CHIPOTLE TESTS RFID TECHNOLOGY FOR TRACEABILITY

One of the first restaurant companies to pilot RFID label system to optimize operations and trace ingredients at select restaurants

NEWPORT BEACH, Calif., March 31, 2022 / PRNEWSWIRE/ -- Chipotle Mexican Grill (NYSE: CMG) today announced it is testing radio-frequency identification (RFID) technology to enhance its traceability and inventory systems at its Chicago distribution center and approximately 200 restaurants in the greater Chicago area. A leader in food safety, Chipotle is one of the first major restaurant companies to leverage RFID case labels to track ingredients from suppliers to restaurants via serialization.

"RFID labels transform inventory management into an automatic, digital function that optimizes restaurant operations and gives our Restaurant Support Centers access to inventory data in real-time," said Scott Boatwright, Chief Restaurant Officer. "This integrated technology is improving our employee experience in participating restaurants while also benefiting our supply partners."

Committed to rigorous Food with Integrity standards, Chipotle purchased more than 35 million pounds of locally grown produce in 2021 and has spent more than \$400 million in food premiums over the last two years to buy responsibly sourced and humanely raised ingredients. The brand is giving further transparency into the direct source of its ingredients. The company has worked closely with the Auburn University RFID Lab to refine the pilot program, which is being tested on meat, dairy, and avocados from five Chipotle suppliers. Ingredients in the test arrive at Chipotle restaurants affixed with RFID enabled case labels and are scanned by RFID readers, which complement existing scanners in the restaurants, requiring minimal incremental investment. The tech-enabled traceability system is designed to allow the company to act on food safety and quality concerns swiftly, efficiently, and precisely.

Participating suppliers have invested in RFID technology using Chipotle specifications, which is anticipated to save suppliers time on inventory management and stock rotation, mitigate human error, and increase expiration date visibility and accountability. Chipotle invited key supply partners to participate in the test and provided partners with an RFID playbook with best practices and benefits of the program. The brand is leveraging its stage-gate process to test, listen and learn from employees and suppliers before deciding on a system-wide rollout of RFID labels.

"We have been developing our RFID program for two years and see this innovation as the next evolution of traceability and food safety," said Laurie Schalow, Chief Corporate Affairs and Food Safety Officer. "We are excited to test this innovation in the field with our suppliers and restaurants to enhance our robust traceability program."

Chipotle teamed up with industry-leading RFID partners including RFID software provider Mojix, materials science and RFID innovator Avery Dennison, and RFID reader and encoder solutions provider Zebra Technologies.

About Chipotle

Chipotle Mexican Grill, Inc. (NYSE: CMG) is cultivating a better world by serving responsibly sourced, classically-cooked, real food with wholesome ingredients without artificial colors, flavors or preservatives. Chipotle had over 2,950 restaurants as of December 31, 2021, in the United States, Canada, the United Kingdom, France and Germany and is the only restaurant company of its size that owns and operates all its restaurants. Chipotle is ranked on the Fortune 500 and is recognized on the 2021 lists for Forbes' America's Best Employers and Fortune's Most Admired Companies. With nearly 100,000 employees passionate about providing a great guest experience, Chipotle is a longtime leader and innovator in the food industry. Chipotle is committed to making its food more accessible to everyone while continuing to be a brand with a demonstrated purpose as it leads the way in digital, technology and sustainable business practices. For more information or to place an order online, visit www.chipotle.com.

For further information: Erin Wolford, (949) 524-4035, MediaRelations@chipotle.com

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