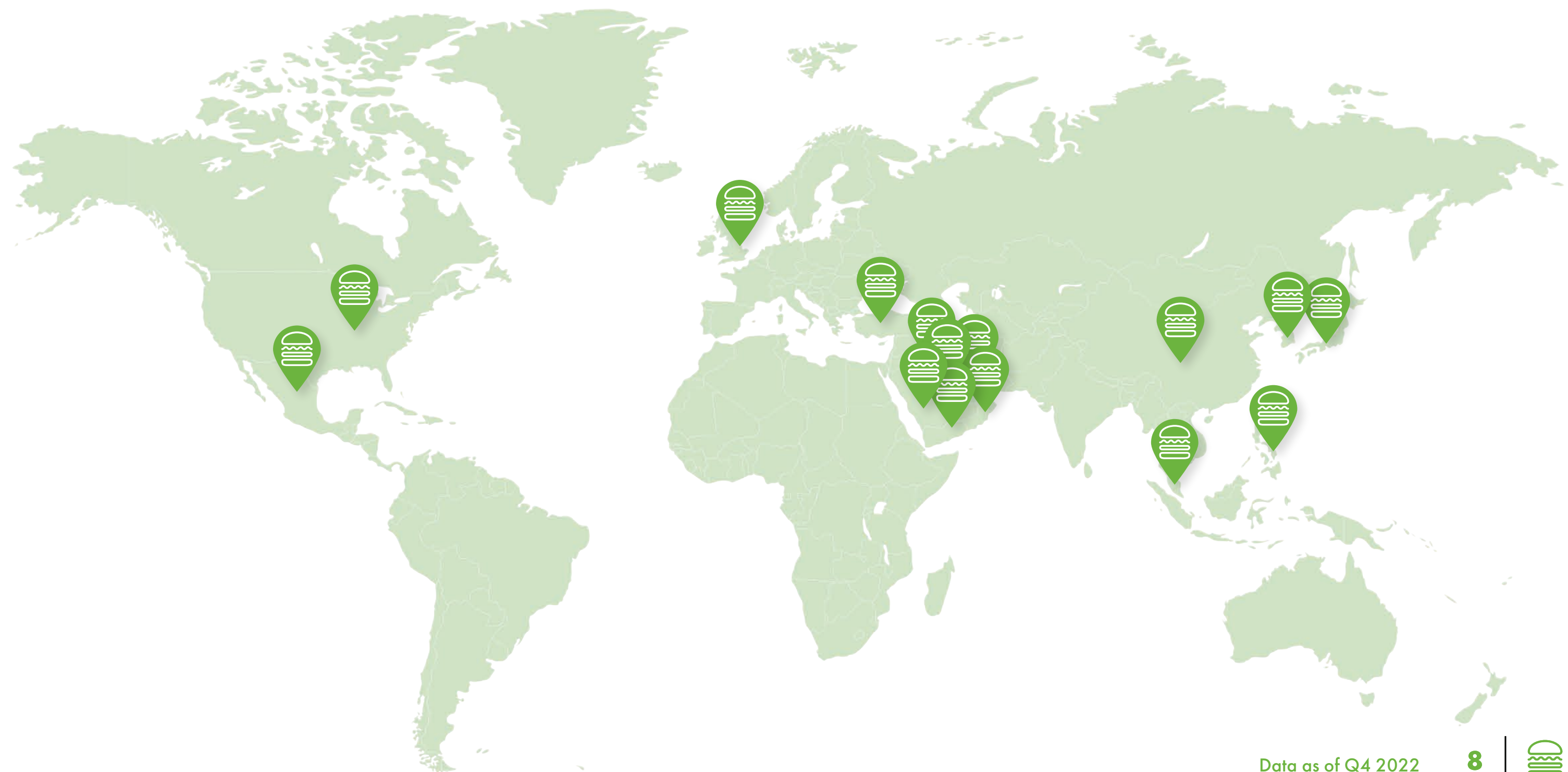
149
International
Licensed Shacks

15
Countries

We welcomed Thailand in May 2023!

Coming soon...

Canada Israel
Malaysia Bahamas



RECOGNITION



USA Today 10 Best Reader's Choice Awards:

Shake Shack was selected as one of the top 10 best fast casual restaurants, as determined by USA Today readers in 2022.



Nation's Restaurant News' Top 500 2022:

Shake Shack was included in a list of the biggest restaurant chains in America.



Newsweek's America's Favorite Restaurant Chains 2023:

Shake Shack was included in a list of the top restaurant chains in the US, based on the results of a survey of more than 4,000 customers and team members of restaurant chains in the US.



QSR Magazine's Best Brands to Work For:

We submitted and secured Shake Shack on the 2022 inaugural list of the best brands to work for, which recognizes restaurant chains leading the charge in becoming an employer of choice.



Newsweek's America's Greatest

Workplaces 2023 for Diversity: Shake Shack was included in a list of 1,000 companies whose employees say respect and value different kinds of people.



Thrillist's 2022 Fasties: Our ShackBurger won "Best Fast Casual Cheeseburger" and our chicken sandwich and fries were nominated for "Best Fast Casual Fried Chicken Sandwich" and "Best Fast Casual Fries," respectively, in the third annual fast food awards.



SOCIAL IMPACT

“When Shake Shack started as a hot dog cart in New York City’s Madison Square Park, the mission was simple: raise funds for a public art project. As we’ve grown into a global business, our mission has expanded to include taking care of our team and supporting our communities through donations, events, and volunteering.”

—Zach Koff, Chief Operating Officer



ALIGNED UNITED NATIONS SUSTAINABILITY GOALS

Social Impact + Our Culture



ZERO HUNGER

In 2022, we hosted canned food drives during opening celebrations for new Shake Shack locations. We collected and donated over 1,400 pounds of canned food.



DECENT WORK AND ECONOMIC GROWTH

Increased our overall investment in our team members through wage increases, benefits, leadership development opportunities, career advancement training, and flexible work schedules.



GENDER EQUALITY

We're continuing to invest in development programs that support women and have increased the representation of women.



REDUCED INEQUALITIES

By the end of 2025, we are targeting that 50% of our Shack Leadership and 30% of our Home Office Leadership roles will be filled by people of color, recognizing that change takes time.



SOCIAL IMPACT

Corporate Social Responsibility

In 2022, Shake Shack raised more than \$300k of direct financial contributions for causes we believe in. In addition, we also took part in consistent smaller scale donations in our local communities via gift cards, toy drives, burger drops and fundraisers.



\$164K

Donation Days

We support our communities and neighbors through Donation Day fundraisers. For these fundraising events, we partner with local nonprofit organizations to donate 25% of sales from all participating checks to the organization.

\$47K

1% for the Planet

As a longtime partner, Shake Shack donates 1% of sales from our bottled water to 1% for the Planet, which directs funds to environmental nonprofits around the world.

\$86K

Pride Shake

We have a strong history of supporting the LGBTQ+ community and rolling out national Pride campaigns. We collaborated with The Trevor Project to support their mission of ending suicide amongst LGBTQ+ youth.



GIVING BACK

New Shack Openings

In 2022, New Shack Openings (NSOs) generated more than \$20k in donations. NSOs are a way for us to host local fundraisers proposed by community members.

These NSOs raise awareness and bring the community together to celebrate an important cause and to enjoy the new neighborhood addition.

Since 2020, we've partnered with nonprofits to donate \$1 for every designated menu item purchased on opening day. In addition to the partner promotion, we broadcast the opening day giveback in our NSO press release and opening communications. These events allow us to:

- **Support causes our guests are passionate about.**
- **Engage with our communities and enrich our neighborhoods.**
- **Bring our brand values to life.**
- **Broaden our reach in new markets.**



FOOD DRIVES + DONATIONS



In 2022, we supported **over 200 schools** via Donation Days and collected donations from guests during select Friends & Family events for our food bank partners.

Shake Shack donated canned food in addition to the opening day giveback of \$1 per specific menu item sold. These efforts helped promote the nonprofit partner in media releases, Friends & Family communications, and on-site in the Shack.

Park & Preston, TX

We donated over 400 lbs. of canned food (around 350 meals) and raised \$600 for our charitable partner, North Texas Food Bank.

Chapel Hill, NC

We donated approximately 1k lbs. of canned food and raised over \$1.3k for our charitable partner, PORCH Chapel Hill - Carrboro.

TOY DRIVES

P.S. 188

New York teams brought toys, clothes, and toiletries to the children at P.S. 188 (The Island School) and served some of their Shack favorites for lunch.

Nicklaus Children’s Hospital

Our Northeast and Florida teams have donated toys to the Nicklaus Children’s Hospital and the Orlando Health Foundation’s Arnold Palmer Hospital for Children. In 2022, during its annual holiday event, our teams delivered more than 700 toys to the Nicklaus Children’s Hospital.



Boys & Girls Clubs, Shelters, Schools + Children’s Hospitals

In Georgia, Tennessee, North Carolina, and Virginia, our teams donated about **400 meals** to children, caregivers, and volunteers, along with toys to local charities like the Boys & Girls Clubs, children’s shelters, schools, and children’s hospitals.



SHAKE SHACK AROUND THE WORLD

As our footprint grows, our global team continues to work closely with diverse local artists and acclaimed chefs to create menu items inspired by each region’s unique tastes and traditions, while supporting causes that are important to the communities Shake Shack has become a part of. Below are a few of the international collaborations that took place in 2022:

MEXICO



Chef Collaboration with Enrique Olvera (CDMX)

In July 2022, we partnered with Enrique Olvera of Pujol, ranked [#1 restaurant in North America and #5 in The World’s 50 Best Restaurants in 2022](#). With simple, quality ingredients, the first-ever Ant Burger was born: a cheeseburger topped with lettuce, smoked heirloom tomato, and Pujol’s famous chichatana ant mayo. As part of our ongoing effort to Stand For Something Good®, 100% of Ant Burger proceeds benefited the Museo Nacional de Antropología, one of Mexico’s largest and most historical museums.



Local Artist Collaboration for Shack Opening (Galerías, Monterrey)

In March 2022, we partnered with local Monterrey artist Asero Rodriguez to create a unique hoarding and in-Shack mural for our second Shack in Monterrey. The Galerías menu features concretes made with mix-ins from several local partners, including Montacometa, a local bakery owned and operated by four sisters based in Monterrey, Bread Panaderos, a famous bakery located next to our Arboleda Shack, and Cuna de Piedra, a local craft chocolate maker.



Great Shake Sale

In October 2022, we ran a shake promotion across all our Mexico Shacks. For every shake sold, 10% of the proceeds went to support our local charity partners. Thanks to the generous contributions of our customers, we were able to raise nearly 134k pesos, which was distributed among the following foundations: Museo Frida Kahlo, Reintegra, Comedor Noatcoaltzin, Casa Alianza, Autismax, Huerto Roma Verde, Hogares Providencia, Reforestación Extrema, and Cree A.C. F.



Pride Shake (CDMX)

Similar to the domestic US 2022 Pride campaign, our Mexico Shacks ran a ‘Together is Sweeter’ Pride campaign where 50% of shake sales benefited Refugio Casa Frida, an organization that provides asylum to the LGBTQ+ community.



Local Artist Collaboration + Concrete Partner for Shack Opening

In September 2022, we worked with local artist Sofía to create two in-Shack murals representing the Coyoacán community. Mítikah’s exclusive Birthday Cake Concrete also features a local purveyor: vanilla frozen custard mixed with sprinkles and birthday cake from a beloved local bakery, Moira’s Bakehouse. We simultaneously launched canned wine, in collaboration with our local winery partner, Lomita.



SHAKE SHACK AROUND THE WORLD

SINGAPORE



Chef Collaboration with Malcom Lee of Candlenut

Shake Shack hosted a chef collaboration with Malcom Lee of Candlenut, the world’s first Michelin-starred Peranakan restaurant.

UK



Shake Collaboration with Ravneet Gill

In October 2022, we teamed up with British pastry chef and Junior Bake Off judge Ravneet Gill on an exclusive Sticky Toffee Pudding Shake. £1 from every shake sale went toward Magic Breakfast, a charity providing healthy breakfasts to hungry children in the UK.



Menu Collaboration with Fly By Jing

In July 2022, we collaborated with Fly By Jing, a premium Chinese food company with thoughtfully crafted pantry staples, to create a Chili Crisp Menu featuring Burger, Fries + Bites that featured their famous Sichuan Chili Crisp product.

OUR CULTURE

“We’re committed to providing equal opportunities for success, removing barriers, and fostering a culture of diversity, inclusion, and empowerment to ensure that Shake Shack continues to be a great place to work.”

—Diane Neville, Chief People Officer



OUR TEAM

Working at Shake Shack is more than making a great burger. It’s all about creating uplifting experiences for our team members and guests. Our inclusive culture and welcoming environment complement our modern take on classic food.

We provide the skills and ongoing learning necessary to build a rewarding career at one of the fastest-growing hospitality brands in the world. We are dedicated to ensuring that every team member is empowered to make an impact in both our Shacks and the communities we call home.



We are committed to **doing right for our teams, guests, and communities.**
We challenge ourselves, hold each other accountable, and take care of one another.
We Stand For Something Good®.



2022 PEOPLE MILESTONES

Enabled optional tipping at most of our Shacks, giving our team members the opportunity to earn more for delivering a great guest experience.

Continued to invest in our team members by providing development programs to support their learning and career growth.

Disbursed financial grants through the Help Us Give Fund to over 40 team members to help alleviate financial burdens caused by catastrophic events.

More than 2.6k internal promotions, with 55% going to women and 77% going to people of color.

Leveraged a four-day workweek schedule for certain management-level team members at select Shacks to provide stability and support a better work-life balance.

Increased the representation of women and people of color in Shack leadership and made progress toward achieving our five-year diversity targets.

Gathered Shake Shack leaders from across the company for our largest Leadership Retreat to date.



HUG FUND

The **HUG (Help Us Give) Fund** is Shake Shack's 501(c)(3) organization, created to support the values in our Shack Pact by providing **timely financial assistance to team members impacted by emergency circumstances beyond their control and means.**

Since launching in 2017, the **HUG Fund** has **provided nearly 130 grants to help team members** dealing with hardships such as loss of income due to the pandemic, major medical setbacks, homelessness or housing insecurity, and other family emergencies. **In 2022, we helped over 40 team members get back on their feet by providing just-in-time grants.**

In 2022, contributions to the HUG Fund nearly doubled from the previous year, marking the largest sum of donations in the fund's history.



"I want to thank my Shack family, and everyone who is a part of the HUG program for not only the financial support, for also supporting me emotionally and making sure me and my three children were taken care of in this difficult time after the disaster of losing our home to a fire. Words cannot express how appreciative I am of the fact that you and your team worked so quickly to help us. The funds will surely help me pick up the pieces when I finally get a new apartment. In the end, we are still managing to put a smile on our faces and continue to count our blessings. A big thank you from me and my babies."

—Shake Shack Team Member,
New York



TALENT DEVELOPMENT

Our Learning and Talent Development strategy provides opportunities for team members to grow by promoting, supporting, and enabling learning across the company. We continue to focus on curating training and development to meet the needs of our diverse population, and to prepare our teams to achieve a higher level of leadership.

Highlights from 2022 included:

Shift Up:

A leadership development program for early career managers providing team members with training to help improve their skill set and grow their confidence to become senior leaders in our Shacks. Since launching in 2020, approximately 160 Shift Managers have entered the program, and almost half of them leveraged their learnings and new skills for promotion into exempt management roles.

Women's Leadership Development:

Our focus on developing women leaders supports our diversity, equity, and inclusion goals and ensures the representation of diverse voices and perspectives across all company levels. Our programming, including facilitated dialogues with influential women leaders and a previous partnership with **Bonfire Women** (Bonfire Women is a talent accelerator which provides women's leadership programs), aims to create a collective dynamic where women find a sense of belonging, a network for accountability, and a community for support and growth.

NEW! New Manager Leadership Program:

In 2022, we launched a new program within our Home Office to provide new people managers with the tools needed to lead others effectively. The six-week program covers key topics such as building the right team culture, providing critical feedback, and coaching for performance.



Developing our leaders for the next phase of their career is key to our success

"I think a big AHA for me was the importance of speaking common leadership and feedback language. It unlocked the ability to coach other leaders more effectively, self-critique, and ultimately more effectively develop the next generation of Shack leaders."

—Mike McGarry, VP Brand Marketing



LEADERSHIP RETREAT

Tucson, Arizona (May 2022)

This event brought together nearly 1k Shake Shack team members, partners from our licensed business, key suppliers, and vendors. Over the course of a week, team members developed leadership skills and learned about the business to help equip and grow the next generation of leaders.



The Retreat featured keynote addresses from Shake Shack executives and change makers in the restaurant industry. Leadership development sessions were curated and facilitated by Shake Shack senior leaders. Team members took time to reflect, connect, and celebrate their hard work over the past several years.





Feedback from our leaders showed that the experience was impactful, and many left feeling inspired and excited about their future at Shake Shack.

92%

left with a better understanding of what Shake Shack stands for



95%

left feeling inspired to be a part of Shake Shack's future growth



COMPENSATION + BENEFITS

While we continue to create influential experiences for our team members daily, we are also diligently working to ensure our full-time and part-time team members have access to the benefits to support their personal and family wellness, which includes:

- Comprehensive medical, dental, and vision benefits for team members and their families.
- Flexible spending accounts.
- Paid time off.
- Short- and long-term disability benefits and life insurance.
- Parental leave for birth parents and bonding time for non-birth parents.
- Retirement savings through our 401K company match for eligible team members.
- Commuter benefits.
- Access to counseling, financial planning, housing assistance, and other resources through our team member assistance program.
- **NEW!** Reproductive health benefits which include options for family planning, coverage for pregnancy terminations, and counseling support.



DIVERSITY, EQUITY + INCLUSION

We remain committed to having a highly diverse workforce at all levels of the company while fostering a culture of inclusion and belonging.

- We require at least two underrepresented minorities, women, or people of color to be considered and interviewed when hiring for leadership positions in our Shacks and Home Office.
- All team members are required to take our foundational diversity, equity, and inclusion (“DEI”) course which aims to help them understand what DEI means and why it’s important to Shake Shack.
- In 2023, we intend to launch unconscious bias learning modules for leaders to help them recognize bias and provide them with tools to address its harmful impacts in the workplace.

The Stand Together Series is an internal storytelling platform used to educate, connect, and inspire our team members to take action to create a more equitable and inclusive world. Through the series, we have amplified the stories, experiences, and voices of diverse team members.



EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups (ERGs) help empower our team members and strengthen the Shake Shack community. Led by volunteers, and sponsored by members of our Executive Team, our ERGs actively work to educate the broader company on their demographic group; support each other through mentoring, networking, and professional development; and provide their unique perspective on business initiatives.

“Our ERGs are led by passionate team members who believe in our brand and culture. They are deeply committed to enhancing the team member experience and working to positively impact our business.”

—Michael Kark, Chief Global Licensing Officer, ERG Executive Sponsor



Advancement of Black Leaders
& Enhanced Development



Support. Hustle. Empower.



Helping to Educate Regarding
Orientation, Identity & Queerness+



Asian Americans Represented
Connected Heard!

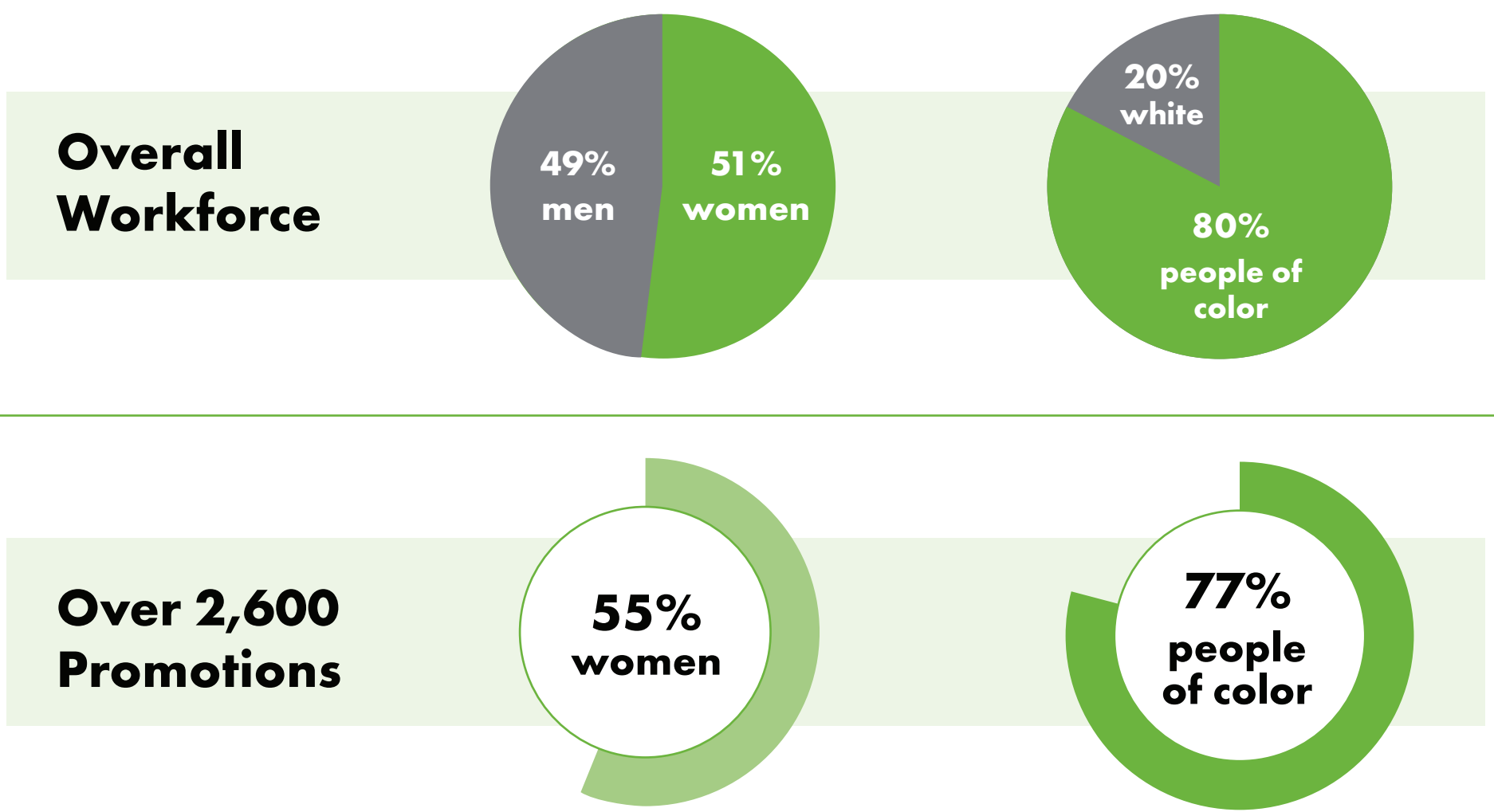
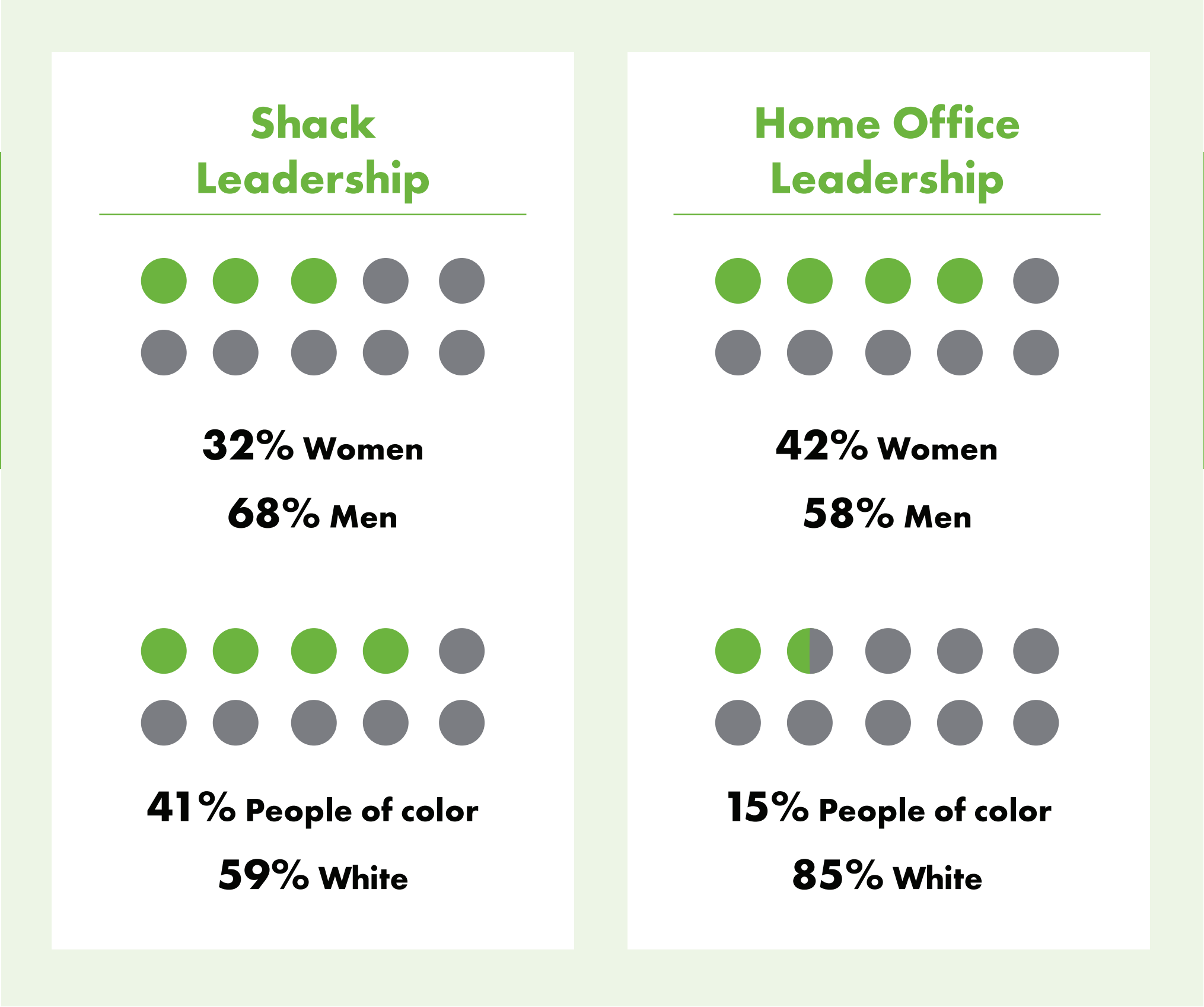


Amplifying Latinx/Hispanic Inclusion by Abling
Development, Opportunities, and Support



WORKFORCE DIVERSITY

We aim to be as diverse as the communities we serve. Women make up 51%, and people of color comprise 80% of our total workforce. Having diverse representation across all functions and levels of our business is key to our success and continued future growth. We know we still have a lot of work to do, and that work takes time. Our team is committed to a continued focus on diversity.



“Sharing our five-year targets helps hold us accountable to cultivate a leadership team that is diverse, but more importantly, one that is positioned to support our future growth and success.”

—Idris Stover, Director of Diversity, Equity & Inclusion

By the end of 2025, we are targeting that 50% of our Shack Leadership and 30% of our Home Office Leadership roles will be filled by people of color and to achieve gender parity across all leadership roles, recognizing that change takes time.

At the end of 2022, people of color held 41% of Shack leadership roles, and women 32%. The representation of people of color and women has increased by 18% and 33%, respectively, since we established our 2025 diversity goals. Our continued focus on the attraction, development, and retention of diverse leadership moves us closer toward achieving our broader goals.

LGBTQ+ INCLUSION

In 2022, the Human Rights Campaign recognized Shake Shack as a “Best Place to Work for LGBT Equality” for our inclusive benefits policies and workplace practices. We are committed to creating welcoming spaces for our team members and guests and continue to do so by:

- Educating our team members on how to be an ally through our LGBTQ+ ally guide and our new transgender ally guide, both of which were created by our LGBTQ+ ERG.
- Encouraging our team members to share their pronouns and gender identity beyond binary classifications within our internal human capital system, as well as by wearing patches on their work attire in our Shacks.
- Addressing gender identity and sexual orientation discrimination as part of required anti-harassment training.
- Classifying more single-stall restroom facilities as gender inclusive in our Shacks.

Pride Shake X The Trevor Project

In 2022, we launched a national Pride campaign, and donated 3% of our Chocolate Churro, Sprinkle Cookie, and OREO® Cookie Funnel Cake milkshake sales during June to our partner, The Trevor project. We made our largest donation to the organization to-date totaling \$86k.

TOGETHER *is* SWEETER

Chocolate Churro
950 CALS

Sprinkle Cookie
970 CALS

OREO® Cookie Funnel Cake
1100 CALS

3% OF SALES BENEFIT:
THE TREVOR PROJECT

ALL MONTH LONG FOR PRIDE
with a \$75,000 minimum donation

OREO and the OREO Wafer design are trademarks of Mondelez International group, used under license

2022 Pride Campaign Callout



ARTIST COLLABORATIONS

“We’ve been working with local artists since the inception of our company. Engaging with local artists that are not only diverse but can relate to the Shake Shack story and communities we are in, is just another form of expression for our brand. So whether it’s on hoardings, murals, or custom merchandise we collaborate on—we always want to share our brand creative expression with our guests. ”

—Cathie Urushibata, Creative Director



ARTIST COLLABORATIONS

Min Heo

Min Heo is a Korean-American illustrator who combines color, humor, and sassy characters to create art. After spending her formative years in LA, she relocated to the Bay Area. Because of her ties to the LA community and artistic talent, our team thought her playful illustrations would be an excellent fit for our Koreatown location.



Q: How has your life and community inspired your work? What inspired this piece of art you created for Shake Shack?

A: “I spent my childhood years in Glendale, not far from LA’s K-town. And being the child of Korean immigrants, we went to K-town whenever we wanted to grab a taste of home. When I returned to LA as a college student, K-town was again a place to go whenever I craved Korean cooking or wanted to be immersed in Korean culture. Through this illustration, I wanted to capture the precious memories I had there as a child and as a grown-up.



ARTIST COLLABORATIONS

Eric Junker



We first worked with Eric Junker for the art in our Del Mar Shack in 2019 and thought he would be the perfect artist for our Silver Lake location since he's a long-time resident.

Q: How has your life & community inspired your work? What inspired this piece of art you created for Shake Shack?

A: "My work is about negotiating the colliding energies of my life in urban Los Angeles and my passion for nature and outdoor adventure. I live in Silver Lake, a Los Angeles neighborhood that is defined more by its people than by its flashy landmarks. I thought it was important to acknowledge that the Silver Lake Shake Shack shares a building that is home to the legendary Black Cat, an LGBTQ historic site. In 1967, it was the site of one of the first demonstrations in the United States protesting police brutality against LGBTQ people, preceding the Stonewall riots by over two years. This mural is about the faces of Silver Lake and celebrates its rich history as a place of inclusion."



ARTIST COLLABORATIONS

Subway Doodle

Our Area Director for our newly opened Bed-Stuy, Brooklyn, location suggested using Subway Doodle since he was a fan of his work and a local resident. Subway Doodle is a multimedia artist known for mixing illustrations and photography to create fantastical depictions of New York City. When he's not creating street art worldwide, Subway Doodle resides in Brooklyn with a house full of monsters.



Q: How has your life and community inspired your work?

A: "The oddities of daily life in New York City provide endless inspiration for my work."

Q: What inspired your piece for Shake Shack?

A: "Shake Shack has become an iconic and beloved part of the city's food culture. My artwork was inspired by the role that it plays in the lives of so many New Yorkers."



ARTIST COLLABORATIONS

Aline Moreaux



For our Baton Rouge opening, a local artist created a design incorporating Shake Shack branding and Baton Rouge iconography, which we used on tote bags and stickers for guests. We understand that these localized touches mean a lot to the community and guests we are serving.



Q: Describe your art style:

A: “My style is inspired a lot by folk art, and that is very intentional. I always want my work to have a narrative quality about it, and traditional folk art is a great medium for that.

Q: How has your life/community inspired your work? What inspired your piece for Shake Shack?

A: “My hometown of Baton Rouge, Louisiana, has been a prominent subject in my work since the very beginning of my career. The food, traditions, and even language are so deeply rooted in Cajun culture and that truly makes Louisiana a muse for my art. For my Shake Shack piece, I wanted to capture an array of themes iconic to Baton Rouge that would be recognized by everyone but especially resonate with the locals. That imagery, combined with classic Shake Shack icons, really allowed the work to celebrate my hometown in a way that fit right into Shake Shack’s brand.”



FOOD: QUALITY, SAFETY + INNOVATION

“Food is at the center of what we do. We’re committed to sourcing real, premium ingredients to deliver menu items our guests crave and can feel good about eating. Guided by our vision of quality and food safety, our culinary team continues to craft high-quality menu items, surprising and delighting guests with innovative recipes.”

—Lisa Kartzman, Vice President of Supply Chain



ALIGNED UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Food Quality, Safety & Innovation



ZERO HUNGER

Due to our focus on culinary innovation, we make changes to our menu throughout the year, sometimes resulting in excess ingredients. We donate our excess ingredients to local food banks in the communities we serve. In 2022, we donated over 100k pounds of ingredients to multiple food banks, including the Midwest Food Bank in Illinois and St. Mary's Food Bank in Arizona.



LIFE ON LAND

We continue increasing the amount of regeneratively sourced protein in our supply chain, which supports farming and ranching practices that deliver positive environmental, social, and economic outcomes.

As part of this work, we have collaborated with CreamCo and Richards Grassfed Beef to offer the Golden State Double, a regeneratively-raised beef patty on our menu in Northern California. In 2022, we sold nearly 48k pounds of regeneratively raised meat.



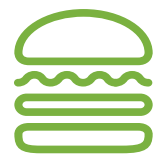
CORE MENU

We are committed to sourcing only the highest quality ingredients from partners who share our dedication to excellence.



Note: Food: Quality, Safety and Innovation relates to Shake Shack’s domestic company-operated business and some variations may occur intermittently due to supply chain limitations.

* Domestic business - federal regulations prohibit the use of hormones or steroids in poultry and pork



BEEF

- . No hormones, ever
- . No antibiotics, ever
- . 100% Angus
- . Pasture-raised, grain-finished
- . Vegetarian fed
- . Humanely raised
- . Source-verified



CHICKEN

- . No antibiotics, ever
- . No hormones, ever*
- . Vegetarian fed
- . Whole muscle
- . All white meat



PORK

- . No antibiotics, ever
- . No hormones, ever*
- . Vegetarian fed
- . Raised free-range + in deeply bedded pens
- . Nitrite-free



FLAT-TOP DOGS

- . No hormones, ever
- . No antibiotics, ever
- . 100% beef
- . MSG-free



BUNS

- . Non-GMO



FROZEN CUSTARD

- . Only real sugar (no high-fructose corn syrup)
- . Cage-free eggs
- . Milk from dairy farmers who pledge not to use artificial growth hormones



CONDIMENTS/ SAUCES

- . Cage-free eggs



BEVERAGES

(NONALCOHOLIC & SPARKLING)

- . Organic iced tea
- . Real lemon juice
- . Organic apple juice

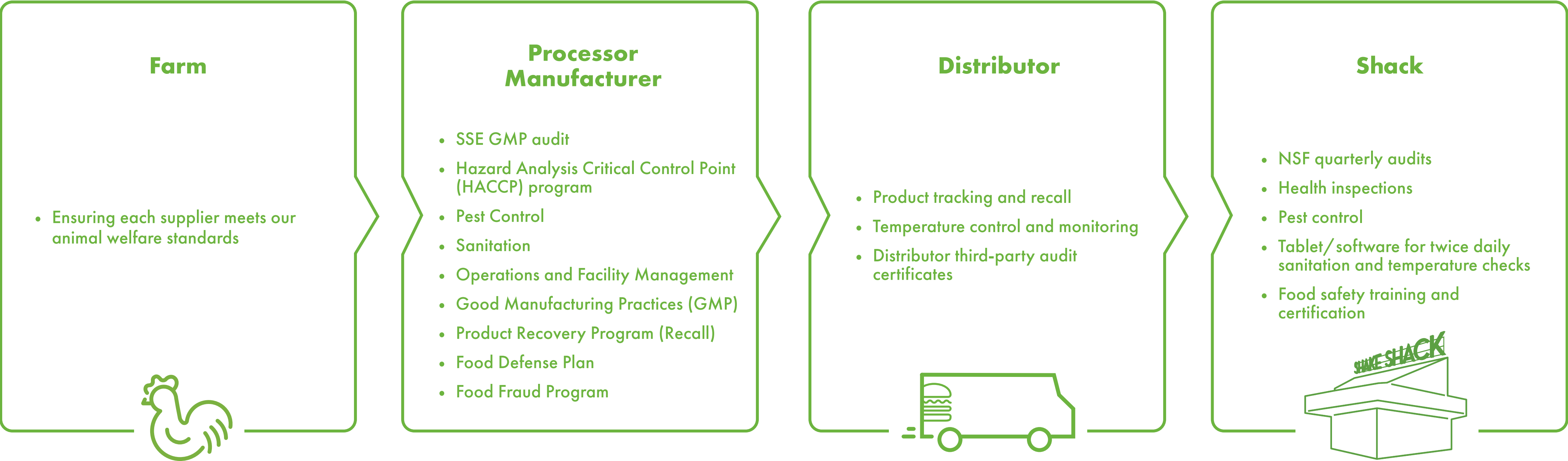
OUR COMMITMENT TO FOOD SAFETY + QUALITY

Food safety and quality are a primary focus at Shake Shack worldwide. We maintain a commitment to providing industry-leading food safety programs, including rigorous standards, surveillance routines, and monitoring of all suppliers.

Shake Shack’s supplier quality management system includes food safety and quality requirements that support our mission to Stand For Something Good. When selecting suppliers, we look for key performance indicators for food safety, including:



In addition to measuring and testing food safety and security practices, Shake Shack requires outstanding performance in quality control. The Shake Shack food safety and quality management program promotes effective control in each step of the supply chain.



ANIMAL WELFARE

We work closely with our farmers, ranchers, bakers, food purveyors, and animal welfare experts to achieve ethical and humane practices. We constantly strive to raise the bar for ourselves and the restaurant industry.

We have a zero-tolerance policy for animal abuse throughout an animal's lifespan. If we discover a supplier is engaging in animal abuse, we will terminate our partnership with them. We will only consider reinstating our partnership if the supplier can provide sufficient evidence that they have retrained their employees and corrected their practices to meet our standards.

For additional information on our Animal Welfare Policy, including our core beliefs regarding responsible animal husbandry, visit our website: <https://shakeshack.com/us-animal-welfare-policy>

We stand firmly behind the Five Freedoms of each species, a comprehensive framework formalized by the UK Farm Animal Welfare Council, ensuring farm animals have lives worth living. For all farm animals raised for Shake Shack's supply chain, or that provide milk or eggs, we stand for:

- **Freedom from hunger and thirst.**
- **Freedom from discomfort.**
- **Freedom from pain, injury, or disease.**
- **Freedom to express normal behavior.**
- **Freedom from fear and distress.**



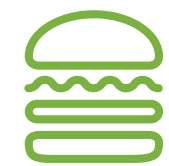
Shake Shack visit to Country Natural Beef ranches in the Pacific West Coast



ANIMAL WELFARE

We source our protein from animals that are fed a vegetarian diet and never given antibiotics or hormones. If an animal falls ill and requires antibiotic treatment to prevent pain and suffering, our supplier immediately segregates and removes it from their supply chain.

This commitment has been in place since our first Shack, and we remain dedicated to maintaining these high standards as we continue to grow.



BEEF

Shake Shack sources from US ranchers that provide 100% antibiotic- and hormone-free meat that is third-party audited for animal welfare, humane handling standards, and on-farm practices. Our supply chain experts prioritize visiting our ranchers and harvest facilities to see how the cattle we purchase are raised and treated throughout their lives.



ANIMAL WELFARE



DAIRY

Shake Shack stands by the National Milk Producers Federation’s standard of not tail-docking dairy cows. We also encourage our suppliers to use selective breeding of dairy cows to eliminate the need for dehorning. Additionally, we prohibit rBST/rBGH in our fluid dairy supply.



EGGS

In 2016, we successfully achieved our goal of converting all products that contain eggs as an ingredient to using only cage-free eggs in our domestic company-operated Shacks. We are currently sourcing 100% cage-free eggs for both the US and UK supply chains and are working with our international partners to continue to move to cage-free eggs over time.



ANIMAL WELFARE



CHICKEN

We firmly believe in the welfare of the chickens raised for our supply chain and require a cage-free environment from our suppliers. Farmers and ranchers must also provide a clean and enriched environment that allows the chickens to turn around and flap their wings.

We acknowledge that there are still areas for improvement in raising chickens for our supply chain, and we remain committed to the Better Chicken Commitment (BCC), which we adopted in 2017. As an active member of the working group with Compassion in World Farming (CIWF), we continue to explore ways to improve the lives of the chickens we source.

PROGRESS TOWARDS THE BETTER CHICKEN COMMITMENT AS OF 2022:

Lighting, Litter, and Enrichments:

We currently meet 100% of our chickens' litter and enrichment requirements. Regarding lighting, we meet the requirements for the time the chickens have darkness and light. However, we acknowledge that the number of lumens used during the light hours does not meet the BCC targets.

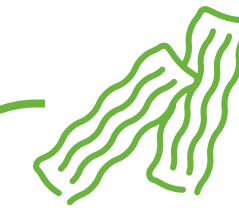
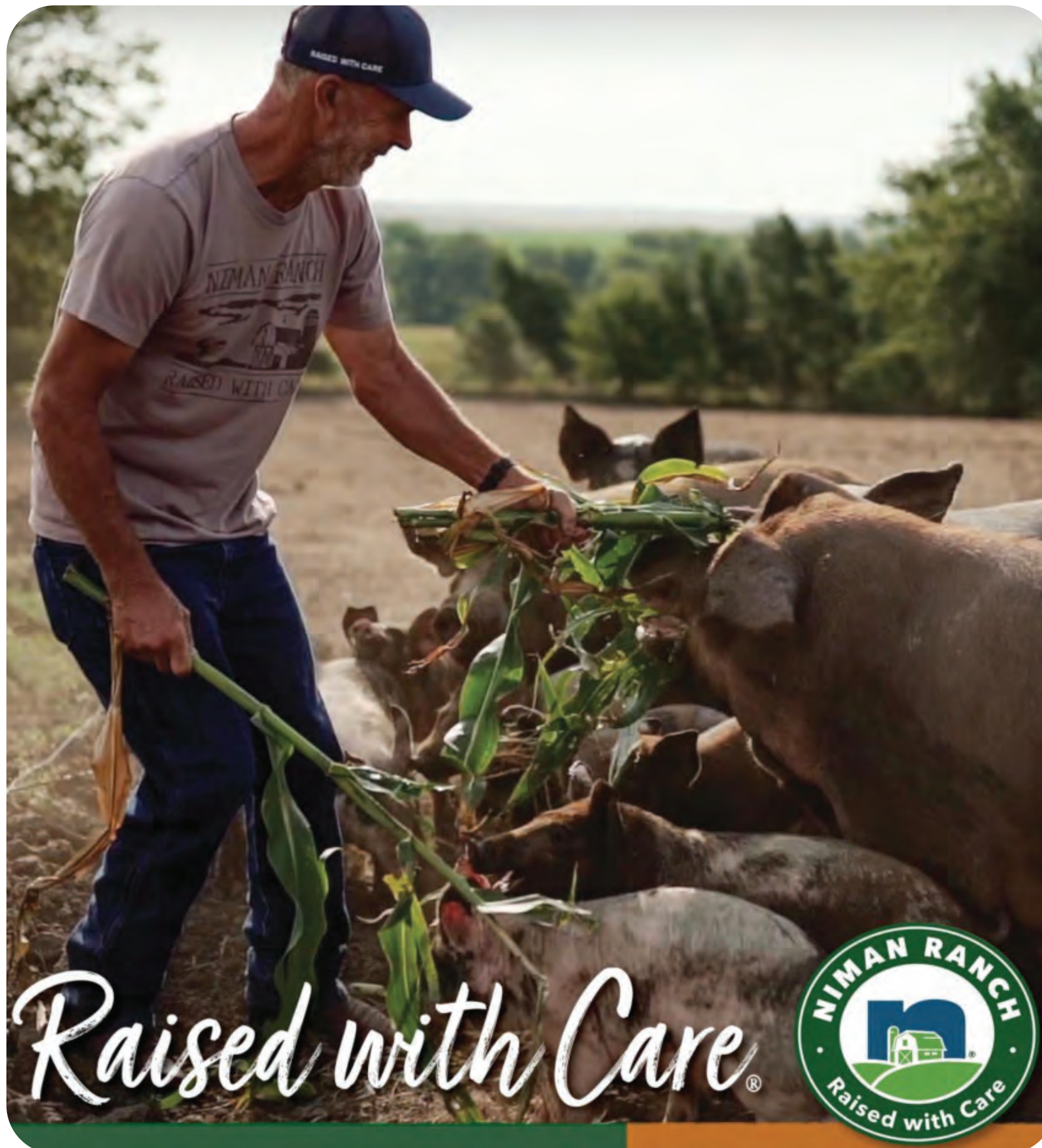
Space: Our stocking density is no more than 7 pounds per sq/ft, which is below the industry standard, but above the 6 pounds per sq/ft target.

Harvest: Currently, none of our suppliers use controlled atmospheric stunning.

Slow-Growth Breed: Currently, none of our suppliers meet the breed requirements.



ANIMAL WELFARE



PORK

We have been longtime partners with Niman Ranch as we value their care for their farmers, animals, and environment. In 2022, Niman comprised most of our bacon volume, and we plan to continue to utilize them as a partner.

We firmly believe in the welfare of the pigs raised for our bacon and sausage and require our suppliers to adhere to the highest animal handling and care standards. We support providing pigs with access to the outdoors while also providing the safety and warmth of the indoors. We discourage the practice of tail-docking of piglets and needle teeth clipping. Niman Ranch does not subject the animals we purchase to gestation crates or farrowing stalls that limit the animal's ability to turn around.



DEDICATION TO QUALITY

Spotlight on our Suppliers

“The menu doesn’t look big, but in order to be a part of each community, we commit to supporting local makers, collaborating with them and integrating high-quality flavors.”

—John Karangis, Executive Chef & Vice President of Culinary Innovation



Shake Shack visit to Lightning Creek Ranch in Joseph, Oregon

DEFREES RANCH | COUNTRY NATURAL BEEF

Supplier Spotlight

Dallas Hall Defrees is a fifth-generation cattle rancher, and Defrees Ranch is one of the 100 ranches that are members of the Country Natural Beef co-op (CNB), which supplies all of the beef for Shake Shack in the Pacific Northwest.

This 115-year-old cattle ranch sits in Sumpter Valley, Oregon, on over 2k acres of land. Dallas's lifelong passion for land stewardship and sustainable management led her to get a master's degree in Rangeland Ecology and Management from Oregon State University. As the Regenerative Ranching Program Director for Sustainable Northwest (SNW), she is the ideal person to lead the partnership between CNB and SNW as they strive to be leaders in the regenerative agriculture movement.

Last year, SNW was granted \$10 million from the USDA to implement the West's largest climate-smart regenerative beef production program. The program's goal is to implement regenerative practices and measure their impact on soil health, water efficiency and quality, and the reduction of greenhouse gases.



Shake Shack visit to Country Natural Beef ranches in the Pacific West Coast

“The USDA’s grant is a unique opportunity to demonstrate how sustainable land stewardship can play a pivotal role in future climate action. Our team is working to ensure that the food we produce, and you eat, is storing and reducing greenhouse gases, enhancing ecosystem processes, and supporting family and tribal-run ranches.”

—Dallas Hall Defrees, Regenerative Ranching Program Director for Sustainable Northwest



COUNTRY NATURAL BEEF

Supplier Spotlight

What does regenerative ranching mean to CNB?

- ✔ Keep soil covered as much as possible.
- ✔ Manage for diversity of native plant and animal species.
- ✔ Promote continual living plants (more perennials vs. annuals).
- ✔ Livestock integration with enhanced management.
- ✔ Minimize soil disturbance.



Shake Shack visit to Country Natural Beef ranches in the Pacific West

By 2028, the work that CNB & SNW are doing through the USDA grant will:

- ✔ Implement climate-smart grazing practices at 120 operations across nine states and more than seven million acres of public and private rangelands.
- ✔ Implement a climate-smart finishing program.
- ✔ Reduce the carbon intensity of beef production by 50–100% compared to conventionally raised beef.
- ✔ Have an annual carbon sequestration equivalent to emissions from consumption of one billion gallons of gasoline or 10 billion pounds of coal.
- ✔ Provide \$67 million in annual increased market returns for producers.



MCCAIN FOODS

Supplier Spotlight

Our partner, McCain Foods, is a leader in regenerative agriculture in the US, transforming how we think about our potato supply chain. We are proud to serve McCain's 100% North American-grown potatoes.

McCain made the following improvements to their key principles in 2022:

- 1 Armor soil, preferably with living plants.
- 2 Minimize soil disturbance.
- 3 Enhance crop and ecosystem diversity.
- 4 Reduce agro-chemical impacts and optimize water-use.
- 5 Integrate organic and livestock elements.
- 6 Ensure farm resilience.

In 2022 McCain:

- ✓ Saw an 8% reduction in CO₂ emissions per ton from potato farming, storage, and freight.
- ✓ Improved water-use efficiency in water-stressed regions by 11%.
- ✓ Reduced CO₂ per ton of product produced (Scopes 1 and 2).



McCain works directly with their farmers to enhance soil health and yields, drive innovation, and provide technical and financial assistance to implement and develop regenerative agriculture practices.



MENU INNOVATION

“We’re always trying to highlight great flavors and really unique ingredients, including ingredients that you couldn’t find in a fast casual kind of environment.”

—Jay Livingston, Chief Marketing Officer



OUR FOOD RAISES THE BAR

Quality to Count On

Made with 100% Angus beef, all our burgers are humanely raised and fresh, never frozen. The same goes for our all white meat chicken and nitrite-free pork.

No hormones, ever. No antibiotics, ever.

Our hand-spun shakes and frozen custards are made with cage-free eggs and real milk from dairy farmers who pledge not to use artificial growth hormones.



Cooked to Order

Our food is always freshly made to order. We pride ourselves in providing our guests with food that raises the bar from the ingredients we source to the moment they take their first bite!

Culinary Excellence

Our team of chefs is dedicated to culinary excellence (we have our own Innovation Kitchen in NYC!) and bringing exciting new items to our menus all over the world.

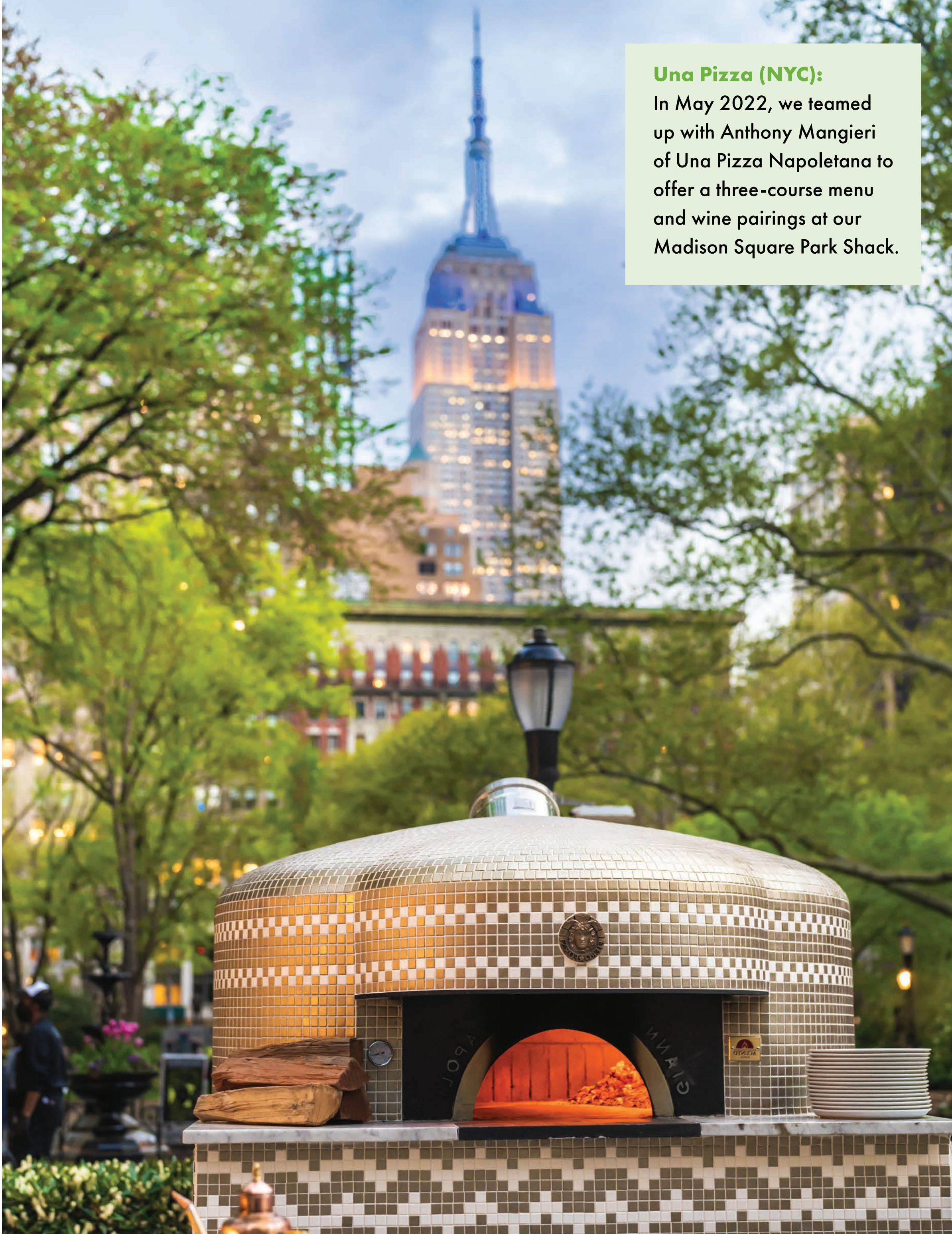


OUR FOOD RAISES THE BAR

Chef Collaborations



Enrique Olvera (Mexico): In November, we teamed up with renowned chef Enrique Olvera to bring a taste of Mexico City to NYC (West Village) and LA (Santa Monica). The menu featured all dishes inspired by Olvera’s restaurants around the US and Mexico—including a corn husk meringue shake!



Una Pizza (NYC):
In May 2022, we teamed up with Anthony Mangieri of Una Pizza Napoletana to offer a three-course menu and wine pairings at our Madison Square Park Shack.

MENU INNOVATION

Non-Dairy Frozen Custard + Veggie Shack

We pride ourselves on constantly testing, learning, and listening to guest and operational feedback to stay at the cutting edge of culinary innovation. We are on an endless pursuit to deliver elevated, modern, and fun versions of the classics.

We have the same standards for plant-based offerings as our burger and chicken sandwiches—**delicious flavors using real, quality ingredients.**



Non-Dairy Frozen Custard:

In 2022, we launched a test of non-dairy frozen custard and non-dairy chocolate shakes in select Shake Shack locations in collaboration with NotCo. Our goal was to offer something sweet and delicious to guests who prefer non-dairy options. We successfully developed a recipe that mimics the rich and creamy flavor and texture of our beloved frozen custard.

Veggie Shack: In 2022, we introduced an updated version of our Veggie Shack in about 30 test locations. This plant-based burger puts a unique spin on our classic Shackmeister Burger, featuring a patty packed with garden-fresh vegetables and powered by quinoa and farro. Topped with crispy onions, American cheese, pickles, and ShackSauce, this burger delivers the craveable experience you expect from Shake Shack, made with real vegetables and grains.



In 2023, both of these items will be available nationally in our domestic company-operated Shacks.



MENU INNOVATION

Hot Ones™ Collaboration

From September 2022 to January 2023, we partnered with First We Feast’s viral YouTube series, Hot Ones™, to give our classic menu a kick with new (and HOT) ingredients. This premium collaboration brought the heat with new limited time offer items—Spicy Burger, Spicy Chicken, and Spicy Fries—satisfying both Hot Ones™ fans and Shack guests who crave the spicier things in life.



HOT ONES™

SPICY BACON BURGER

590 CALS



SPICY BACON CHICKEN

680 CALS



HEAT LEVEL: [🌶️🌶️🌶️]

Made with Spicy ShackSauce in collaboration with our friends at Hot Ones™

ENVIRONMENTAL RESPONSIBILITY

“We must have awareness of the natural environment that our business depends on to continue to serve the food you love. We are continuously evolving our efforts to reduce our environmental footprint, focusing on critical areas such as energy efficiency, reduced waste, and collaborating with farmers, suppliers, and guests to drive meaningful change across the food industry.”

—Jeffrey Amoscato, Senior Vice President of Supply Chain
+ Menu Innovation



ALIGNED UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Environmental Responsibility



ZERO HUNGER

Shake Shack remains committed to addressing food insecurity in America through our partnership with Elara Foodservice Disposables and their One Case/One Meal Hunger Relief Program. In 2022, Shake Shack and Elara donated over 48k meals to Feeding America.



CLIMATE ACTION

At Shake Shack, we remain dedicated to finding opportunities where we can reduce our carbon footprint by seeking new ways to expand our use of renewable energy, increase resource efficiency, and identify new supplier partners who share our commitment to sustainability.



RESPONSIBLE CONSUMPTION + PRODUCTION

At Shake Shack, our supply chain team is always seeking sustainable alternatives. For instance, we purchase 100% guaranteed recycled napkins from 90% post-consumer content. Our napkins are ECOLOGO-certified, EPA-Compliant, Green Seal Certified, FSC Certified, and compostable.

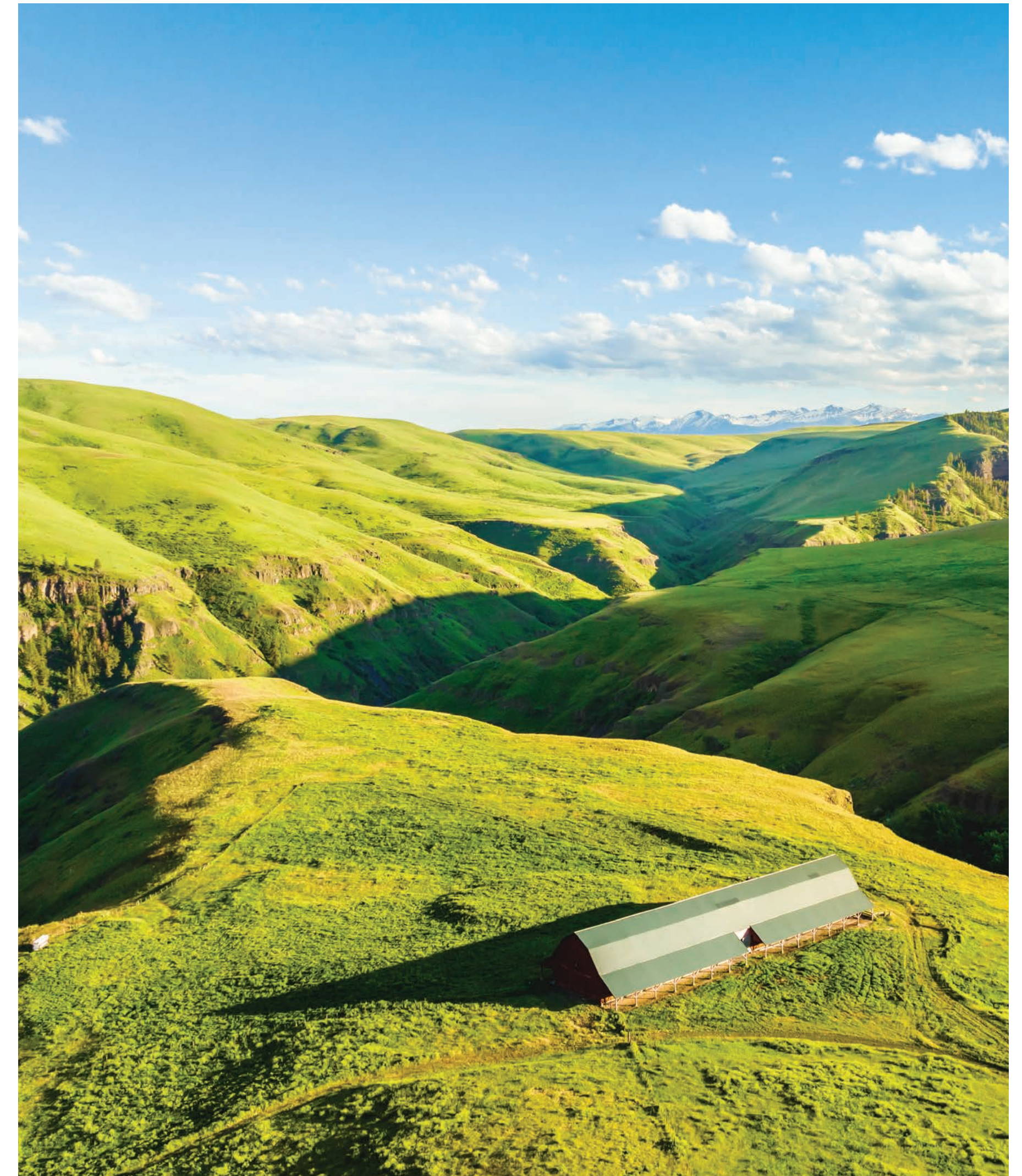


SUMMARY OF EMISSIONS CALCULATIONS

The below describes the methodology and data sources for our emissions calculations. We are able to access utility and invoice data for our corporate sites and restaurants throughout the United States. For locations where we may be missing data, we use a third-party company to calculate emissions per site to have a complete picture of our emissions across the business. Our methodology to extrapolate this data first utilizes surrounding month data to determine a reasonable estimate grounded in invoiced data. Without invoiced data from a site, we use the Energy Information Administration's 2018 Commercial Buildings Energy Consumption Survey (CBECS) to estimate natural gas and electric power usage by square footage before applying the relevant emissions factors.

We track electric power and natural gas at the site level, and all other sources are tracked at the corporate level. To calculate our emissions inventory, we use location- and market-based methodologies per the WRI's Greenhouse Gas Protocol Scope 2 guidance recommendation. Our location and market-based calculations apply the US EPA MRR emission factor set for natural gas, diesel, and propane and the IPCC Fifth and Sixth Assessment Reports for refrigerant global warming potentials. Following the GHG Protocol's guidance, our location-based methodology leverages the US EPA eGRID emission factors to calculate emissions from our electric power. Our market-based electric power calculations employ utility-specific emission factors, US residual mix factors, and eGRID to account for contractual instruments.

Once calculated, emissions are converted to CO₂e using the global warming potentials derived from the IPCC Fifth Assessment Report. Our methodology complies with the standards set forth by the WRI's Greenhouse Gas Protocol Corporate Standard, and a third-party checked our data for completeness and accuracy.



Shake Shack visit to Country Natural Beef ranches in the Pacific West Coast



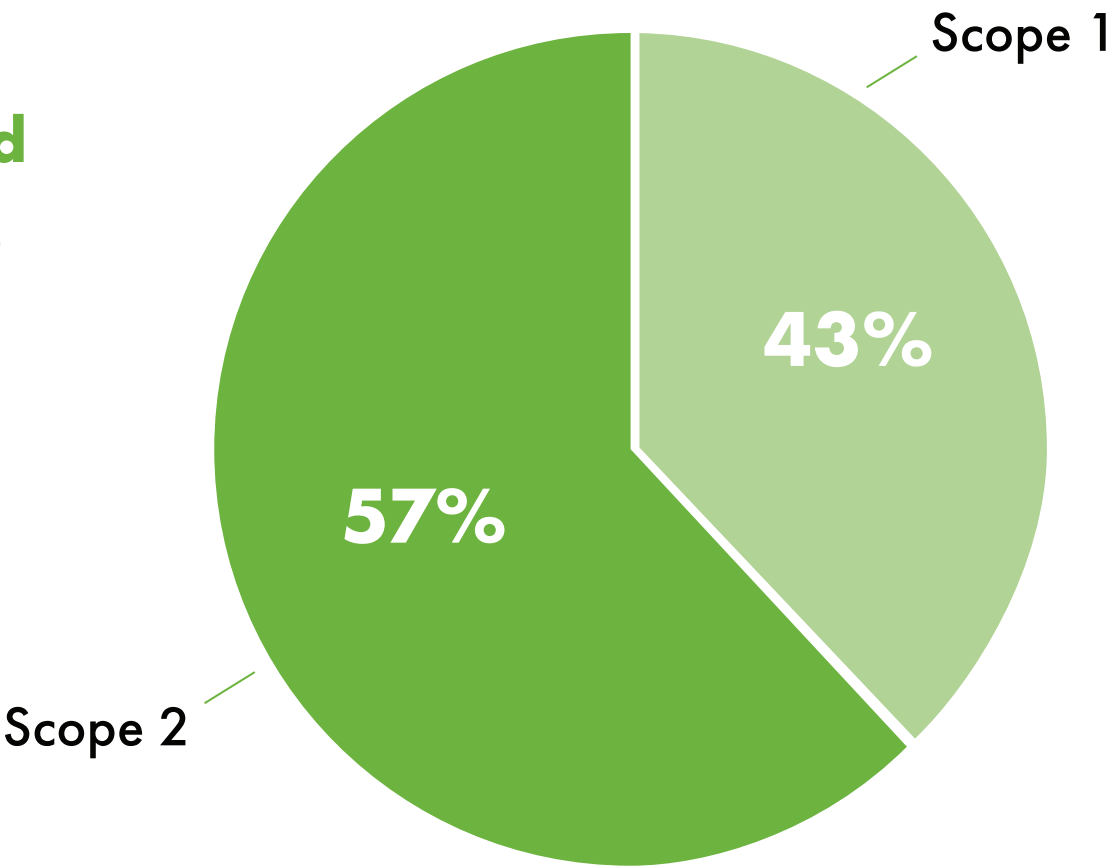
EMISSIONS REPORTING

Scope 1 + Scope 2

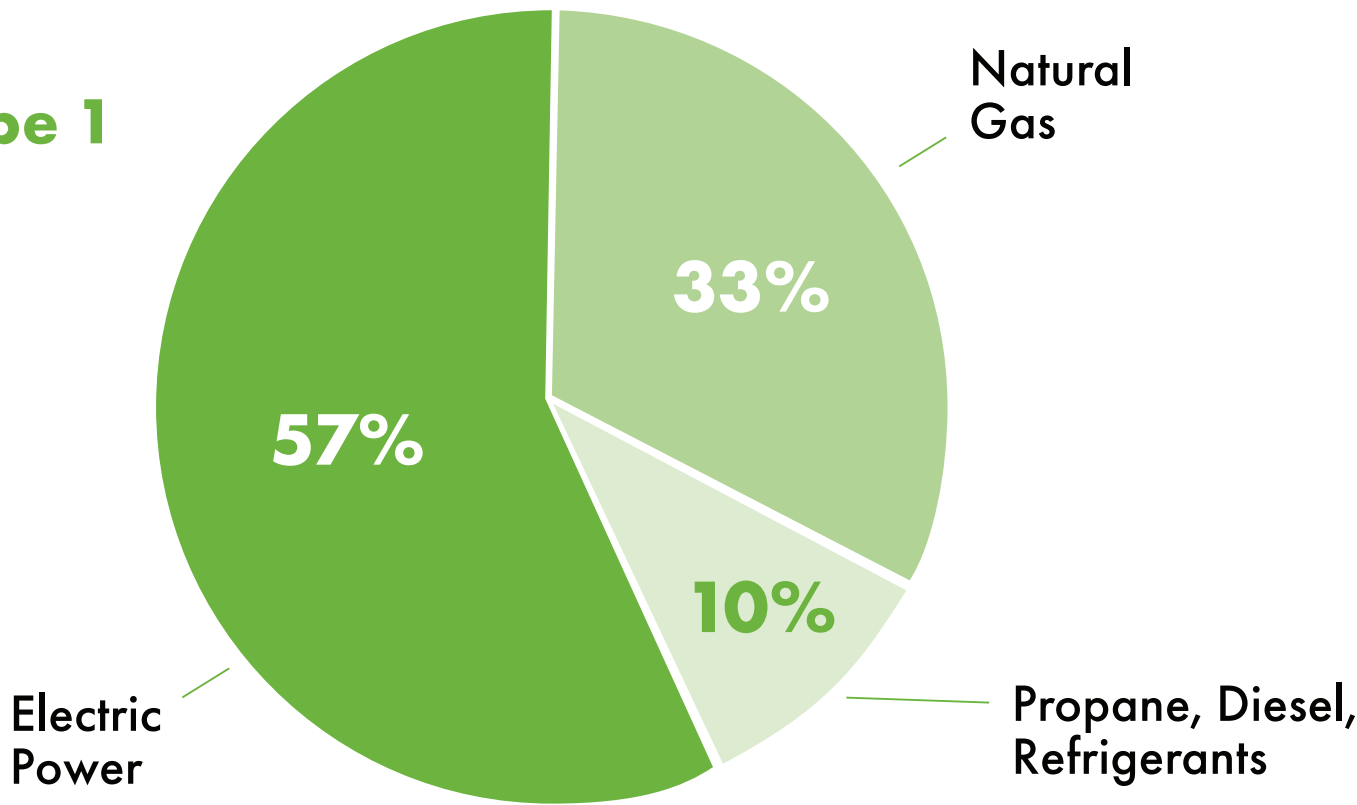
Our Scope 1 and 2 emissions,* which result from our business operations, are mainly associated with the energy consumption in our domestic restaurants. This energy usage is critical as it ensures that our restaurants are equipped for food production and storage, including the kitchen equipment used for cooking, refrigeration equipment for keeping our ingredients fresh, and the heating, cooling, and lighting systems that create a welcoming space for our guests.

In 2022, we opened 36 new domestic, company-operated Shacks, which resulted in an increase in our overall Scope 1 and 2 emissions. However, as we continue to grow, we remain dedicated to finding ways to open new Shacks and serve the food that guests love while minimizing our emissions footprint.

2022 Market-Based Emissions by Scope



Break-Down of Scope 1 and 2 Emissions



Historical Emissions

Year	Number of Shacks	Emissions MT CO ₂ e/yr
Primary (MB)		
2021	218	26,490 MB CO ₂ e/yr
2022	254	30,734 MB CO ₂ e/yr

**Scope 1 emissions refer to direct company GHG emissions, including diesel, natural gas, propane, and fugitive emissions from refrigerants for our domestic, company-operated restaurants, corporate office, and food trucks; Scope 2 emissions are indirect and derived from the purchased electricity used at our domestic, company-operated restaurants and in our corporate office.*

INGREDIENT IMPACT

Shake Shack X HowGood

To better understand the impact of the ingredients in our supply chain, we have partnered with HowGood, an independent research company with the world's largest database on food product sustainability, to analyze our ingredient list against the following eight impact metrics: greenhouse gas emissions, biodiversity, processing, blue water usage, labor risk, land use, soil health, and animal welfare.

Based on its in-depth ingredient-level insights, HowGood has helped Shake Shack with strategic decision-making for the sourcing and manufacturing of our menu items, including the supply of fluid dairy milk for our Pacific Northwest Shacks.

As of February 2023, all Shake Shack locations in Washington and Oregon now source their milk from Neutral Foods, the first carbon neutral foods company in the United States. We plan to continue to utilize HowGood as a tool to help accelerate our sustainability efforts.



Photography provided by Neutral Milk at some of its dairy farms.



WASTE DIVERSION HIGHLIGHTS

Supply Chain Milestones



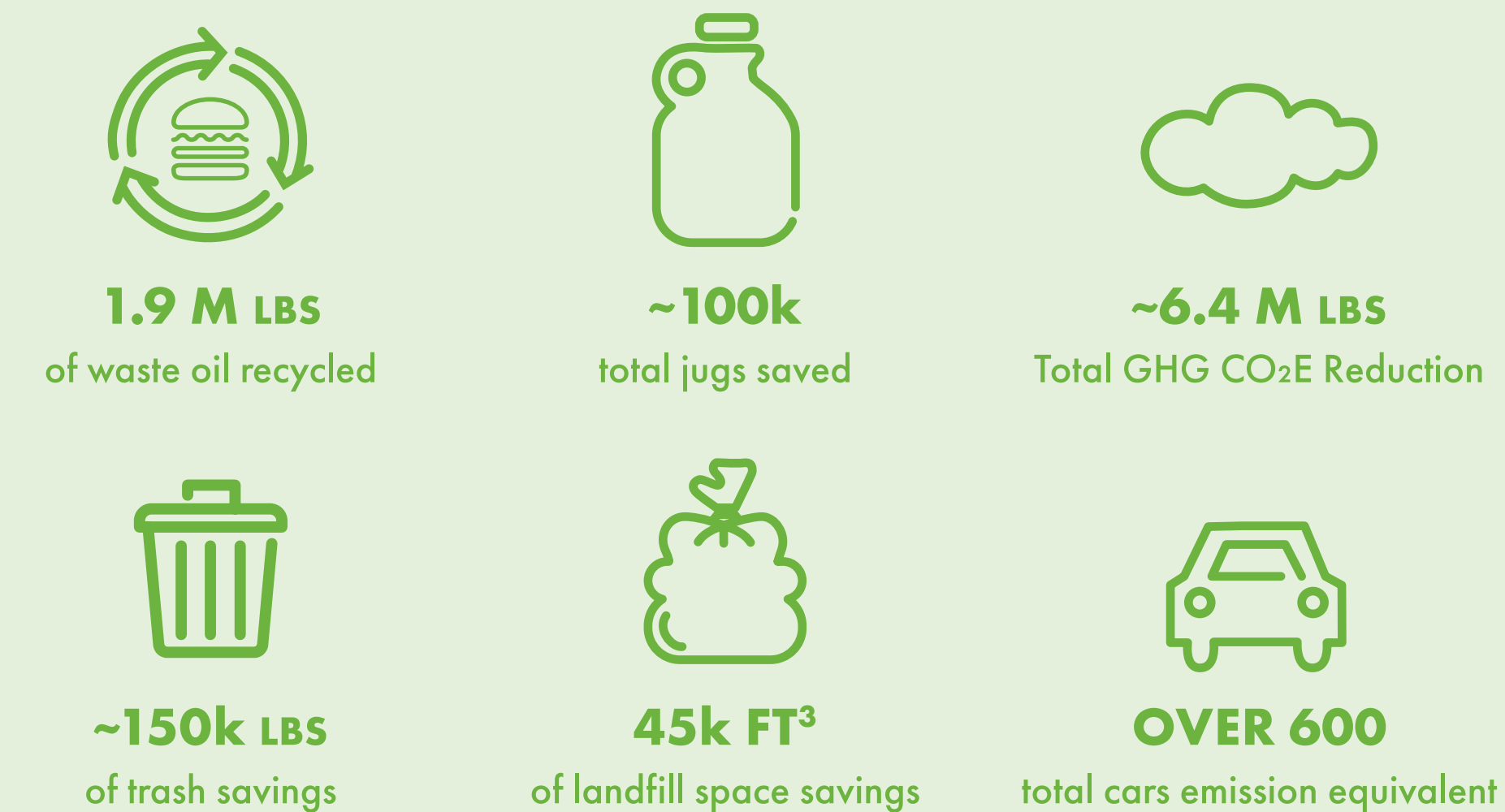
Cutting Out Cutlery and Condiments

From October–December 2022, for online and mobile orders at select locations we rolled out an opt-in feature for plastic cutlery and condiments. In 2023, we have expanded this initiative to include all Shack locations, helping eliminate unnecessary waste.

Recycling Our Oil

Around 1.9M pounds of waste oil was recycled thanks to our partnership with Restaurant Technologies Inc, resulting in a reduction of 6.4M pounds of CO₂ and saving 45k cubic feet of landfill space.

ANNUAL IMPACT OF CURRENT SHAKE SHACK RESTAURANTS*



*Metrics based on of 215 company-operated Shacks, Data Source: Restaurant Technologies Inc



SUSTAINABLE PACKAGING HIGHLIGHTS

We continue to assess our business to remove unnecessary packaging elements and switch to more sustainable, certified materials whenever possible.

- 1.** The majority of our to-go bags are produced with 100% recycled fiber, composed of 95% post-consumer content.
- 2.** Maintained larger burger case packs, reducing cardboard usage by over 1k pounds weekly, for a cumulative total of ~59k pounds in 2022.
- 3.** Launched a packaging redesign test to optimize the guest dining experience both on and off-premises and reassess material composition.






AIRCARBON FOODWARE

Sustainable Packaging


In 2022, Shake Shack purchased over 20M straws from AIRCARBON Foodware, a carbon-negative alternative to traditional plastic straws.

2022 AIRCARBON IMPACT

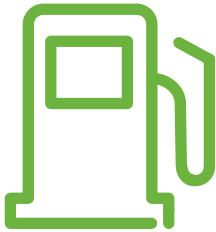
Over 20M Straws	Nearly 20 MT CO₂e Total carbon emission reductions from straws purchased	~588 kg Total plastic kept from accumulating in oceans
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Carbon sequestered equivalent to:
Over 300 seedlings grown for 10 years



GHG emissions avoided equivalent to:
Nearly 750 incandescent lamps switched to LEDs



CO₂ emissions avoided equivalent to:
2k gallons of gasoline consumed



GHG emissions avoided equivalent to:
~49k miles driven by an average passenger vehicle

Data provided by AirCarbon. AirCarbon Disclaimer: The values provided are estimates and for informational purposes only. The results should not be legally relied upon. Based on studies that show about 3% of global annual plastics waste enters the ocean, Source: <https://www.science.org/doi/10.1126/science.1260352>

MCCAIN RECYCLABLE FRY BAGS

Sustainable Packaging

Together, Shake Shack and McCain have piloted an initiative to replace our fry supply packaging from non-recyclable PolyKraft to recyclable poly. Since converting to recyclable poly in October 2022, we have already*:

- Saved about 14k pounds of wood, an average of 42 mature trees.
- Averted ~45m BTUs of energy, the same energy as 54 residential refrigerators operated for a year.
- Conserved ~39k gallons of water, the equivalent of 29 washing machines operated for a year.
- Avoided over 780 pounds of solid waste, comparable to the daily waste of 178 people.



*Environmental impact estimates were calculated using the Environmental Paper Network Paper Calculator Version 4.0. For more information visit www.papercalculator.org. Data Source: McCain Foods 2022 Data.



OUR SHACKS

“Energy efficiency has become a key driver in reducing our environmental impact, and something we will continue to evaluate.”

—Andrew McCaughan, Chief Development Officer



MADISON SQUARE PARK

Green Certified Restaurant



Shake Shack's Madison Square Park location became a 2 Star Certified Green Restaurant through the Green Restaurant Association (GRA). In collaboration with the Flatiron NoMad Partnership, GRA, and the Madison Square Park Conservancy, Shake Shack has joined other local restaurants to help create the nation's second Green Dining Destination™.

- By composting food waste and recycling plastics, glass, aluminum, cardboard, and paper we can keep up to 90% of our waste out of landfills.
- Our Energy Star dishwasher and our ice machines are 30-40% more efficient than conventional models.
- The high-efficiency pre-rinse spray valve saves enough water to fill a backyard swimming pool per year.
- Our napkins, paper bags, paper towels, and bath tissue are made with recycled fiber, from post-consumer content.
- We use occupancy sensors in our restrooms, which reduces electricity usage in these areas by approximately 60%.



ENERGY MANAGEMENT

Renewable Energy



We currently have three locations with solar panels, generating over **50 MWH** per year.

OUR SOLAR PANELS CURRENTLY:

- Save approximately **4k gallons of gasoline** or about **80 barrels of oil** consumed.
- Produce the equivalent energy savings of **over 12 tons of waste being recycled** instead of ending in a landfill.

(Figures based on EPA Greenhouse Gas Equivalencies Calculator)

Energy Usage:

All of our Shack openings in 2022 realized about a 20% reduction in kitchen exhaust system energy usage vs. last year.

Safety + Air Purity:

We have installed a system-wide UV PHI technology that effectively purifies indoor air, in addition to a new dedicated outdoor air system that enhances ventilation efficiency.



SUSTAINABLE DESIGN

New Shack Sustainable Design Elements

- Digital menu boards (food court + select drive-thru locations).
- Energy efficient equipment.
- Tankless water heaters.

Locally Sourced Craft Furniture:

We purchase all of our interior furniture in the United States, using only suppliers who share our commitment to sustainability. As part of their sustainability efforts, they plant a tree for every tabletop fabricated for Shake Shack. In 2022 alone, over 800 trees were planted on behalf of Shake Shack.

EV Charging:

We're evaluating the inclusion of electric vehicle charging stations in future site designs.



CORPORATE GOVERNANCE

“Our commitment to good governance, ethical conduct, and social responsibility aligns with our dedication to creating stockholder value while promoting positive change.”

—Ron Palmese, Chief Legal Officer



CORPORATE POLICIES + CHARTERS

We are committed to the ethical operation of our day-to-day business and maintaining our principles as we continue to grow.

Our leadership undertakes decision-making that reflects our priorities for social responsibility, risk management, and sustainability, all embodied in our commitment to Stand For Something Good®.



Policies

[Corporate Governance Guidelines](#)

[Code of Business Conduct and Ethics](#)

[Code of Ethics for Senior Financial Officers](#)

[Insider Trading Compliance Policy](#)

[Related Person Transaction Policy and Procedures](#)

[Audit and Non-Audit Services Pre-Approval Policy](#)

[Global Anti-Corruption Compliance Policy](#)

[International Trade Compliance Policy](#)

[Non-Employee Director Compensation Policy](#)

Charters

[Audit Committee Charter](#)

[Compensation Committee Charter](#)

[Nominating and Corporate Governance Committee Charter](#)

These policies form the foundation of our approach to corporate governance and apply to our team members, our guests, our suppliers, our investors, and the communities in which we operate. All Governance Documents can be found on www.investor.shakeshack.com.



OUR CODE OF BUSINESS CONDUCT + ETHICS



Our Code of Business Conduct and Ethics provides a guide to our legal and ethical requirements for our team members and Board of Directors. It includes the principles that guide our business practices and focuses on business conduct, workplace behaviors, conflicts of interest, confidentiality, competition, anti-corruption, health and safety, and the environment.

Our internal company website provides additional resources for our team members and Board to learn more about our policies and includes various training modules and toolkits, including about, among others, discrimination and harassment and diversity and inclusiveness.

Our team members and Board are required to speak up about any violation of our Code of Business Conduct and Ethics, our other policies, and legal and regulatory requirements. The obligation to conduct business in a legal and ethical manner is one that falls on the shoulders of everyone at the company.

Individuals are able to contact their immediate supervisor, our People Resources team, Chief Legal Officer, or any member of our senior leadership team to report concerns. Our confidential third-party reporting service, SpeakfullyNow, is also available to team members and external parties to report concerns. We will not retaliate, and will not tolerate retaliation, against any individual for reporting a good faith concern or complaint.



OUR BOARD OF DIRECTORS + BOARD COMMITTEES

BOARD OF DIRECTORS

Ensures the Company's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

Oversees the conduct and management of the company's business and reviews the company's major financial objectives, plans and actions, including capital allocation, the audit and accounting principles and practices used in the company's financial statements, succession planning, the company's Code of Business Conduct and Ethics, Corporate Governance Guidelines and other policies, and the performance of our Chief Executive Officer and other executive officers.

Responsible for overseeing our risk management process, including ensuring ESG risks and opportunities are integrated into our long-term strategy.

NOMINATING + CORPORATE GOVERNANCE COMMITTEE

Makes recommendations to the Board regarding governance matters, identifies individuals qualified to join our Board consistent with criteria approved by our Board, develops our Corporate Governance Guidelines, and oversees self-evaluations of our Board.

Oversees, reviews, and assesses the overall adequacy and provides oversight of the company's ESG strategies, initiatives, and policies, as well as the company's commitment to corporate social responsibility and diversity, equity and inclusion strategies, initiatives, and policies.

COMPENSATION COMMITTEE

Oversees the development, implementation, and effectiveness of the company's people practices, policies, and strategies relating to recruiting and retention, culture, and labor.

Oversees the company's compensation and incentive programs, including executive compensation strategy and succession planning for members of the executive team.

AUDIT COMMITTEE

Oversees the integrity of the company's financial statements and financial reporting process, compliance with legal and regulatory requirements, and the performance of our internal audit function and independent auditors.



OUR BOARD OF DIRECTORS

Our Board consists of a diverse group of highly qualified leaders with senior leadership experience at large domestic or multinational companies. They have in-depth public company experience, along with significant and varied management experience, and a diverse range of perspectives to address our evolving needs, oversee senior management in the ethical operation of the company, and represent the best long-term interests of our stockholders.



Daniel Meyer
Founder & Chairman of the Board



Randy Garutti
CEO & Director



Robert Vivian
Lead Director



Sumaiya Balbale
Director



Lori George Billingsley
Director



Anna Fieler
Director



Jeff Flug
Director



Jeff Lawrence
Director



Jenna Lyons
Director



Joshua Silverman
Director



Jonathan D. Sokoloff
Director



Tristan Walker
Director

BOARD OF DIRECTORS



- The average tenure of our Board of Directors since its IPO is approximately eight years. Four of our directors have joined our Board in the last four years, balancing fresh perspectives with institutional knowledge.
 - Our newest Board member, Jeff Lawrence, was appointed to the Board in May 2023 and brings over 25 years of experience in the consumer retail and restaurant industries globally.
 - Ten of twelve directors are independent.
 - Our Board is committed to board diversity and considers a wide variety of skills, professional experience, and perspectives to be critical to the company's achievement of its strategic goals.
 - Our Board is diverse in terms of gender, race, and ethnicity; four of our Board members are women, one member identifies as Asian, one member identifies as South Asian American and Muslim, two members identify as Black or African American, and one member identifies as gay.
 - All committees and committee chairs are independent.
 - The positions of Chairman of the Board and Chief Executive Officer are separate.
 - The Board has created the position of Lead Director to serve as the lead non-management director of the Board.
 - There is active outreach and engagement with major stockholders in relation to corporate governance and ESG priorities.
 - Robust oversight of management by the Board is consistent with our Board and committee charters.
 - The Board conducts quarterly non-executive director sessions.
 - The Board performs an annual review of corporate governance policies and charters.
 - Annual Board, committee, and individual director self-assessments are carried out by the Board.
- More details can be found at www.investor.shakeshack.com





ROLE OF OUR LEAD INDEPENDENT DIRECTOR

Our Lead Independent Director is responsible for:

- Presiding at all meetings of non-management directors when they meet in executive session.
- Setting agendas, priorities, and procedures for meetings of non-management directors meeting in executive session and adding agenda items to the established meetings of the Board.
- Reporting to the Board and senior management with feedback from non-management executive sessions.
- Assisting the Chairman of the Board and serving as a liaison between the Chairman and non-management directors.
- Requesting access to the company's management, employees, and its independent advisors for purposes of discharging his or her duties and responsibilities as a director.
- Serving as spokesperson for the company as requested.
- Retaining independent outside financial, legal or other advisors at any time, at the expense of the company, on behalf of the Board or any committee or subcommittee of the Board.



EXECUTIVE COMPENSATION PRACTICES

The objective of our executive compensation program is to attract, retain, and motivate individuals who share our dedication to our community and are committed to our mission, Stand For Something Good. We are committed to a pay-for-performance culture that includes high standards of ethical behavior and corporate governance.

- Our Compensation Committee is comprised of fully independent directors.
- We cap annual cash incentive and performance stock unit payouts to mitigate risk.
- We maintain stock ownership guidelines for our Named Executive Officers (NEOs) and our Board of Directors.
- We prohibit hedging and pledging of company stock.
- We hold an annual say-on-pay vote.
- We do not provide significant perquisites and we have not provided any that are not generally available to other team members.
- Our NEOs are eligible to participate in health and welfare benefit plans as are our other full-time team members.

More details can be found at www.investor.shakeshack.com



EXECUTIVE COMPENSATION PRACTICES

The compensation arrangements for each of our NEOs are intended to encourage performance and growth and to align the NEOs' interests with those of our stockholders.

NEOs are eligible to receive short-term cash incentives, which focuses our executives on achieving financial, strategic, and individual goals.

- Our executive compensation program also includes the granting of long-term incentives in the form of performance-based and time-based awards under our 2015 Incentive Award plan.
- Performance-based awards, in the form of Performance Stock Units (PSUs), are payable to the extent the company achieves financial goals, such as Total Revenue and Adjusted EBITDA.
- Our PSU awards are granted with either an annual performance period that then vest ratably over four years or with a three-year performance period that vest after the three-year measurement.
- Time-based awards, in the form of Restricted Stock Units (RSUs), vest ratably over four years.



DATA PRIVACY + INFORMATION SECURITY

Governance + Oversight

Our Audit Committee’s charter includes oversight over information security and data privacy. The committee meets quarterly to review substantiated risks, metrics & KPIs, pertinent industry developments and potential threat vectors.

Our Director of Information Security is responsible for leading governance of our information security program and works with a cross-functional team to maintain our policies.



Transparency

Shake Shack makes our privacy policies publicly available for each of our sales channels. The privacy policies describe the data we collect, why we collect it, how we use it, how long we retain it, and the rights guests have regarding their data.

We are committed to complying with applicable Federal and State laws, including the California Consumer Privacy Act.

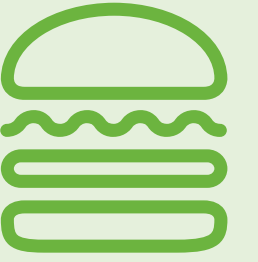
Controls, Policies + Education

Shake Shack is committed to implementing leading security and PCI-compliant controls to protect the data entrusted to us by our guests. We conduct regular vulnerability scans and audits of our information security program.

We have mandatory annual data privacy and security awareness training for all team members and annual payment card handling training for all Shake Shack General Managers. We are also conducting additional security training for all remote team members.



FORWARD-LOOKING STATEMENTS



This Summary contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to known and unknown risks, uncertainties and other important factors that may cause the company's actual results, performance, and achievements to differ materially from the results expressed or implied in this Summary. All statements other than statements of historical fact included in this Summary are forward-looking statements, including, but not limited to, statements regarding our business plans and objectives, our strategies, and systems for implementing our goals, our operations, our commitments to programs and policies, and our expectations and priorities for measuring our goals and the metrics we use. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "aim", "anticipate", "believe", "estimate", "expect", "forecast", "future", "intend", "outlook", "potential", "preliminary", "project", "projection", "plan", "seek", "may", "could", "would", "will", "should", "can", "can have", "likely", the negatives thereof and other similar expressions. All forward-looking statements are expressly qualified in their entirety by these cautionary statements.

Some of the factors which could cause results to differ materially from the Company's expectations include the continuing impact of the COVID-19 pandemic, including the potential impact of any COVID-19 variants, the company's ability to develop and open new Shacks on a timely basis, increased costs or shortages or interruptions in the supply and delivery of the company's products, increased labor costs or shortages, inflationary pressures, the company's management of its digital capabilities and expansion into new channels including drive-thru, the company's ability to maintain and grow sales of its existing Shacks and risks relating to the restaurant industry generally. You should evaluate all forward-looking statements made in this Summary in the context of the risks and uncertainties disclosed in the company's Form 10-K for the fiscal year ended December 28, 2022, as filed with the Securities and Exchange Commission (the SEC).

All the company's SEC filings are available online at www.sec.gov, www.shakeshack.com or upon request from Shake Shack Inc. The forward-looking statements included in this Summary are made only as of the date hereof and are not guarantees of future performance or commitments. The company undertakes no obligation to publicly update any of the statements in this Summary, except as required by law.

In this Summary, any use of the terms "material", "materiality", "immaterial", "substantive", "significant" and other similar terminology refers to topics that reflect important economic, environmental and social impacts of the company or reflect topics or standards designated as "material", "substantive" or a similar term under a relevant third party protocol or standard. These terms as used in this Summary are not used, or intended to be construed, as they have been defined by, or construed in accordance with, the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting.

This Summary contains information from third parties. The company makes no representation or warranty as to the third-party information. Where necessary, the company received permission to cite third-party sources, but the information and data remain under the control and direction of the third parties.

This Summary provides an overview of Shake Shack's domestic company-operated businesses, unless otherwise noted.





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